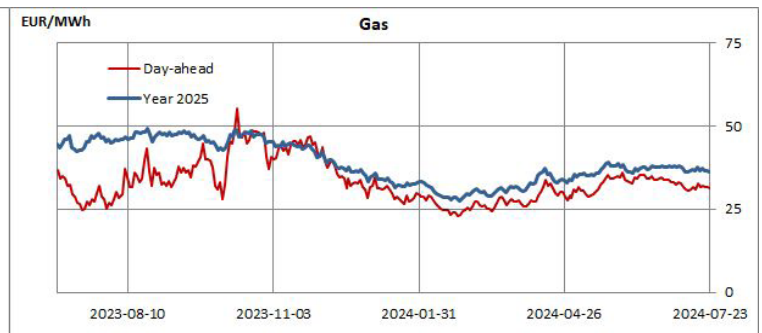
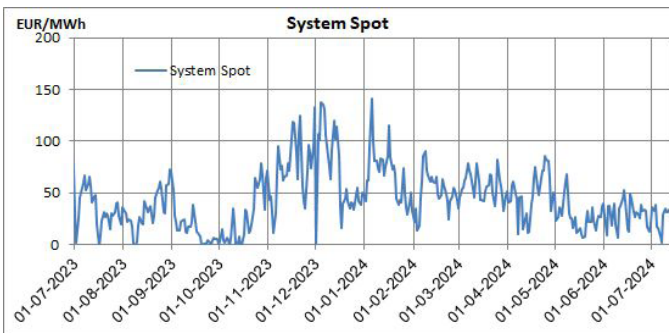


Morning Report July 24 2024

Expectation

- Oil** The rather sharp downtrend on the oil market continued yesterday and within just three days of trading, the Brent front month contract has dropped more than 5 %. It closed yesterday at 85,01 USD/bbl, responding to weak economic signals from China and ongoing hopes of a ceasefire agreement between Israel and Hamas. Today, we see an initial turnaround on the market and rising prices due to new data once again showing falling US inventory levels.
- Gas** On the gas market, the steady downtrend continued in Monday's session. In the absence of any specifically bullish news, the market appears to just edge quietly down, as strong storage levels and no changes to the European supply situation remain bearish news. We do not expect Wednesday to be the day where the market suddenly makes any major fluctuations.
- Coal** Tuesday, the coal market remained subdued with prices climbing modestly in the thin trading activity. The API 2 2025 contract closed the day at 112,82 USD/t. There are some expectations of growing demand following the summer holiday, but overall, the market remains quite dull and closely linked to gas, and this correlation should continue.
- Carbon** For the first time in a week, the European carbon market experienced rising prices yesterday. The market faces technical resistance around 65 EUR/t, after trading within a 65-70 EUR/t price range for several weeks. Demand does however remain low and auction supply ample so if the related markets continue to fall, carbon will face pressure to fall below 65 EUR/t once again. So far, the market opens largely sideways early Wednesday.
- Hydro** Since yesterday, we have not received any big changes to the Nordic weather outlook. The coming days look quite wet and unsettled, followed by somewhat drier conditions next week. In total, the 10-day outlook is still at least 50 % wetter than seasonal average, and the hydro balance has now stabilized in a surplus over the last week.
- Germany** Yesterday, we saw further price falls early in the day on the German power market, with the 2025 contract extending the three-month lows from the previous day. Later in the session, the market recovered along with carbon however, and the contract closed at 87,42 EUR/MWh, marginally up from Monday. Any big price climbs appear unlikely however and we expect a neutral or slightly bearish development today.
- Equities** Following an otherwise bullish start yesterday, the stock markets retreated a bit and closed more or less where they started. The European Stoxx600 Index ended up closing 0,13 % higher for the day. Today, we see a lot of focus on yesterday's financial statements from Tesla and Google, which were a bit disappointing and cause a negative sentiment on the markets today.
- Conclusion** There were no big fluctuations to report on the Nordic power market yesterday. The weather forecasts remain wetter than average, as has been the case for several weeks now, but rising prices on the German power market appeared to offset the bearish signals. At the end of the day, the Q4-24 and the 2025 contracts closed at 45,90 EUR/MWh and 42,55 EUR/MWh respectively. Today, the points of interest remain weather and related markets, and we see an initial sideways trading.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
22-jul	80,53	80,53	22,59	46,39	23,63	23,00	27,70	August	66,20	67,00	23,80	34,80	29,85	35,45	28,55	Day-ahead	31,19
23-jul	78,22	78,22	21,77	42,10	19,74	23,80	27,28	Q4-23	74,40	69,30	41,15	52,90	53,40	56,65	45,90	Year 2025	36,29
24-jul	51,41	51,58	20,88	34,56	30,76	20,85	23,32	2025	76,05	73,05	37,95	48,95	49,00	52,30	42,55		



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