

CALMER WEATHER FORECASTS, FUELS PRICES UP DRIVEN BY CHINA

Forecast for the week 12:	
Base Quarter Q2-2024	↔ Sideways (± 2 %)
Year product Front year 2025	↗ Bullish (> 2 %)
NP System	↘ Bearish (< 2 %)
NEDEC 2024	↔ Sideways (± 2 %)

FORECAST FOR THE WEEK 12

POWER FUTURES

There is no significant change in the weather forecasts at the beginning of the week compared to the previous week, the hydro balance is forecast to end at a level of approximately -10 €/MWh compared to normal at the end of the two-week period. At the start of the week, the energy market has seen widespread gains today (Monday), for example, oil has been boosted by stronger-than-expected economic figures from China and continued attacks on Russian oil refineries.

Front quarter

If the weather forecast remains at Friday's level, the weather signal for the near term is fairly neutral, starting from early April a spell of 1-2C cooler than normal is still expected in the long-term forecast, with the two-week forecast period remaining warmer than usual, by an average of 0.4C. The delay in the maintenance of Olkiluoto 3 by one week will slightly reduce production volumes in Finland. The price difference with Germany has remained narrow at a level of around €20/MWh, and the impact of peak solar power hours, which will rise by at least more than 30 GW from April, on the average price in Germany remains to be seen. Gas stocks are still at a high level, and gas is clearly a cheaper form of electricity production than coal. We expect a neutral development relative to Friday's closing price in the range of €35-€42/MWh for the following week.

Annual products

Year products are gaining momentum from fuels today (Monday), and economic indicators, such as purchasing managers' indices, to be released during the week may provide guidance on the outlook for demand forecasts. Starting from the 2028 product, quotations rose to a more neutral level than previously estimated, while realizing the price level of steady power at the current level requires, however, in our opinion, rapidly developing production and storage technology in terms of cost-efficiency. Regarding the 2025 product, the price difference with Germany may in itself enable upward potential in addition to rising fuel prices, with Nordic electricity demand and the higher-than-expected hydropower situation squeezing the price outlook. We expect a bullish trend in the range of €38-€43/MWh for the 2025 product, and the 2026 product to approach the level of other years with a bullish trend.

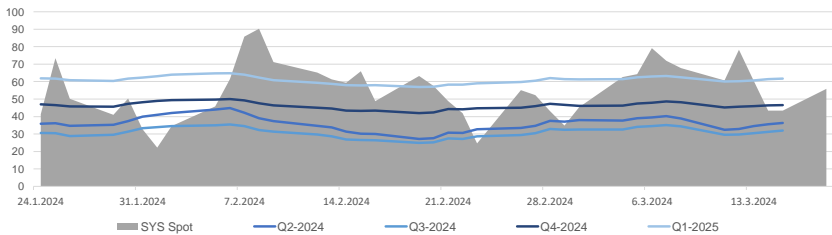
SPOT MARKET

Maintenance of Forsmark 3 lasting until Thursday, the annual maintenance of Olkiluoto 3 extended by a week until April 15, and weak winds in some places are factors supporting the price level, but on the other hand, lower consumption may squeeze prices, especially in Finland. Overall, the week is expected to be slightly cheaper than last week, with temperatures continuing at the previous week's average levels.

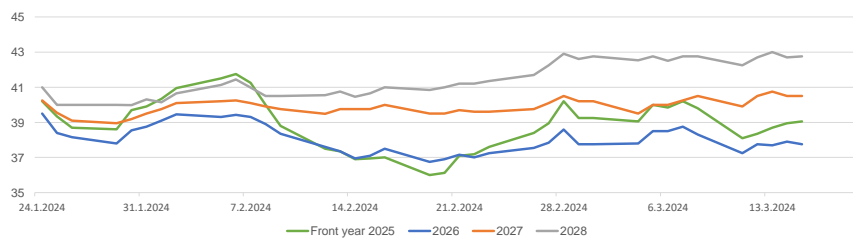
EMISSION ALLOWANCE

The emissions allowance market is likely to be waiting for the week's news, in particular the CoT on the positions of different actors to be published on Wednesday and the March Purchasing Managers' Indices to be published on Thursday. Today (Monday), the price has already crossed above the 50-day moving exponential average, with prices rising more clearly above the recent range, closing short-sold positions could trigger a rapid bullish trend, a short squeeze movement, but since the fundamentals have remained rather soft, we do not yet expect today's data to give a clear change in the outlook. We expect horizontal movement between €55-€70/t.

