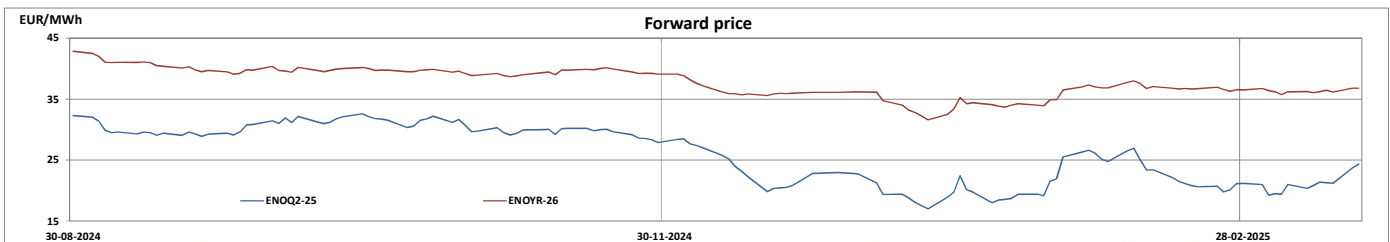
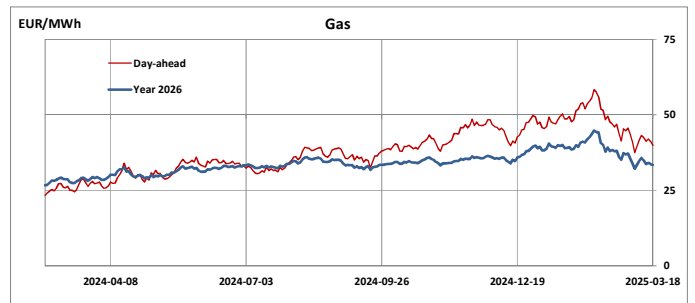
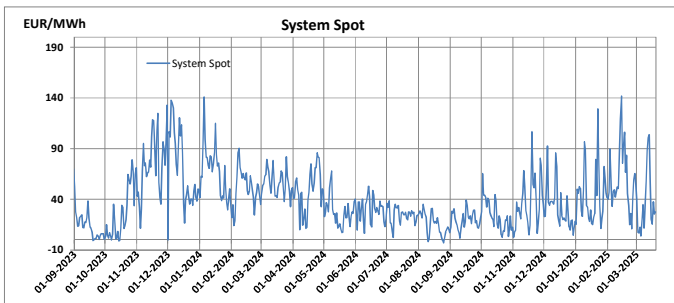


Morning Report January 15 2025

Expectation

Oil		In anticipation of talks between Trump and Putin and weighing possible outcomes, oil prices eased yesterday. The Brent front month contract settled 0,51 USD/bbl below Monday at 70,56 USD/t. Likewise, economic worries in the wake of US trade tariffs also weighed on crude price levels. The softer price development continued this morning as though a full 30-day ceasefire was not agreed on, Putin agreed to halt attacks on Ukraine energy facilities. If adhered to, this could mark a first cautious step leading to easing of some sanctions on Russia.
Gas		Ahead of the planned call between Washington and Moscow regarding a potential ceasefire regarding Ukraine and entailing factors, European gas markets saw little fluctuations and ended the session slightly softer than Monday. Fundamentally, Europe remains very short of gas and faces tough efforts to refill storages to more comfortable levels, which not allows for deeper price falls at the moment. Still, currently rather mild conditions should have a muted effect on short-term demand. The gas market appears to price in the outcome of the US-Russia talk bullishly, leading to a price jump this morning.
Coal		Yesterday, the European coal market faced softer price levels once more. The API2 front year contract settling at 101,59 USD/t lost 1,25 USD/t compared to Monday. Decisive impetus from the gas market to any specific direction was lacking, and fundamentals seemed to be rather focussed on. While demand in Europe remains slack, China is reportedly also facing slowing demand in the first quarter of this year. With gas prices gaining once more this morning, coal prices could easily follow suite.
Carbon		Yesterday we saw a price increase in the European carbon market. The market was up more than 1 EUR/t in the late trading, as the market waited for news on a potential Ukraine ceasefire. The Dec-25 contract settled at 71,30 EUR/t up 1,7%, but was still trading in a range market, so we expect it to trade sideways to up today.
Hydro		High pressure dominates the south, while a deep low moves east in the north, bringing temperatures 2-5°C above normal, with the warmest period late this week and early next. The second half of the week will be mostly dry, but a new low will bring stronger winds of up to 15-25 GW before calming again. Later next week, it turns slightly colder, with uncertain precipitation of close to 85% of normal and generally low to normal winds. This also brings down the hydro balance once more.
Germany		Similar to the gas and carbon markets, German power contracts were initially seen with rather limited price moves into early afternoon. While partly softer gas prices occurred in the remaining session, they could deploy only limited impact. On the contrary, firming carbon prices lend some support. The front month contract settled at 81,08 EUR/MWh (up 1,04 EUR/MWh on the day), the front year at 82,71 EUR/MWh gained 1,07 EUR/MWh. As the energy complex seemingly deems the outcome of ceasefire talks and lack of more tangible concessions bullishly, German power prices head higher this morning.
Equities		The STOXX 600 index rose by 0,5%, driven by the anticipation of Germany's parliamentary vote on significant debt reforms, including a €500 billion infrastructure fund and eased borrowing restrictions. The phone call between Trump and Putin aimed to reduce geopolitical tensions, its impact on European markets was mixed. The U.S. stock markets faced declines amid ongoing Federal Reserve deliberations and escalating Middle East tensions. The nervousness continues today as the Federal Reserve will speak later today, whereas the European markets looks set to open flat.
Conclusion		It was a strong start on the Nordic power market yesterday on calmer and drier forecasts, but the rise was muddled down later on the day as the Q2-25 and Cal-26 closed at 24,35 and 36,80 EUR/MWh resp, as the rangebound trading persists. The weather forecast maintains a colder and drier outlook for a sustained period of time which puts bullish pressure on the market and this mornings forecast confirms a calmer period ahead.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
17-mar	97,14	95,21	74,93	81,40	64,88	46,87	37,57	December	76,25	76,53	38,65	45,90	45,75	49,75	35,75	Day-ahead	39,93
18-mar	86,51	86,64	37,85	63,80	29,36	45,14	25,43	Q1-25	68,48	69,35	22,82	35,94	28,60	39,03	24,35	Year 2026	33,40
19-mar	100,50	104,50	48,38	81,61	21,98	46,86	27,55	2025	74,05	74,55	37,80	50,43	43,65	48,83	36,80		



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