

Expectation

Oil



The steady uptrend on the international crude oil market was halted Friday. After climbing steadily to the highest price level in more than a year earlier in the week, the Brent front month contract fell to 64,42 USD/bbl Friday, as traders used the end of the week to secure profit following the recent gains. A strengthening US dollar compared to other currencies added to the downside, but the market opens with a rebound Monday morning.

Gas



Fluctuations were rather small on the European gas markets Friday, were both spot and curve contracts on the important Dutch TTF hub closed more or less where they started the day. Temperatures are still above average in most of Western and Central Europe, but forecasts indicating cooler conditions from later this week prevented the market from falling further Friday.

Coal



Coal demand in Europe is decreasing as the winter looks like it is behind us, and temperatures will rise while renewable generation will increase as well. This offers bearish support to the coal market, although the ongoing supply concerns in both Russia and South Africa does indeed limit the downside. The API 2 Cal-22 contract fell 0,20 USD/t to 68,50 USD/t Friday, and we could see

Carbon



On the European carbon market, we see compliance buyers purchasing quotas to make up for their emissions during 2020 at the moment. This keeps a hand under the market, which appears to have found some sort of foothold just below the 40 EUR/t barrier. The benchmark contract closed at 37,28 EUR/t Friday, and we could see a recovery Monday.

Hydro



Since Friday, the Nordic weather forecasts have not changed noticeably. The next couple of days look rather wet and mild, but a high pressure will start dominating from then on, causing cooler conditions. Looking towards the end of this week, the forecasts disagree a bit on the development from then on, and today's outlook is therefore a bit up for interpretation for the participants on the Nordic power market.

Germany



German power prices fell along with the carbon market Friday. As the benchmark carbon contract edged down around 1 EUR/t, the German Cal-22 power contract, which in general has tracked carbon closely lately, followed suit and settled the day at 52,31 EUR/MWh. Monday, the market opens largely sideways.

Equities



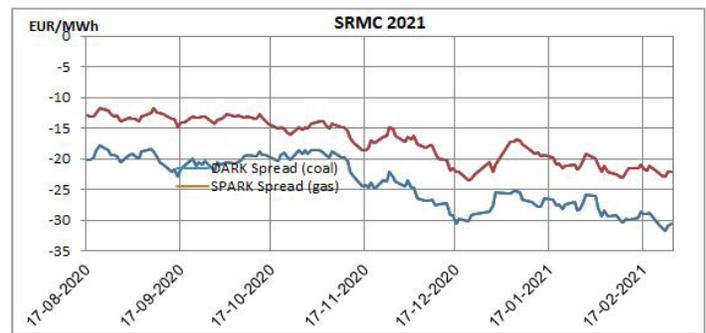
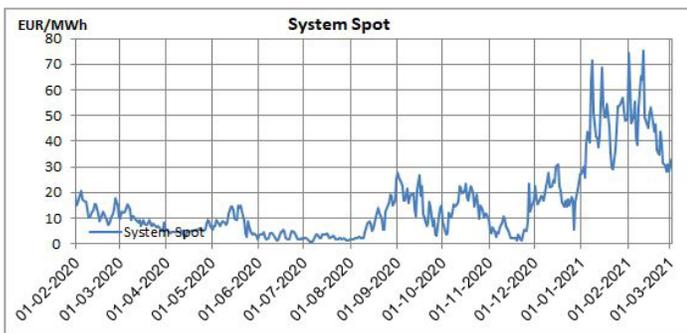
Across the international stock markets, we saw another day of losses Friday. The European markets had to make up for the losses in the US late Thursday, and the concerns about rising interest rates continued to weigh across the markets. Monday morning, the first signals from the Asian markets are bullish however, but we do not expect any big rebound.

Conclusion



On the Nordic power market, the huge daily fluctuations have suddenly been replaced by more or less sideways trading. Friday, both the short and the long end of the curve was largely neutral once again, with the Q2-21 and YR-22 contract closing at 23,65 EUR/MWh and 25,50 EUR/MWh respectively. The losses in Germany offset the cooler weather forecasts. Today, the market has to adjust for the late losses in Germany Friday, but since other factors point upwards, we expect a largely neutral session.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS	SRMC	Coal	Gas	Oil
27-feb	44,94	44,94	32,55	38,30	32,52	35,40	30,82	April	40,15	41,05	31,05	35,05	39,50	28,55	26,55	April	54,88	45,48	62,30
28-feb	41,02	41,02	28,79	31,66	28,74	34,49	28,03	Q2-21	41,40	42,20	33,15	35,15	41,03	25,40	23,65	Q2-21	54,94	44,16	0,00
01-mar	49,18	49,30	34,34	41,63	34,34	37,93	32,74	2022	38,48	41,68	29,10	33,75	36,30	27,85	25,50	2022	56,01	47,59	0,00



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