QUARTILE PRODUCTS AND NORDIC SYSTEM PRICE EUR/MWh



Yearly products EUR/MWh



MARKET SIGNALS

	spot	Q2-2024	2025
Hydrologic balance development		→	→
Precipitation forecast	→	→	→
Temperature forecast	→	↓	→
Spot		→	→
Production and transmission exch.	→	↑	→
Economic outlook & EUA	→	→	↑
Coal and Natural Gas fired production costss	→	→	↑
German prices	→	→	↑
Technical analysis		↑	↑

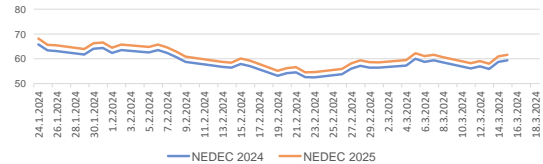
Product	Date	Value	% chg weekly	Chg (EUR)
1st Q: Q2-2024	15.3.2024	36.30	-6.7 %	-2.60
2nd Q: Q3-2024	15.3.2024	32.00	-6.7 %	-2.30
3rd Q: Q4-2024	15.3.2024	46.50	-3.5 %	-1.70
Q1-2025	15.3.2024	61.65	-1.4 %	-0.85
Front year 2025	15.3.2024	39.05	-1.9 %	-0.75
2026	15.3.2024	37.75	-1.4 %	-0.55
2027	15.3.2024	40.50	0.0 %	0.00
2028	15.3.2024	42.75	0.0 %	0.00
2029	15.3.2024	42.50	0.6 %	0.25
NEDEC 2024	15.3.2024	59.38	1.4 %	0.83
NEDEC 2025	15.3.2024	61.64	1.5 %	0.93

EPAD settlements

	15.3.2024 €/MWh	2025	2026	2027
FI - NP System	4.50	1.90	0.55	
SE1-NP System	-12.60	-13.26	-9.40	
SE2 - NP System	-12.60	-13.26	-9.40	
SE3 - NP System	-5.00	-2.95	-1.35	
SE4 - NP System	6.00	7.25	7.50	

SPOT week average:		10	VS.	11
Product	Week avg	% chg	Chg (EUR)	Week avg
SYS Spot	63.70	-15 %	-9.47	54.23
FI Spot	84.34	-41 %	-34.81	49.53
SE1 Spot	61.04	-26 %	-16.10	44.93
SE2 Spot	61.04	-26 %	-16.10	44.93
SE3 Spot	62.68	-26 %	-16.35	46.34
SE4 Spot	62.32	-17 %	-10.39	51.93

EMISSION ALLOWANCE EUR/CO2 t



COMMENTS ON WEEK 11 DEVELOPMENT

POWER FUTURES

There were no significant changes in the hydro balance forecast during the week, with the outlook for the -9 TWh level continuing to about -10 TWh on Friday. Prices recovered strongly from Monday's decline towards the previous week's closing levels during the week.

Front quarter

Q2 fell sharply on Monday, below the 10-, 20- and 50-day moving exponential averages. Rain forecasts turned significantly wetter on Monday, lifting the hydro balance forecast by about 5 TWh compared to the previous Friday's level, which was steadily decreasing to about -15 TWh. At the same time, the costs of condensate production and emission allowances also slipped. Prices recovered clearly during the week, Q2 bounced back to more than €35/MWh, the week's lowest price was briefly €32/MWh Monday.

Annual products

In year products, downward pressure at the beginning of the week came from both fuels and the near future. However, the price level returned close to the beginning of the previous week during the week, and the 2025 product, for example, returned to the price level of approximately €39/MWh, with the lowest trade of the week being around €37.6/MWh on Monday. The 2026 product continued to be the cheapest year product and from the 2028 year product onwards the price quoted was around €42.5-€43/MWh. The stronger rise in condensate production costs than the rise in electricity prices, especially in 2025, meant the profitability of condensate production weakened and the price differential with Germany widened.

SPOT MARKET

Last week's electricity prices were close to the beginning of the previous week with regard to the SYS price, but fell towards the end of the week. The most expensive day was Tuesday at an average price of around €78/MWh and the cheapest was Saturday at €42/MWh. Regarding Finland, prices followed the development of the SYS price, with Tuesday being the most expensive day at around €75/MWh and Thursday the cheapest day at around €21/MWh. Efforts were made to estimate the impact of the strikes on electricity demand in Finland, UMM reported about 433 MW from individual plants, and even taking into account the temperature difference, based on consumption figures, the cut has been somewhat larger than this. Olkiluoto 1 carried out rapid maintenance and, according to Fingrid, wind power in Finland saw a new production record hour, 6076 MW at 13:00 on March 14, 2024.

