

## Expectation

- Oil** ↘

On the oil market, the week opened with falling prices, but we see a modest rebound again early Tuesday. Yesterday's losses were attributed to weak economic data from China, as the country continues to struggle to get the economy up to speed following the many years of corona virus restrictions. Today, most focus will be on the US Fed and their expected decision to cut interest rates as the ECB made a similar decision at the summit last week.
- Gas** →

This week opened like last week ended, with falling prices on the European gas market. The weather forecasts agree that the coming week looks both mild and windy in Northern Europe, something which will limit gas demand after a period with high consumption. The market rebounds early Tuesday but the sentiment could easily turn bearish again during the day.
- Coal** →

The European coal market continued the downtrend as well Monday, closely tracking the development on the gas market. As a result, the API 2 2025 contract fell to 109,60 USD/t. Demand is weak, both in Europe and in Asia, and the current weather forecasts do not provide any bullish signals either.
- Carbon** →

Yesterday was the last trading day for the EUA Dec-24 contract, before the Dec-25 contract is the new benchmark starting today. The market continued down along with gas yesterday, amid milder forecasts and speculative investors closing their long positions. The market recovers early Tuesday but it is far from certain that this will last throughout the day.
- Hydro** ↘

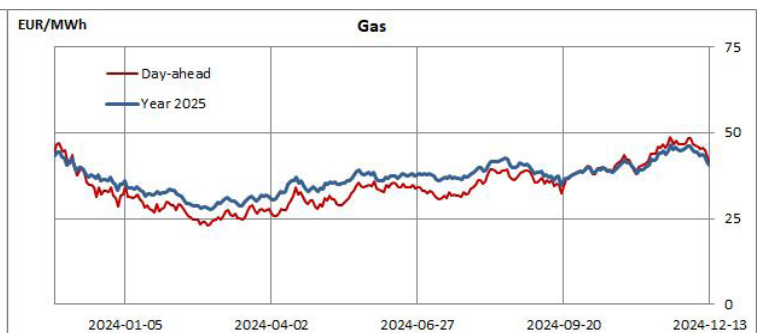
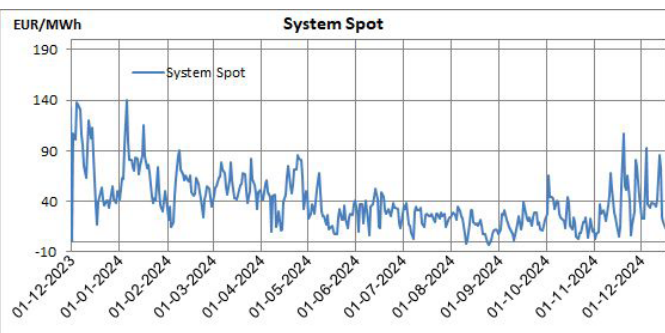
Temperatures in the Nordic area are expected above average until New Year according to the latest forecasts, although the outlook becomes a bit uncertain in the last days of the year. Precipitation amounts are also expected above average and with a growing surplus on the hydro balance, the outlook remains bearish for the Nordic power market.
- Germany** →

As gas, coal and carbon prices continue to slide, the situation also remained bearish on the German power market yesterday. The country's 2025 contract, which is now only a few weeks away from delivery, closed yesterday at 87,10 and the sharp increases throughout November have now been almost completely wiped out during the last couple of weeks.
- Equities** →

There were no major fluctuations on the European stock markets yesterday and the largely neutral sentiment continued later in the day in the US. The market appears to be awaiting the main event of the week, today's interest meeting in the US Fed where the bank will likely decide to cut interest rates further. The decision has however already largely been priced in.
- Conclusion** →

Nordic power prices are falling like a stone right now. Following several weeks of range-bound trading, the most traded system futures have dropped sharply the last sessions due to the very mild and wet weather forecasts for the coming weeks and the bearish signals from the related markets. At the end of the day, the Q1-25 and 2025 futures closed at 45,35 EUR/MWh and 30,80 EUR/MWh. We see an initial recovery early Tuesday but it seems very uncertain if it will last as the day goes on.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
15-dec	32,25	27,08	23,74	22,37	29,33	29,81	19,25	January	80,63	86,75	66,00	66,00	75,50	61,25	46,00	Day-ahead	39,79
16-dec	20,55	20,43	23,44	20,84	33,45	21,23	13,52	Q1-25	77,35	72,35	57,60	60,10	74,85	61,35	45,35	Year 2025	39,33
17-dec	63,46	64,74	64,01	54,78	100,75	43,06	46,58	2025	74,80	74,93	34,10	43,05	45,80	42,65	30,80		



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.