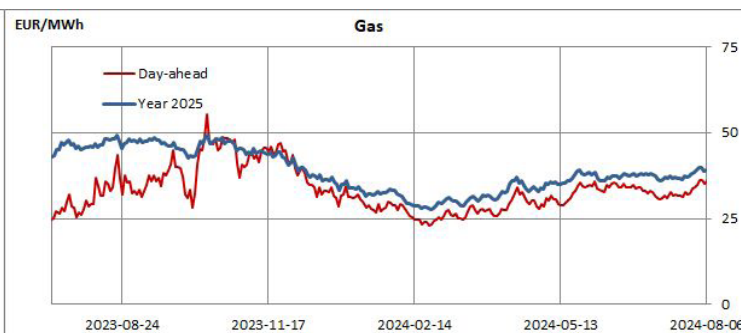
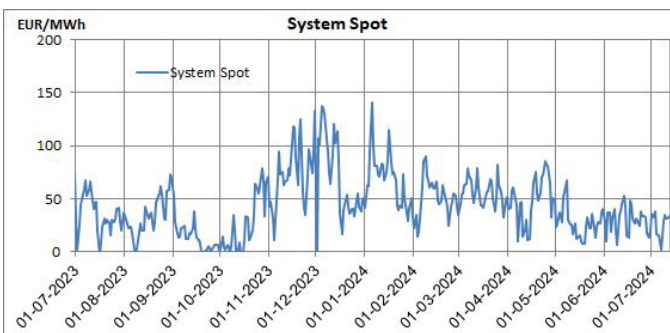


Morning Report August 7 2024

Expectation

Oil	➔	Following some very sharp losses during the previous sessions, the international oil market managed to stabilize yesterday. The market had retreated sharply along with the big losses on the stock markets during the previous several sessions, but now hopes to avoid further declines. The Brent front month contract closed Tuesday at 76,48 USD/bbl and the market also opens largely sideways today, where the stock markets remain calm.
Gas	↘	On the gas market, we also saw a recovery yesterday, with the most traded contracts on the market once again approaching year-high levels. The high temperatures should continue in Southern and Central Europe throughout next week, and the ensuing high gas consumption is of course bullish news for the market, even though supply is plentiful here and now. The market edges down again Wednesday morning.
Coal	↘	European coal prices rose along with gas yesterday. We see some supply issues on the coal market right now, with limited exports Colombia, but there is still no panic on a market which has been largely subdued for quite some time. With gas prices at their highest in more than half a year, there is a potential of increasing coal demand.
Carbon	↘	Tuesday, the European carbon market won back some of the losses from the previous session, following the overall uptrend also initiated by the financial markets. At the end of the day, the EUA Dec-24 contract closed at 69,96 EUR/t. The high auction supply has weighed on the market recently due to low summer holiday demand. We expect the contract to continue to trade around the 70 EUR/t mark today.
Hydro	➔	Expected precipitation in the Nordic area during the next 10 days is around 10 TWh, equaling around 50 % more than normal for this time of the year. The hydro balance should improve during this period, but is still expected in a marginal deficit by mid-August. Temperatures look set to remain above average throughout most of the period.
Germany	↘	German power prices also managed to recover yesterday, following the movements on the related markets, first and foremost gas. Temperatures in Germany are well above average right now, but the situation next week looks a bit more uncertain and demand could therefore change. The country's 2025 contract rose to 94,48 EUR/MWh yesterday but appears to retreat early Wednesday.
Equities	↗	On the financial markets, the nervous sentiment continued yesterday but the markets managed to avoid another downturn, instead winning back at least some of the massive losses of the previous session. The S&P 500 Index climbed 1,04 % and the first signals from Asia early Wednesday suggest that the recovery should continue.
Conclusion	↘	There were mixed signals on the Nordic power market yesterday. On the one hand, the related markets increased, with first and foremost gas and German power recovering, but on the other hand, the weather forecasts remained wet for the coming weeks. This in total led to a largely neutral day on the Nordic power market, where the Q4-24 and 2025 contracts closed largely flat at 41,90 EUR/MWh and 41,00 EUR/MWh. Today, we consider falling prices as the most likely scenario since German power also opens down.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
05-aug	90,16	90,16	25,03	82,98	25,03	25,30	35,11	September	79,98	81,70	21,60	36,60	40,85	32,35	25,60	Day-ahead	35,96
06-aug	86,98	87,23	22,15	88,11	22,15	23,68	30,34	Q4-24	79,53	75,15	37,30	49,65	50,70	51,90	41,90	Year 2025	39,09
07-aug	92,91	92,91	16,65	91,99	17,06	22,94	25,59	2025	81,50	79,25	36,80	47,40	48,20	50,75	41,00		



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