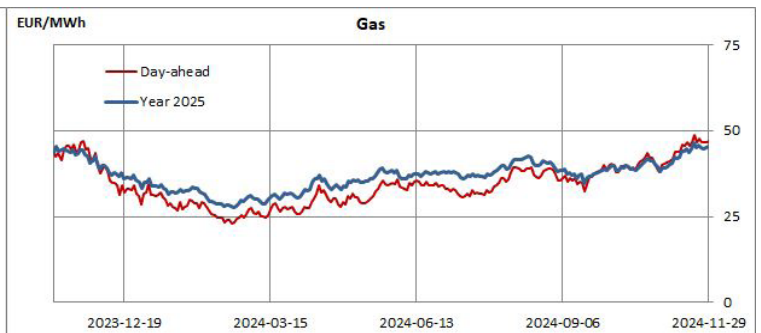
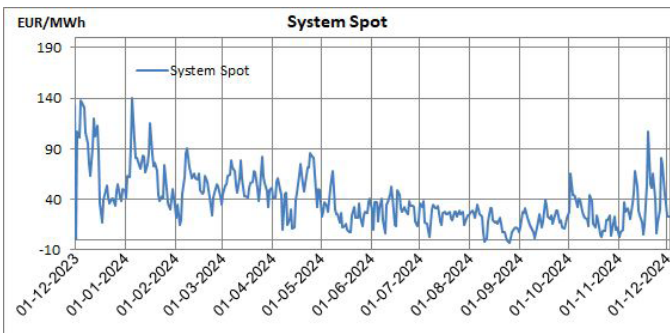


Morning Report December 3 2024

Expectation

- Oil** This week opened like last week ended, with sideways trading on the oil market. The market is trading water ahead of Friday's long awaited OPEC+ summit, where the organization and its allies is expected to make a decision on whether to follow through on or skip the announced production increases from earlier this year. The next few days will likely be dominated with rumors about the positions of the relevant countries in the negotiations but
- Gas** Monday, prices increased on the gas market, rising back close to the year-high levels from early last week. Two important bullish factors were decisive yesterday, colder weather forecasts for Northern and Western Europe compared to ahead of the weekend and declining Russian flows. The countdown has now started to New Year where Russian exports to the EU through Ukraine will cease entirely so the concerns about how much Russia is sending on specific days are soon irrelevant.
- Coal** The correlation between gas and coal appears to have stopped at least for a short while, as coal has now fallen for several sessions despite the fact that gas continues the uptrend. Coal supply is growing as imports from other continents are rising after a period where stock levels at the large European coal terminals were well below what we had seen the last few years.
- Carbon** There were no major fluctuations on the European carbon market yesterday, where the benchmark contract ended up rising to 68,60 EUR/t, modestly higher than Friday's close. The gas market offers bullish support but this is offset by bearish technical signals and weak economic signals from first and foremost Germany. The market opens bearishly Tuesday but this could change since gas is rising.
- Hydro** Temperatures in the Nordic area are expected slightly below average during the next two weeks, apart from a couple of days during the coming weekend. This is of course bullish news for the Nordic power market, although the forecasts are not extremely cold, with a stable outlook 1-2 degrees below normal during the period. Meanwhile, precipitation and wind output is also expected below normal most of the next two weeks.
- Germany** As gas prices were on the rise again Monday, the German power market also opened the week on a bullish note. The country's 2025 contract rose to 98,80 EUR/MWh, ready to make another push to break above 100 EUR/MWh today where the uptrend on the gas market continues. The weather supports the uptrend, with calm, cloudy weather once again dominating Germany, also causing spot prices to spike.
- Equities** On the financial markets, the bullish run continued in Monday's session. The European Stoxx600 Index was up 0,66 % as interest rates fell ahead of the upcoming ECB meeting. The market is looking forward to important key figures later this week, first and foremost the US job report Friday. Tuesday, we could see the uptrend continue as the US markets were also bullish late yesterday.
- Conclusion** Yesterday, we saw a bullish opening to the week on the Nordic power market, first and foremost because the weather forecasts were noticeably colder and drier than they were ahead of the weekend. The Nordic system futures rose on these changes and the uptrend on the gas market as well as on the German power market added to the upside. The Q1-25 and 2025 contracts rose to 53,95 EUR/MWh and 37,15 EUR/MWh respectively and we expect further price climbs today as the forecasts remain bullish and German power also rises.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
01-dec	85,71	85,69	19,36	25,91	6,91	37,68	23,04	January	98,25	99,50	67,25	70,25	73,00	67,25	55,00	Day-ahead	48,39
02-dec	77,38	91,29	22,41	33,02	11,53	37,83	23,19	Q1-25	91,70	83,95	62,70	69,20	75,20	67,95	53,95	Year 2025	46,19
03-dec	132,35	139,10	92,37	89,54	99,83	70,07	55,53	2025	86,65	84,53	36,50	47,15	47,45	46,65	37,15		



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