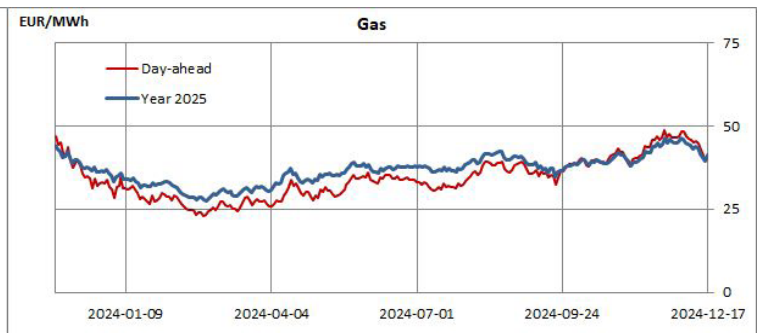
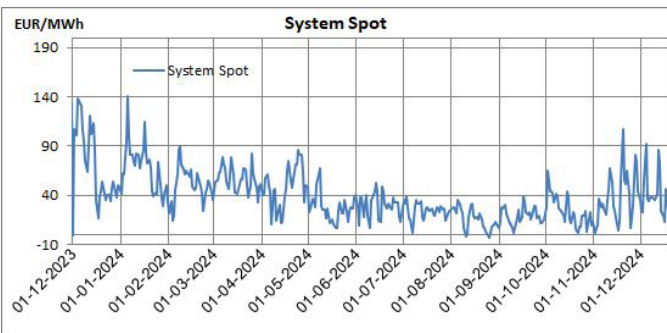


## Expectation

- Oil** For a second straight day, we saw slightly falling prices on the oil market yesterday. The market is awaiting today's US Fed meeting, where the bank is expected to cut interest rates once again, and until then fluctuations are rather modest. The Brent front month contract closed Tuesday at 73,19 USD/bbl, marginally lower than Monday as the market continues to weigh the different signals including the weak economic numbers from China.
- Gas** For the first time in quite a while, we saw a bullish session on the European gas market yesterday. The market felt the need for a correction following several weeks of falling prices. We are now entering the final few weeks of Russian gas exports to Europe through the Ukraine pipeline, and volatility is therefore increasing as time is ticking for several countries who need to replace their gas from Russia.
- Coal** On a day where the gas market changed direction and experienced a rare bullish session, the European coal market also edged up. The API 2 2025 contract closed yesterday at 111,17 USD/t, around 2 USD/t higher than Monday, and everything suggests that the correlation with gas will continue leading up to Christmas and New Year.
- Carbon** The benchmark contract on the European carbon market, the EUA Dec-24, has now expired and the Dec-25 is the new benchmark. Yesterday, it fell further despite the uptrend on the gas and coal markets, settling the day at 64,25 EUR/t. This is the lowest carbon price in two months but the market does appear to stabilize Wednesday morning.
- Hydro** Early Wednesday, the Nordic weather outlook still suggests quite mild and wet conditions leading up to Christmas, but possibly a bit drier and cooler signals for the week between Christmas and New Year. At that point, temperatures could sporadically drop below average although the forecasts are still overall quite mild and wet.
- Germany** As the gas market yesterday changed direction and started rising, the German power market also edged up. The country's 2025 contract rose to 88,48 EUR/MWh, around 2 EUR/MWh higher than Monday's close. The sentiment is however still overall bearish amid plenty of gas and mild weather forecasts for the forthcoming weeks.
- Equities** The wait-and-see mode continued on the stock markets yesterday, where we saw a lot of hesitation and profit taking which led to an overall bearish day. The S&P 500 Index closed down 0,39 % and even though the US Fed is expected to cut interest rates once again today, it is uncertain if it will cause any fluctuations as the decision has already largely been accounted for by the markets.
- Conclusion** Following several days of quite sharp price falls on the Nordic power market, the most traded system futures rose yesterday. The increases appeared to be primarily a correction after a long period of noticeable losses, as the overall sentiment across the markets yesterday supported a downturn. The Q1-25 and 2025 system futures closed the day at 47,40 EUR/MWh and 31,75 EUR/MWh respectively. We do not expect the same kind of increases Wednesday where the market opens largely sideways.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
16-dec	20,55	20,43	23,44	20,84	33,45	21,23	13,52	January	86,40	91,65	67,80	69,96	76,40	63,65	48,40	Day-ahead	41,35
17-dec	63,46	64,74	64,01	54,78	100,75	43,06	46,58	Q1-25	79,78	79,40	59,35	62,77	75,90	63,40	47,40	Year 2025	41,11
18-dec	25,91	38,66	33,57	30,16	134,74	28,14	24,12	2025	77,88	78,50	35,05	45,41	46,75	42,50	31,75		



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.