

Expectation

- Oil** ➔

Following a very bearish start to the week, the international oil market managed to stabilize yesterday. The market has been removing some risk premium again following the recent statements from Israel that the country will not be targeting the Iranian oil industry after all in the country's expected upcoming retaliation attack from Iran's missile strikes earlier this month. The market remains alert however and moves sideways again Thursday morning.
- Gas** ➔

European gas prices continued to fall yesterday, with quite mild weather forecasts for Northern and Western Europe limiting gas demand at a time of the year where demand is otherwise starting to ramp up. Europe remains well-supplied, with storages at 95 % of capacity, but the many points of uncertainty, first and foremost the situation in the Middle East and the topic of a potential stop to Russian gas through Ukraine limit the downside significantly.
- Coal** ➔

On a day with falling gas prices, the European coal market also edged down Wednesday. There is not much news to tell from the coal market. As the weather turns colder, demand picks up, and Europe is also importing more coal from other continents, but there are no signs that the strong correlation with gas is about to end anytime soon.
- Carbon** ➔

The quite mild weather forecasts for Europe and the ensuing low demand also affected the European carbon market. Furthermore, we see signs that speculative investors are taking on short positions, adding to the bearish sentiment right now. The benchmark contract fell more than 2 EUR/t to 63,03 EUR/t, and we expect gas to be decisive for the development again today.
- Hydro** ⬇

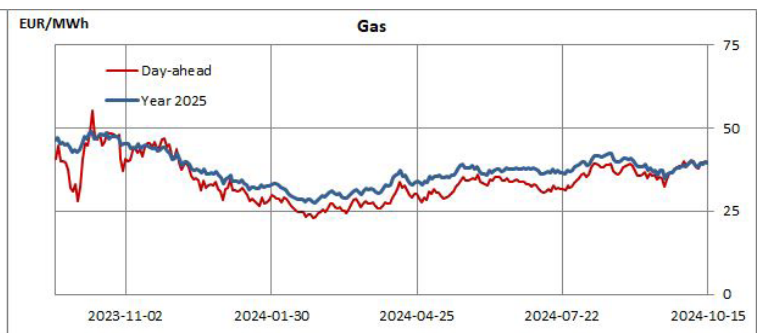
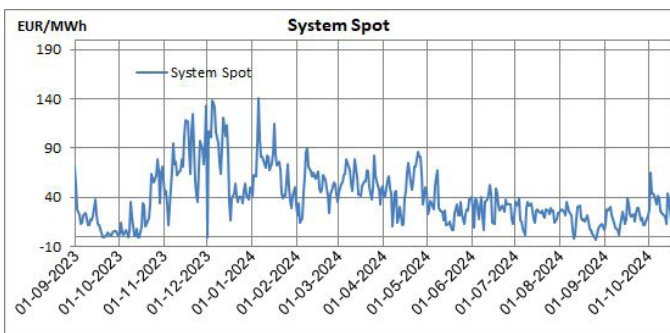
Since yesterday, the forecasts for the Nordic area have been rather mild, with temperatures well above average during the remainder of this week and also around or above normal throughout most of next week. Precipitation amounts are expected around or just below normal, which limits the bearish effect on the Nordic power market somewhat.
- Germany** ➔

Like many other countries in Europe, Germany is heading for a very mild period of time the coming week, with temperatures at times climbing to 5-6 degrees above normal. This is of course bearish for the country's power market since it limits demand significantly, and the market did indeed edge down yesterday. The 2025 contract closed at 86,51 EUR/MWh. We see an upwards correction early Thursday but we expect a largely neutral session.
- Equities** ⬇

For a second straight day, the European stock markets edged down Wednesday, partly as a reaction to disappointing news from the Chinese government regarding the stimulus aid to the country's weakening economy. Today, all focus will be on the ECB interest meeting where we expect to see rate cuts. The question is how the markets will react to the news.
- Conclusion** ➔

Milder and wetter weather forecasts were confirmed during the day on the Nordic power market yesterday and this – combined with falling prices on the related markets – led to a bearish sentiment on the Nordic power market. The Q1-25 and 2025 system futures fell to 57,35 EUR/MWh and 39,75 EUR/MWh respectively. We consider largely sideways trading as the most likely scenario today unless the forecasts change noticeably as the day goes on.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
15-okt	95,00	95,00	43,60	58,57	41,68	58,39	38,24	November	73,60	73,40	41,60	50,49	47,60	53,60	43,60	Day-ahead	38,76
16-okt	24,28	20,64	13,08	13,37	12,19	24,83	15,76	Q1-25	79,23	74,98	55,02	63,95	77,85	67,85	57,35	Year 2025	38,91
17-okt	60,32	57,63	1,97	1,97	1,27	33,37	11,74	2025	77,50	74,50	36,00	48,25	50,15	48,00	39,75		



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.