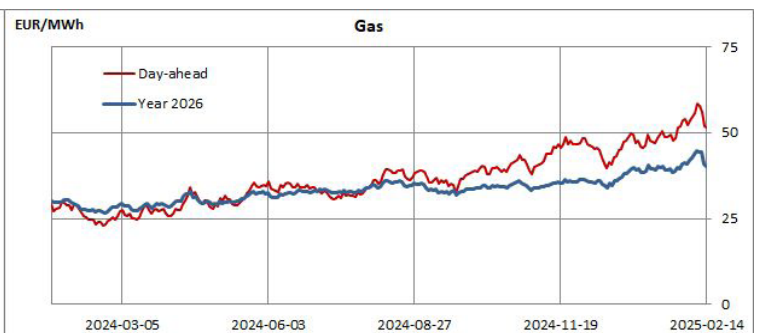
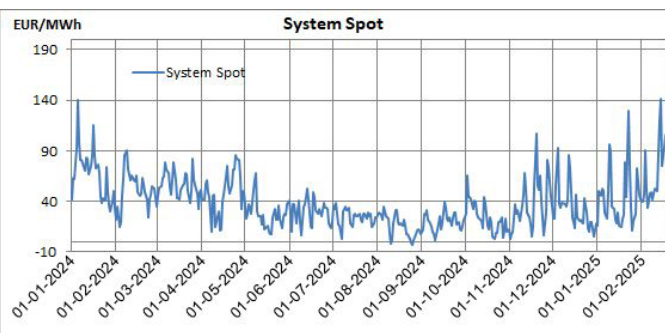


# Morning Report February 18 2025

## Expectation

- Oil** ↗ Three straight sessions of falling oil prices came to an end yesterday, where we saw a rebound, with the Brent front month contract closing at 75,22 USD/bbl. All eyes are on this week's Russia-US summit which will start in Saudi Arabia today and which will have the potential to change the geopolitical landscape noticeably if it does indeed lead to serious peace talks between Russia and Ukraine. Prices continue to rise early in Tuesday's trading.
- Gas** ↘ The situation with a potential peace agreement between Russia and Ukraine is also the all-decisive topic on the European gas market right now. Prices have been falling for a week now as the market expects increased supply opportunities if it does indeed end up with the war ending after three years. Any news about the details of the US-Russia negotiations will be decisive for market fluctuations today. The first signals are still bearish
- Coal** ↘ European coal prices continued to fall Monday, following the downtrend from the gas market. With the potential of improving gas supply in the case of a peace deal, coal could fall even more out of favor in the energy mix. The API 2 2026 coal contract fell to 106 USD/t, the lowest price level in almost a year and continue to fall along with gas Tuesday morning.
- Carbon** ↘ Yesterday, the overall bearish sentiment also affected the carbon market. Apart from the geopolitical situation, the much milder weather outlook for the coming weeks also affects the markets, as demand is set to decrease noticeably once temperatures rise. At the end of the day, the benchmark carbon contract, EUA Dec-25, had fallen to 77,21 EUR/t and the market also opens Tuesday bearishly.
- Hydro** ↘ Temperatures in both the Nordic area and in Northern Europe in general are still well below average, but we are now only 2-3 days away from a significant weather change. Temperatures will rise to 5 degrees or more above average during the weekend and the beginning of next week, with precipitation amounts and wind output also increasing.
- Germany** ↘ German power prices continued to fall yesterday, responding to the sharp ongoing downtrend on the gas and carbon markets. Germany, with its sharp dependence on gas, could see a change to its overall supply situation in case of a peace agreement between Russia and Ukraine, depending on how the EU will react and what will happen to the sanctions on the Russian energy sector.
- Equities** → Monday, the European stock markets saw a very bullish session, responding to expectations of growing defense spending by EU nations. The US markets were closed due to public holiday. Today, all focus will be on the outcome of the US-Russia peace talks in Saudi-Arabia.
- Conclusion** ↘ On the Nordic power market, the week opened bearishly yesterday and the downtrend appears to continue early Tuesday. The Q2-25 and 2026 system futures closed Monday at 22,15 EUR/MWh and 36,80 EUR/MWh respectively. There are of course two important topics driving the market, with both the upcoming sharp weather change and the related markets responding to the upcoming US-Russia negotiations with falling prices.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
16-feb	132,65	132,64	121,87	126,84	120,21	118,21	93,46	March	84,90	85,15	42,40	52,15	64,15	56,65	40,15	Day-ahead	48,45
17-feb	152,90	153,49	140,99	150,63	125,23	114,43	106,06	Q2-25	75,03	73,78	18,70	33,90	27,65	35,90	22,15	Year 2026	37,79
18-feb	132,27	132,46	74,37	128,10	21,69	112,67	66,77	2026	79,55	78,05	37,05	50,80	44,60	48,30	36,80		



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.