

IF THE WEATHER REMAINS UNCHANGED, THE DIRECTION OF ELECTRICITY IS EXPECTED TO BE FOUND IN FUELS

Forecast for the week 14:	
Base Quarter Q3-2024	📈 Bullish (> 2 %)
Year product Front year 2025	↔️ Sideways (± 2 %)
NP System	📉 Bearish (< 2 %)
NEDEC 2024	↔️ Sideways (± 2 %)

FORECAST FOR THE WEEK 14

POWER FUTURES

There was no significant change in weather forecasts compared to the outlook for the second half of last week. The hydro balance is expected to reach a level of approximately -5 TWh at the end of the two-week period. A very warm week is expected in Central Europe, Nordic weather is expected to grow warmer towards the end of the week, Sunday is expected to rise to about 3C warmer than normal before returning to approach normal. The long-term forecast until mid-May has warmed across the board and is just slightly less than 1C cooler than normal on average.

Front quarter

Some analyst firms rated the period as clearly underpriced, some fairly neutrally priced. In terms of hydropower production, control is likely to remain in place also in the autumn, and the higher price expectation in Germany is supporting the price for the period, on the other hand, the difference is already approaching €40/MWh, the replenishing of gas storage facilities starts at a high level, and the unexpectedly strong price pressure from solar power production could collapse price expectations for the summer months. We expect the product has quite limited room to fall, and as a whole we expect bullish development in the range of €29-€39/MWh for next week, following the development of fuels and the water situation.

Annual products

Various analyst firms estimate that the prices of year products for the front few years are underpriced in the market based on fundamental models. We don't expect energy storage and other flexibility to be realized until later years, as the baseload price in the next few years may justifiably be high, even if, for example, 90% of the time, prices would be significantly lower than this due to the continuous completion of additional renewable production plants. From the point of view of new production investment, the price level does not seem particularly attractive, and price support is likely to continue mainly only in Central Europe in the coming years. For the next week, the prices of year products are likely to be driven by fuels, which are not expected to find significant support at the end of the heating season, and for the front year we expect horizontal development between €35-€45/t. We expect year products from 2026 onwards to increase towards a price level of approximately €50/MWh as the economic outlook for European manufacturing is likely to improve during the course of the spring.

SPOT MARKET

On the spot market, we expect warmer weather and especially strong wind power production at the weekend to squeeze SYS prices, wind power production is expected to remain normal or slightly stronger over the next few days on average in the Nordic countries, in Finland wind power production is expected to fluctuate more strongly from less than 1 GW/hour on Thursday to much stronger hours than usual, for example, on Wednesday and Saturday. Flow rates have been stronger than usual in recent days and are expected to continue in a similar range over the next two weeks, ranging from normal to stronger than normal as the melting season begins, possibly slightly more frontloaded than usual, with snow volumes concentrated in low-lying areas. We expect a lower weekly average price than last week.

