

Expectation

- Oil** ➔

Following the sharp downturn late last week, there were no major fluctuations in Monday's session on the oil market. The Brent front month contract ended up falling modestly to 82,40 USD/bbl, as the news of the resignation of Joe Biden as candidate in the upcoming election did not appear to cause any turbulence whatsoever. Instead, focus remains on macroeconomic signals and on the possibility of US interest rate cuts. The market continues sideways Tuesday morning.
- Gas** ↘

There were no noticeable news to report on the gas market either yesterday and as a result, futures contracts edged modestly down. The very high storage levels across Europe weigh bearishly on the market and even though we do see warmer weather across Europe now, it is not enough to trigger an upturn. The downtrend could easily continue today.
- Coal** ↘

On a day with falling prices on the gas market, European coal prices also fell. The API 2 2025 contract was down another 0,85 USD/t, closing at 11,67 USD/bbl. The market should not face any noticeable disturbance in the time to come unless we see sudden fluctuations on the gas market, with the correlation expected to continue in the near future.
- Carbon** ↘

This week opened like last week ended, with falling prices on the European carbon market. For the first time in several months, the benchmark contract dropped below the technical resistance point at 65 EUR/t and closed the day at 64,72 EUR/t. Buying interest is low and this should remain the case in the coming weeks where summer holiday season will weigh upon the market.
- Hydro** ➔

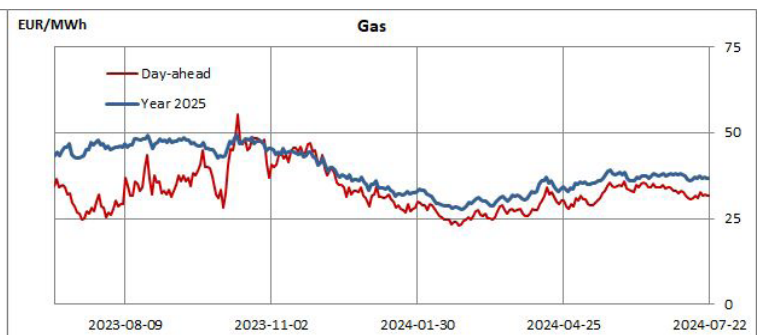
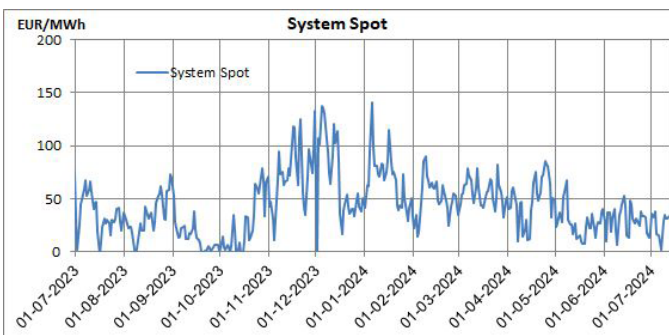
During the next couple of weeks, the Nordic area will face both periods of high-pressure weather with low rain amounts, and wetter periods with more unsettled conditions. The next few days look very wet and in total, the 10-day outlook is still around 50 % wetter than seasonal average. The hydro balance remains in a small surplus following the recovery during the last few weeks.
- Germany** ↘

Monday, the German power market initially edged modestly up due to warmer weather forecasts, but the sentiment turned bearish as the day went on. No real heatwave is coming, and demand should not increase noticeably. The long end of the curve fell along with gas and carbon and the downtrend appears to continue Tuesday morning.
- Equities** ➔

Yesterday, focus on the financial markets was initially on Joe Biden's decision to step down as candidate for the upcoming US presidential election. The markets reacted rather calm to the news however, as they were not completely unexpected and do not change the fact that Donald Trump is favorite to win the election. Both the European and the US markets ended up rising yesterday and the optimism continues Tuesday morning in Asia.
- Conclusion** ↘

The Nordic power market initially continued last week's uptrend Monday, but as the day went on, the sentiment turned a bit more bearish. The wetter-than-average weather forecasts and the falling related markets ended up causing a day of modest price falls, with the Q4-24 and 2025 contracts closing at 46,35 EUR/MWh and 42,40 EUR/MWh respectively. Today, we once again consider falling prices as the most likely scenario due to the downtrend on the related markets and amid wet forecasts for the coming weeks.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
21-Jul	51,72	51,76	16,20	38,46	15,56	18,94	19,69	August	64,40	67,05	24,65	35,40	31,15	36,30	29,40	Day-ahead	31,70
22-Jul	80,53	80,53	22,59	46,39	23,63	23,00	27,70	Q4-23	76,35	73,85	41,60	52,60	53,85	57,10	46,35	Year 2025	36,54
23-Jul	78,22	78,22	21,77	42,10	19,74	23,80	27,28	2025	75,90	72,65	37,60	48,80	48,85	52,15	42,40		



The Morning report is produced on the basis of information about the Nordic power market from sources which Energi Danmark A/S finds reliable. We attempt to continuously keep data correct and up to date. Energi Danmark A/S assume no responsibility for the accuracy of the contents of this report. Energi Danmark A/S makes reservations for typing errors, calculation errors and assume no responsibility for any loss or damage arising from the direct or indirect consequences following use of this material. Estimates and recommendations can be changed with no prior notice or warning. The report is confidential and only intended for clients of Energi Danmark A/S. Information contained in the report is of general nature and cannot be defined as advice. Readers are urged to seek closer advice in relation to specific questions. This material is not to be published or in any other way passed on for unauthorized use.