

Expectation

Oil



Ahead of the weekend, the oil market edged up, as focus for a while turned away from the weak demand growth expectations in first and foremost China. The Brent front month contract closed at 76,05 USD/bbl. Monday morning, the market is falling sharply, down around 5 %, as Israel during the weekend conducted their long anticipated retaliation attack against Iran. The attack did not target the Iranian oil sector or energy facilities in general and the market therefore responds bearishly to the news today.

Gas



An extremely bullish week on the European gas market ended with another price jump Friday. The TTF front-month contract rallied to its highest level in 10 months amid colder weather forecasts and high geopolitical concerns. The fierce uptrend comes to an abrupt end today however, where prices are falling noticeably after the Israeli attack against Iran this weekend, which did not target the country's energy sector as it had been feared by the markets.

Coal



Friday, the European coal market rose once again, following the bullish trend on the gas market. Coal itself is still generally a subdued market in Europe, but when gas climbs as much as the case has been, we see rising coal prices as well. The sentiment looks set to change today however where gas is also changing direction after the events over the weekend.

Carbon



Carbon has been a very bullish market the last week, adding to the bullish sentiment on both the gas market and on the energy markets in Europe in general. Friday, the benchmark contract rose to 66,97 EUR/t, the highest level in almost two months, but it is no surprise to see prices fall along with gas early in Monday's trading.

Hydro



For the next 4-5 days, the weather in the Nordic area is expected quite wet and mild, but precipitation amounts are set to decrease noticeably from around Saturday or Sunday. From that point on, wind output is also expected to decline, but temperatures should remain above normal which is on the other hand bearish for the Nordic power market.

Germany



German power prices rose along with gas and carbon ahead of the weekend, with the country's 2025 contract closing the day at 92,30 EUR/MWh after the fifth straight day of rising prices. Colder weather forecasts added to the sentiment. As with gas, the uptrend will likely be halted today as the markets respond bearishly to the Israeli attack on Iran this weekend.

Equities



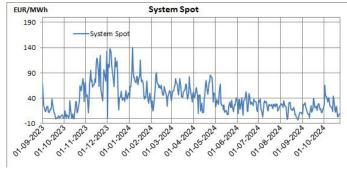
On the financial markets, Friday closed more or less neutral in Europe as the growth figures from the Eurozone did not differ much from what had been expected in advance. The Stoxx600 Index was down a marginal 0,03 % and the US markets experienced a similar development. The first signals Monday morning are a bit more bullish.

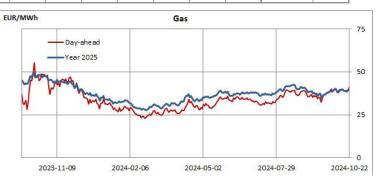
Conclusion



The Nordic power market climbed along with gas and German power Friday, with the most traded system futures rising for a fourth straight day. Q1-25 and 2025 closed the day at 58,10 EUR/MWh and 40,30 EUR/MWh respectively. The weather forecasts are turning drier, which added to the bullish sentiment. Monday, we do however consider falling prices likely, both because the outlook is still somewhat mild and because the related markets are falling.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
26-okt	101,72	101,72	43,69	48,80	43,69	20,06	23,76	November	82,10	81,10	42,40	51,80	48,60	55,10	44,10	Day-ahead	43,35
27-okt	88,87	88,87	-0,39	-0,39	-0,39	5,32	3,45	Q1-25	82,10	80,75	56,00	62,90	77,75	69,00	57,25	Year 2025	42,00
28-okt	109,79	109,79	9,37	16,25	3,35	18,26	10,70	2025	80,75	79,00	36,25	47,77	50,60	48,50	40,00		







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