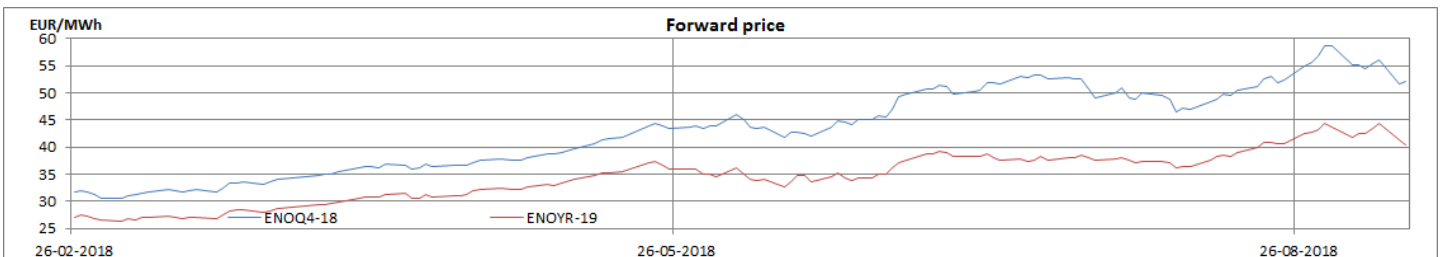
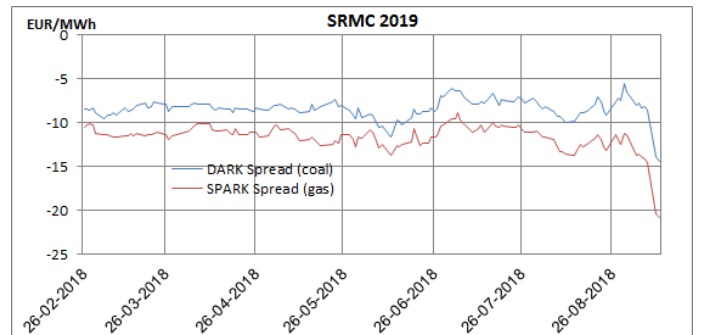
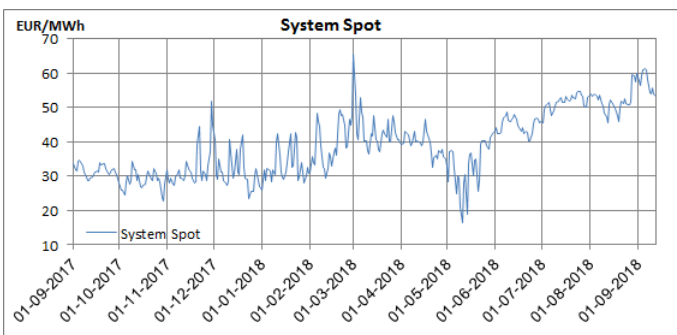


## Expectation

- Oil** Yesterday the oil market booked gains in the later session on a number of factors. Once of the general areas traders focus on is the looming sanctions against Iran that will potentially tighten the globally available supply. Another boost for the sentiment came from first estimates that showed a large draw in U.S. inventories during the last week. Also the hurricane Florence approaching the U.S. East Coast added to the sentiment as it might affect major pipeline operations. The Brent front month settled at 79,06 USD/bbl, up 1,69 USD/bbl from Monday. We might see stable prices today unless official U.S. inventory data disappoint.
- Gas** The European gas markets experienced a corrective move yesterday ticking down. Softer UK prompt prices came rather high wind power levels and ample supply despite ongoing Norwegian maintenance. Losses in German prompt contracts as well as on the long end of the price curve for European gas markets were attributed to emissions falling back from their 10-year high reached on Monday. Limitations of Norwegian supplies are said to relax today, the market opens with another shift down.
- Coal** The market for European coal contracts started relatively neutral into yesterday's session with limited moves around Monday's close during the majority of the day. Price levels are supported by relatively high coal burn in Germany and a solide Asian-Pacific market. Also further rising Clean Dark Spreads helped the move. The API2 front year contract though added 1 USD/t to Monday's close late in the session, settling at 96,75 USD/t, likely pushed up by profits in the oil market.
- Carbon** The Dec-18 contract settled at 24,18 EUR/t yesterday, down 1,05 EUR/t. It appears as a correction to what has happened during the last couple of days (25% surge in previous 3 sessions). It remains difficult to say whether this was just a bubble or an early start of another solid move upwards, but what we can see is, prices did not climb to levels were fuel substitution expects prices to be. But on the other hand, there is risk capital allocated into this underlying and those profits have to be materialized. Price are falling back further this morning, but one needs to be cautious of the upside risk.
- Hydro** Yesterday as well as this morning a rather significant change in forecasts can be observed. While the next few days are still rather wet, for days 8 to 10 more dry alternatives due to high building emerge. The most probable scenario right now might be a dry start, but low pressure from west following again. But the uncertainties are currently rather high. Should a high be building up, it is deemed to be around not for a longer period though.
- Germany** The German power market saw a solid opening yesterday morning, with the front year contract revisiting its recent high of 57,55 EUR/MWh again. The sentiment though changed a bit during the day as corrections in the emissions market weighed on power contracts. The Cal-19 finished the day at the EEX at 56,65 EUR/MWh, 0,65 EUR/MWh below Monday's last close. The losses were limited to the downside though by solid coal prices. Today softer coal, gas as well as emissions contracts weigh on the market.
- Equities** On Tuesday, equity markets were mixed in Europe and in the time of writing, the S&P 500 is in green. We expect small increase in equity valuation today. On the weekly level, the change is still red so prices can alter and recover if there is a lack of negative sentiment among investors in short term.
- Conclusion** The Nordic power market saw a mixed session yesterday. Starting into the day some upside was experienced throughout the whole curve, mainly as an initial reaction to Monday's massive shift downwards. Further into the session the sentiment changed again and gains could only be maintained for the front months as well as the front quarter due to weather forecasts showing increasing risk of a turn to partly drier developments. The front quarter managed to settle at 51,10 EUR/MWh, up 0,51 EUR/MWh. Other contracts though coupled with the softer price levels in the emissions market as well as for German power. The front year contract lost 0,97 EUR/MWh to close at 40,35 EUR/MWh. The sentiment seems unchanged today and sliding neighbouring markets help prices ticking down further.

| Spot   | DK1   | DK2   | SE3   | SE4   | HEL   | OSL   | SYS   | Forwards | DK1   | DK2   | STO   | MAL   | HEL   | OSL   | SYS   | SRMC   | Coal  | Gas   | Oil   |
|--------|-------|-------|-------|-------|-------|-------|-------|----------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|
| 10-sep | 62,13 | 62,20 | 55,73 | 56,68 | 56,13 | 55,51 | 55,70 | August   | 54,78 | 57,13 | 57,13 | 57,13 | 56,38 | 50,93 | 50,88 | August | 56,53 | 65,47 | 68,63 |
| 11-sep | 53,71 | 57,59 | 57,17 | 57,55 | 57,20 | 52,23 | 54,00 | Q4-18    | 53,30 | 56,78 | 54,10 | 55,00 | 55,80 | 52,10 | 52,10 | Q4-18  | 56,32 | 68,43 | 90,55 |
| 12-sep | 52,75 | 53,17 | 53,17 | 53,17 | 53,88 | 52,20 | 53,07 | 2019     | 46,10 | 47,23 | 42,35 | 43,53 | 45,25 | 40,30 | 40,35 | 2019   | 54,72 | 61,10 | 90,55 |



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