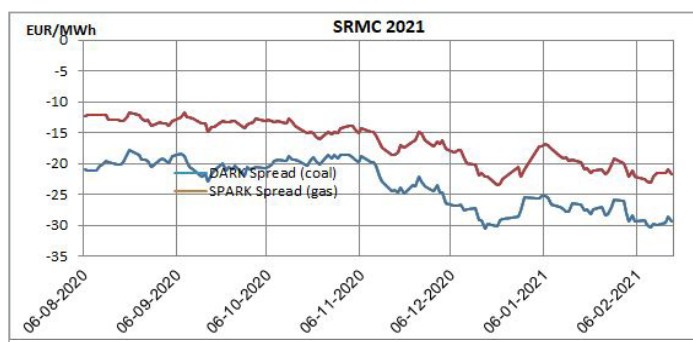
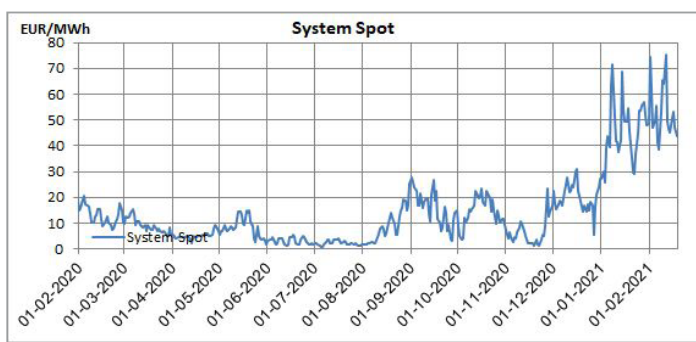


Expectation

- Oil** Thursday was a rare bearish day on the international oil markets. The cold spell continues in the US, which limits the country's production, and the most recent data on US inventories show another decline. Therefore, the losses yesterday must be attributed to profit-taking among traders following the recent uptrend. The Brent front month contract closed at 63,93 USD/bbl, and early Friday, prices are continuing downwards as the market expects OPEC supply to rise.
- Gas** Gas storage levels in Europe are falling steadily as a cold spell with high demand has now been replaced by low LNG import due to the ongoing extremely cold weather in the US. Storage levels in Europe are currently at 40 %, compared to 65 % at the same time last year. These figures are obviously a bullish signal for the market, which climbed on Thursday's trading. The market looks set to climb further Friday.
- Coal** Following a bearish period, European coal prices climbed Thursday. Although demand is falling in Europe due to higher temperatures and falling power demand, supply issues in both Russia and South America, as well as high demand in China led to a bullish sentiment yesterday. The API 2 Cal-21 contract ended up closing at 65,30 USD/, but we do not expect any long-lasting upturn.
- Carbon** We saw a rare neutral session on the European carbon market Thursday, where the benchmark contract fell just a marginal 0,09 EUR/t, closing at 38,32 EUR/t. Compliance buyers have started to enter the market to cover their 2020 consumption, but the increased demand was not enough to drive up prices yesterday. We expect the highly volatile sentiment to return within too soon.
- Hydro** Ahead of the weekend, we see some mixed signals from the weather forecasts. Some models indicate drier conditions next week, while others show milder and wetter weather in the long-term forecasts, early March. The outlook is therefore not in any clear way neither bullish or bearish for the Nordic power market early Friday.
- Germany** Forecasts showing lower wind power generation in the coming time helped the German power market climb yesterday, although losses on the carbon market and a mild weather outlook limited the upside significantly. The country's Cal-22 contract rose to 52,30 EUR/MWh and we expect a more or less neutral session today as well.
- Equities** Another bearish sentiment struck the European stock markets Thursday, where the Stoxx600 Index edged down another 0,80 %. The losses continued later in the day on the US markets, and we see losses in Asia as well Friday morning, possibly as a result of profit-taking.
- Conclusion** Long-term Nordic weather forecasts are signaling that the current very mild and wet conditions could be replaced by cooler and drier weather from late next week. This was the important price driver on the Nordic power market yesterday, as the Q2-21 and YR-22 contract rose to 27,55 EUR/MWh and 26,95 EUR/MWh respectively. The market rises early Friday due to late gains in Germany yesterday, but we do not expect any major gains throughout the day, as the weather forecasts do not clearly support the upturn.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS	SRMC	Coal	Gas	Oil
17-feb	49,67	50,02	50,02	50,02	79,56	49,88	47,12	March	43,78	45,25	39,15	40,90	43,65	37,40	34,40	March	55,38	48,75	62,30
18-feb	45,40	45,40	45,40	45,40	68,69	44,77	43,66	Q2-21	43,23	44,18	34,30	35,05	41,83	29,30	27,55	Q2-21	55,28	46,62	0,00
19-feb	47,70	47,77	47,66	47,74	60,55	46,71	46,65	2022	39,58	43,20	30,65	35,15	37,65	29,55	26,95	2022	55,98	48,82	0,00



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