

Expectation

- Oil** ➔

Following three straight days of uptrend, the oil market stabilized yesterday. The market has faced bullish support lately due to the EU agreement on new sanctions against Russia and because of the Chinese government's decision to add further stimulus to the country's economy. The upside is however limited by a recent IEA report suggesting a strong supply situation and limited demand next year. The market also opens sideways today.
- Gas** ➘

Thursday, we saw another sharp downtick on the European gas market, where the most traded futures have been falling rather noticeably over the last couple of weeks. The weather forecasts continue to suggest mild weather leading up to Christmas and furthermore, there appears to be a general feeling on the market that the increases during November were a bit exaggerated. We expect the downtrend to continue Friday.
- Coal** ➘

European coal prices continued to fall yesterday, on a combination of low demand, ample supply and continuously falling prices on the gas market. With a closing price of 112,64 USD/t, the API 2 2025 contract reached its lowest level since July, and it seems very likely that the downtrend will continue in Friday's session.
- Carbon** ➔

On the carbon market, the benchmark contract has just a few days of trading left before expiry and the market continues to primarily follow the movements on the gas market. Yesterday, it closed at 66,10 EUR/t and we consider it likely that the contract will trade largely sideways just below the 70 EUR/t market until its expiry Monday.
- Hydro** ➘

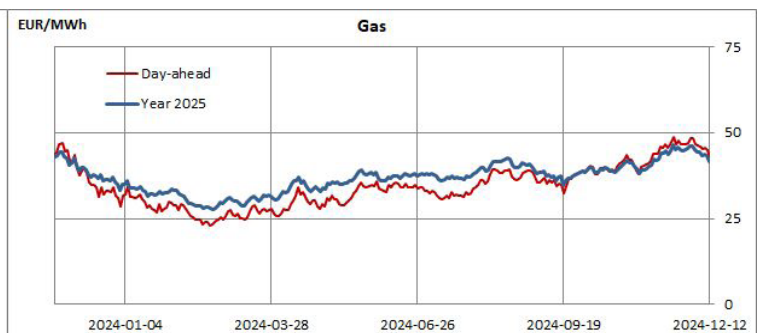
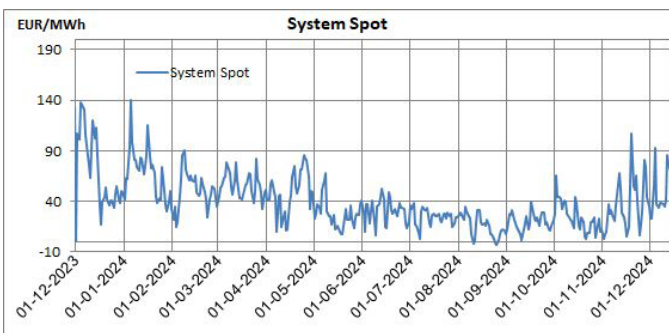
Ahead of the weekend, the Nordic weather forecasts still agree that temperatures are about to rise during the coming days and will be above average through most of next week. Next week also looks very wet and the hydro balance surplus rises to 15 TWh in two weeks' time if the current weather forecasts turn out to become reality.
- Germany** ➘

As the downtrend on the gas market continued without interruption yesterday, the German power market also continued down. The country's 2025 contract, which is of course nearing delivery now, closed Thursday at 90,81 EUR/MWh. The forecasts suggest mild conditions next week and we expect another bearish session today.
- Equities** ➔

Yesterday, we saw modest increases on the European stock markets followed by a slight downturn on the US markets. The main news of the day was the ECB decision to cut interest rates once again, but the decision was expected and not enough to cause any fluctuations. There is a general agreement on the market that the US Fed will also cut rates further next week.
- Conclusion** ➘

There was no halt to the long-lasting downtrend on the Nordic power market yesterday. The most traded futures have fallen sharply since the beginning of the month, with mild and wet forecasts and bearish related markets as the main reason yesterday. The Q1-25 and 2025 contracts closed at 49,40 EUR/MWh and 33,65 EUR/MWh respectively and since the related markets continue down, we remain bearish ahead of Friday's session as well.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
11-dec	255,54	266,56	197,43	227,76	2,46	180,19	41,49	January	90,00	94,00	68,75	70,25	75,75	65,05	50,25	Day-ahead	42,81
12-dec	395,34	395,36	211,77	309,97	18,21	240,31	85,83	Q1-25	83,78	83,40	59,40	64,15	74,65	64,40	49,40	Year 2025	41,56
13-dec	178,47	178,48	109,50	128,27	133,96	85,19	72,37	2025	80,34	81,55	35,45	44,85	47,28	45,65	33,65		



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