EMISSION ALLOWANCE

On the emissions allowance market, the CoT reported that mutual funds had again cut their short-sold positions, which brought a slight boost to the market, auction demand also remained moderate, and DEC24 prices were higher than the lows in late February, rising during the week from Monday and Tuesday's lows of around €55/MWh to prices briefly above €60/MWh on Friday.

DETERMINANTS AFFECTING THE MARKET ON WEEK 12

RESTRICTIONS IN PRODUCTION AND TRANSMISSION CAPACITY

Olkiluoto 3 (1600 MW), yearly maintenance 1.3.2024-15.4.2024, in use 0 MW
Forsmark 3 (1172 MW), fault 16.-21.3.2024, in use 0 MW

FI-EE EE-FI (1016 MW), fault 25.1.-31.8.2024, in use 358 MW
SE1-FI (1500 MW), maintenance 30.11.2023-1.3.2025, 2.3.-8.4.2024 in use 1500 MW
FI-SE3 (1200 MW), maintenance 26.2.2024-19.12.2024, in use 800-1200 MW, and 11.- 24.3.2024 in use 300 MW.

- Nordic nuclear power plant utilization capacity was this morning (Monday) 77%
- RU-FI transmission has been out of use since May 2022 because of payment transaction issues, average imports from Russia last week were 0% of the maximum

SPOT AVERAGES AND EPADS

Price area (€/MWh)	2016	2017	2018	2019	2020	2021	2022	2023	2024*
NP System	26.91	29.41	43.99	38.94	10.93	62.31	135.86	56.44	59.10
NP Area FI - NP System	5.53	3.78	2.81	5.10	17.09	10.03	18.18	0.03	16.77
NP Area SE1 - NP System	2.04	1.43	0.24	-1.00	3.46	-19.82	-76.80	-16.47	-11.11
NP Area SE2 - NP System	2.04	1.43	0.24	-1.00	3.46	-19.76	-73.92	-16.47	-11.02
NP Area SE3 - NP System	2.32	1.83	0.55	-0.58	10.26	3.69	-6.66	-4.74	-1.93
NP Area SE4 - NP System	2.62	2.77	2.37	0.86	14.94	18.21	16.24	8.44	1.85

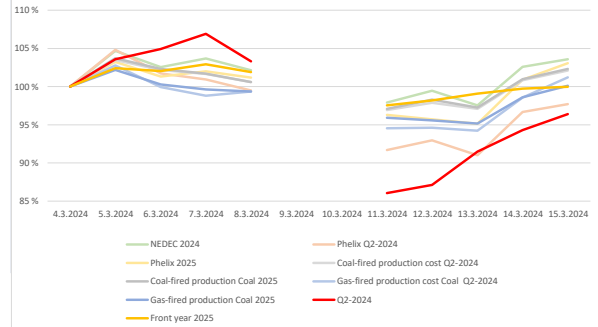
*Average of 1.1.2024-19.3.2024.

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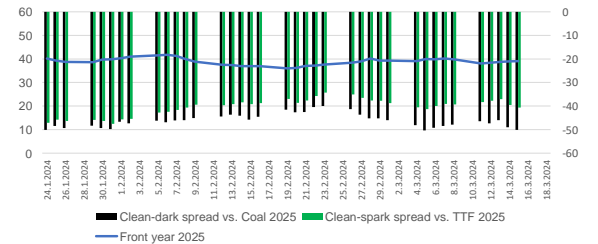
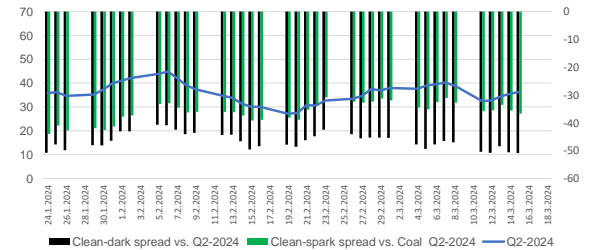
Source for data: Gasum, Tilastokeskus

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Developments past 2 weeks indexed



Forecast history	11	Chg	10	Chg
Base Quarter Q2: 2024	↗	-6.68 %	↘	2.37 %
Year product Front year 2025	↘	-1.88 %	↘	1.40 %
NP System	↗	-35.80 %	↗	49.08 %
NEDEC 2024	↘	1.42 %	↘	3.81 %



Oil \$/bbl, Coal USD/tonne, TTF €/MWh

