

Expectation

Oil



Oil prices continued to fall yesterday, although to a much lesser extent than the previous day. The market still holds its breath and awaits what Israel will do in retaliation to Iran's missile attacks last week, and the uncertainty about the scale of the potential attacks keeps a lot of uncertainty flowing. Rising US storage levels were bearishly received by the market but we still see rising prices amid the geopolitical concerns Thursday morning.

Gas



European gas prices fell for a third straight day yesterday. Supply is abundant here and now in Europe, with Norwegian flows ramping up following some outages and exports from Russia also still running, at least until the end of the year. The potential of a sudden rebound in case of an Israeli attack on Iran is still present, and the market awaits when this will happen.

Coal



On the coal market, we see an increase in imports to Europe from other continents as demand is expected to pick up a bit during the coming months where temperatures are falling. Nonetheless, prices fell yesterday in response to the ongoing downtrend on the gas market and this will also be instrumental for today's development.

Carbon



Despite the falling gas prices, European carbon prices rose yesterday. As expected, the European carbon market faced technical resistance testing the 60 EUR/t marker and instead ended up rising. The benchmark contract closed at 62,01 EUR/t and we see rising prices again early in Thursday's trading. The market still faces quite low demand however and it is not unlikely that 60 EUR/t will be tested again soon.

Hydro



Right now, we see low-pressure weather with high precipitation amounts in the Nordic area but the weekend or the beginning of next week at the latest will offer a switch to cooler and drier conditions. The approach of the weather shift is bullish for the Nordic power market, but the strong hydro balance with a double digit surplus offsets this.

Germany



German power prices were little changed yesterday, with the short end of the curve falling modestly, whereas the front-year contract moved sideways. The country's 2024 contract closed at 84,74 EUR/MWh. The market is vulnerable to any sudden events that could impact gas, and eyes will remain on this market again in Thursday's session.

Equities



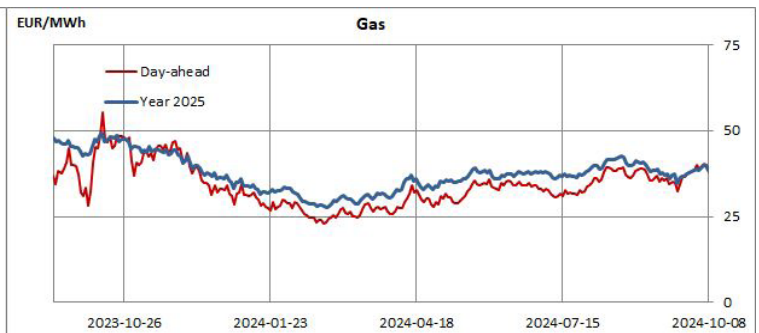
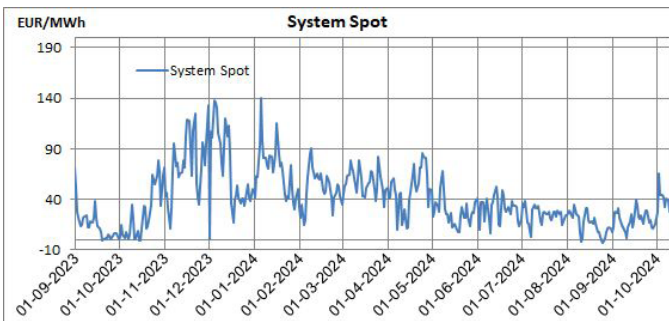
Risk appetite was high on the international stock markets yesterday, where both the European and the US markets increase noticeably. The Asian markets continue up early Thursday, but in Europe, the day looks set to open a bit more flat. Focus today will be on US key figures on consumer prices, a decisive figure on how inflation in the country is developing.

Conclusion



Wednesday, we saw a marginal upwards adjustment on the Nordic power market, which was primarily attributed to drier weather forecasts, as the shift to high-pressure weather is moving closer according to the forecasts. The bearish gas market limited the upside and at the end of the day, the Q1-25 and 2025 system futures had increased to 57,00 EUR/MWh and 39,44 EUR/MWh. The market retreats early Thursday but like yesterday we do not expect a day with major fluctuations unless any events in the Middle East cause a chain reaction across the markets which could also impact the Nordics.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
08-okt	87,09	89,10	29,11	29,11	29,19	45,44	39,28	November	74,90	73,90	42,24	51,79	48,40	54,40	44,90	Day-ahead	37,88
09-okt	83,05	83,07	8,00	8,00	5,30	41,00	27,28	Q1-25	77,50	74,50	54,17	63,04	79,75	67,60	57,00	Year 2025	38,36
10-okt	42,31	40,01	15,20	15,20	10,27	36,81	24,20	2025	76,20	73,70	35,60	47,72	51,60	47,95	39,45		



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.