







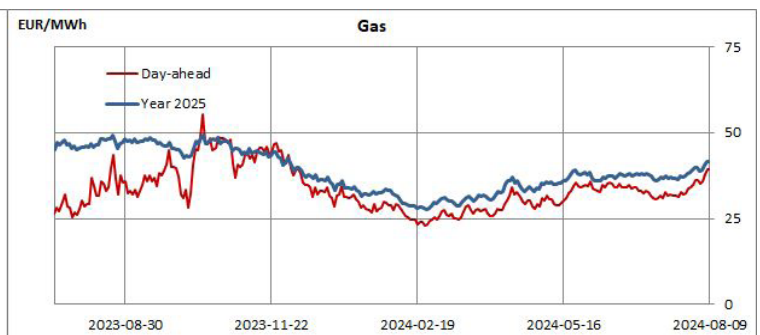
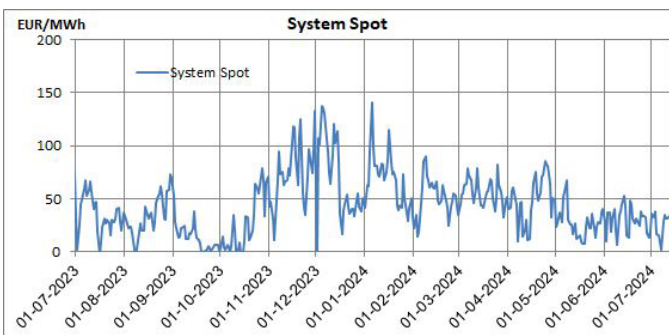


Morning Report August 12 2024

Expectation

- Oil**  After dropping to the lowest price level in more than half a year early last week, we have seen a recovery on the oil market. Prices continue to rise Monday morning, with the Brent front month contract once again approaching 80 USD/bbl. The market has been subdued by weak macro-economic signals, but growing tensions in the Middle East have weighed heavier in the last sessions as the concerns about escalation between Israel and Iran continue.
- Gas**  We have seen some quite sharp price jumps on the gas market recently, both following the Israeli assassination of the Hamas leader in Iran and following the escalating fights between Russia and Ukraine recently. The Ukrainian attack on Russian territory last week means that fighting is now close to where the important gas pipeline to Southern Europe goes, and the market fears it could be damaged in the conflict. Prices have therefore jumped to the highest level so far this year, although we see a retreat early Monday.
- Coal**  On the coal market, we have seen rising prices lately as the market has edged up steadily in line with the corresponding gas price hikes. As long as the insecurity remains as high as it is on the gas market, coal will also be subject to sudden fluctuations as the summer has not brought and end to the strong correlation between the markets.
- Carbon**  With high volatility on the gas market, the European carbon market is also in a nervous position. The benchmark contract ended up falling Friday despite the gas increases, closing the day at 70,14 EUR/t. The market has been trading quite range-bound lately, but with demand expected to pick up as the summer holiday ends, we might see that change in the coming time.
- Hydro**  Over the weekend, we have received a confirmation that the second half of August will likely be rather wet and windy in the Nordic area. The next few days look quite dry and calm, but a change to more unsettled conditions will likely take place later this week. The outlook appears bearish for the Nordic power market as the hydro balance is also expected to improve due to the wet conditions.
- Germany**  German power prices rose further along with gas Friday, and with a closing price of 98,02 EUR/MWh, the country's 2025 contract is now approaching 100 EUR/MWh for the first time in several months. All focus is of course on the gas market and the nervous situation about the gas supply from Russia to Southern Europe, something which could also affect prices in Germany. The market retreats modestly again early Monday.
- Equities**  Ahead of the weekend, the recovery on the stock markets continued, with the European Stoxx600 Index up another 0,57 %. The market is still trying to win back some of the major losses from the previous weeks. We could be up for another volatile week as important key figures on US consumer price could turn out to be decisive for whether or not the US Fed will lower interest rates.
- Conclusion**  The Nordic power market closed last week with rising prices. Bullish related markets were the main focus point on the market, as the Q4-24 and 2025 contracts closed Friday at 44,30 EUR/MWh and 42,20 EUR/MWh respectively. Today, we do however expect a turnaround since the weather forecasts have turned wetter and windier over the weekend and because the related markets, first and foremost German power, also appear to retreat.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
10-aug	7,45	7,45	-6,26	-6,26	-2,71	-1,90	-1,63	September	82,80	83,70	22,70	37,70	41,95	33,45	26,70	Day-ahead	39,13
11-aug	37,87	28,59	-6,87	-6,87	-1,04	-1,78	1,46	Q4-24	83,80	79,80	40,05	52,05	53,45	54,30	44,30	Year 2025	41,69
12-aug	92,06	92,06	12,00	46,19	13,89	12,29	17,65	2025	84,58	82,08	38,10	48,60	49,75	51,95	42,20		



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