







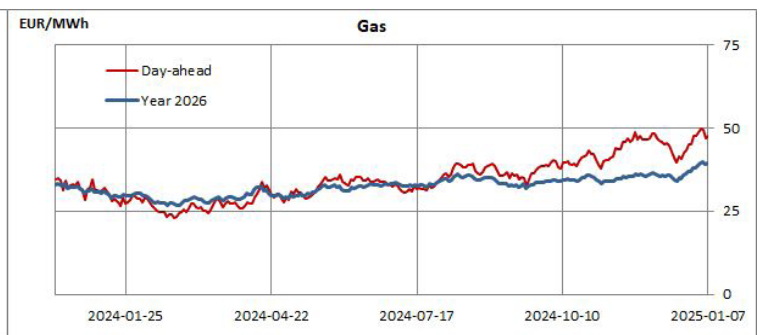
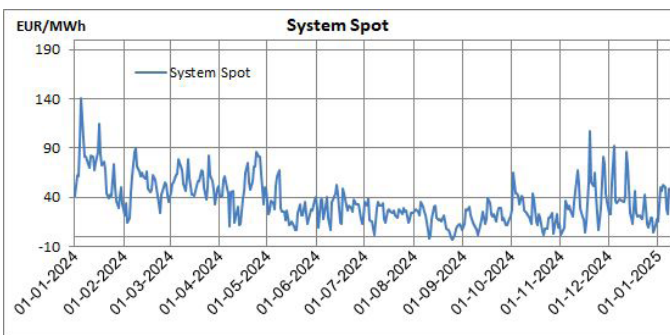


Expectation

- Oil**  An otherwise bullish period on the oil market was interrupted Wednesday, where prices instead fell due to surprisingly high US inventory numbers and a continuously strengthening US dollar. The strong dollar makes oil more expensive for non-US investors and the Brent front month contract fell to 76,16 USD/bbl, almost 1 USD/bbl lower than Tuesday's close. The market opens further down today but there is also some bullish signals that should prevent any noticeable downturn.
- Gas**  The correction on the European gas market continues, with prices across the curve falling further yesterday. The massive price jump during the Christmas holiday period were a bit exaggerated and happened in a period of limited trading activity, and the market now uses milder weather forecasts for the coming week to make a downwards correction. We consider falling prices likely today as well.
- Coal**  Overall weak demand and strong supply remains the main focus point on the coal market, which fell along with gas yesterday. The API 2 2025 contract fell to 104,59 USD/t, down more than 3 USD/t against the previous close. There are no signs that coal is going to become important in its own right anytime soon.
- Carbon**  Wednesday, the European carbon market continued the downtrend, marking the third straight day of falling prices after the benchmark contract had otherwise reached a 6-month high at the beginning of the year. Auction supply is however picking up now and gas and coal are falling. We expect
- Hydro**  Early Thursday, we see another confirmation of the low-pressure dominated Nordic weather forecasts. Starting at the beginning of next week, precipitation amounts, temperatures and wind output are all set to rise above average and will likely remain there for the forthcoming two weeks. The hydro balance surplus should grow if the forecasts turn out to be true and the outlook is therefore still bearish for the Nordic power market.
- Germany**  On a day with further price falls on the gas market and the European carbon market, the downtrend also continued on the German power market. The country's 2025 contract fell to 89,24 EUR/MWh and at least a part of the increases over Christmas and New Year have now been wiped out again over the last week. Today, we expect another, but likely more modest, day of falling prices.
- Equities**  There were no major fluctuations on neither the European or the US stock markets yesterday, where investors possibly wanted to await the upcoming US job report Friday. Today, the European markets again open cautiously and the US markets are closed today due to public holiday.
- Conclusion**  The steady downtrend on the Nordic power market continued yesterday, where the most traded system futures continued downwards amid mild and wet forecasts for the coming two weeks, a growing hydro balance surplus and bearish signals from gas and German power. The Q2-25 and 2026 contracts fell to 18,05 EUR/MWh and 32,80 EUR/MWh and the downtrend could very well continue today where the forecasts are even wetter and milder than yesterday.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
07-jan	27,12	25,34	21,21	23,04	19,68	32,77	23,19	February	84,35	83,60	46,38	49,82	59,40	54,50	36,60	Day-ahead	45,79
08-jan	75,45	70,53	67,68	69,48	63,87	68,82	49,13	Q2-25	74,18	73,30	19,82	27,85	29,05	29,05	18,05	Year 2026	38,25
09-jan	121,97	120,86	102,47	101,78	103,74	95,25	96,88	2026	84,30	84,55	34,80	43,86	43,80	42,80	32,80		



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