

Expectation

Oil



Thursday was an overall bullish day across the energy markets. On the oil market, the Brent front month contract rose around 2,50 USD/bbl, closing at 79,40 USD/bbl. There was no clear-cut reason behind the price jump, but the ongoing fears about an escalation to the Israel-Iran conflict and the effects of Hurricane Milton on Southeastern USA were among the reasons mentioned. Early Friday, the market corrects down but is still heading for a week-to-week increase.

Gas



On the gas market, we also saw a quite sharp price jump late in Thursday's session. Apart from the aforementioned issues surrounding the Middle East and the US, which also have an effect on gas, Europe faces somewhat colder weather in the coming days. Friday, we see initial signs of falling prices, but it could easily change as traders are likely reluctant to be short over the weekend.

Coal



European coal prices rebounded along with gas yesterday after some days of losses earlier in the week. The API 2 2025 contract closed at 126,15 USD/t, as the price jump on the gas market was the all-important topic which affected coal as well. We expect the correlation to continue, although we see signs of growing coal demand in Europe at the moment.

Carbon



After failing to break below the 60 EUR/t barrier earlier in the week, the sentiment has now changed on the carbon market which rose Wednesday and again yesterday. The benchmark contract closed the day at 65,00 EUR/t, as the price jump was attributed to bullish gas and to increased buying activity among speculative players on the market.

Hydro



Ahead of the weekend, the Nordic weather forecasts suggest a cold and dry period during the coming 3-4 days, but from that point on, both temperatures and precipitation levels are again expected to increase. In total, the 10-day outlook is around 25 % wetter than average and the hydro balance surplus is expected at 7 TWh in two weeks' time.

Germany



On a day with quite sharp price climbs on both the gas and carbon markets, it was no surprise to see an upturn on the German power market as well. With Germany's high gas dependency, the market is destined to follow suit when we see as big fluctuations as we did yesterday on the gas market. Today, the market opens down along with gas and carbon, but the sentiment can change quickly and it is also a question if people dare being short over the weekend as things stand in the Middle East.

Equities



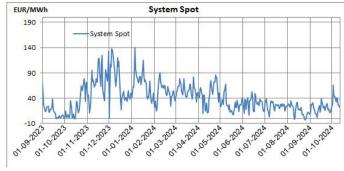
Yesterday, there were no major fluctuations on the international stock markets. The US markets edged modestly down late in the session due to a bit more disappointing key figures on inflation than what had been expected in advance. Today, we see a hesitant opening in Asia, where eyes are on the Chinese government, which is expected to make decisions on new stimulus to the economy over the weekend.

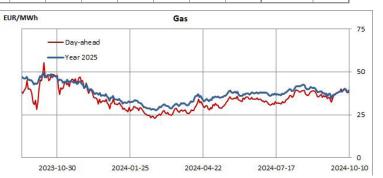
Conclusion



Early Thursday, the Nordic power market traded sideways, but as the related markets started climbing noticeably later in the session, the Nordic system futures followed the trend. At the end of the day, the Q1–25 and 2025 contracts closed at 58,10 EUR/MWh and 40,05 EUR/MWh respectively, with dry forecasts for next week adding to the upside. Today, we could see a correction. The related markets are falling and the forecasts show milder, wetter conditions in the Nordic area from mid-next week.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
09-okt	83,05	83,07	8,00	8,00	5,30	41,00	27,28	November	75,88	75,51	42,22	51,77	48,38	54,88	44,88	Day-ahead	39,59
10-okt	42,31	40,01	15,20	15,20	10,27	36,81	24,20	Q1-25	81,73	77,10	55,20	64,14	80,10	68,95	58,10	Year 2025	39,50
11-okt	62,68	52,04	6,47	6,47	10,10	41,50	21,56	2025	78,43	75,30	36,20	48,32	51,80	48,55	40,05		







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