EMISSION ALLOWANCE

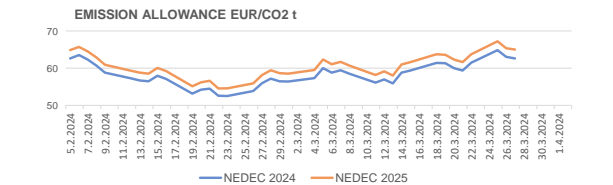
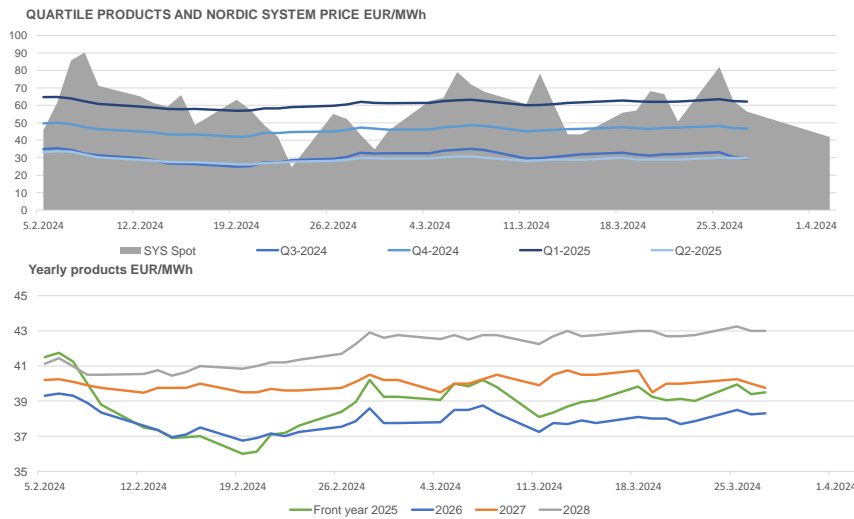
The most anticipated disclosures of the week include the 2023 emissions figures to be released on Wednesday. There is great variation in analyst firms' forecasts, with the consensus being a significant decrease in emissions compared to the previous year. The disclosure may trigger significant fluctuations on the market, as it sheds light on the purchasing volumes of future actors under emissions trading. This is why we are extending the range we expect for the week to be between €50-€70/t, and reiterate our neutral expectation, as the short-term direction is quite uncertain. If there are no radical surprises in emissions levels, we expect prices to rise towards the upper end of the range by September, but before that we may see even significantly lower levels.

MARKET SIGNALS	spot		Q3-2024	2025
	Hydrologic balance development		→	→
Precipitation forecast	↓	→	→	
Temperature forecast	↓	→	→	
Spot		→	→	
Production and transmission exch.	→	→	→	
Economic outlook & EUA	→	→	↓	
Coal and Natural Gas fired production costs	→	↓	→	
German prices	→	↑	↑	
Technical analysis		↓	→	

Product	Date	Value	% chg weekly	Chg (EUR)
1st Q: Q3-2024	27.3.2024	29.50	-8.1 %	-2.60
2nd Q: Q4-2024	27.3.2024	46.70	-1.2 %	-0.55
3rd Q: Q1-2025	27.3.2024	62.15	0.0 %	0.00
Q2-2025	27.3.2024	29.88	3.0 %	0.88
Front year 2025	27.3.2024	39.50	1.3 %	0.50
2026	27.3.2024	38.30	1.2 %	0.45
2027	27.3.2024	39.75	-0.7 %	-0.30
2028	27.3.2024	43.00	0.6 %	0.25
2029	27.3.2024	43.50	1.8 %	0.75
NEDEC 2024	27.3.2024	62.61	1.8 %	1.11
NEDEC 2025	27.3.2024	64.99	1.9 %	1.23

EPAD settlements	27.3.2024	2025	2026	2027
	€/MWh			
FI - NP System	4.75	1.90	0.20	
SE1-NP System	-12.50	-12.70	-9.40	
SE2 - NP System	-12.50	-12.70	-9.40	
SE3 - NP System	-5.10	-2.90	-1.05	
SE4 - NP System	5.90	6.51	7.50	

SPOT week average:	12		VS.		13	
	Product	Week avg	% chg	Chg (EUR)	Week avg	
SYS Spot		55.22	-1 %	-0.77	54.46	
FI Spot		55.97	-4 %	-2.38	53.59	
SE1 Spot		49.50	-1 %	-0.69	48.82	
SE2 Spot		49.50	-1 %	-0.69	48.82	
SE3 Spot		56.31	-13 %	-7.49	48.82	
SE4 Spot		64.80	-24 %	-15.33	49.48	



COMMENTS ON WEEK 13 DEVELOPMENT

POWER FUTURES

The forecasted hydro balance level increased slightly during the past week from around -10 TWh to about -6.5 TWh at the end of the two-week period. The economic sentiment figures and consumer sentiment for the euro area improved slightly compared to previous months, developments in services were weaker than expected, whereas manufacturing was slightly stronger. Economic figures from the United States and China during the week showed strong developments.

Front quarter

For Q3-2024, the week continued with a fairly sharp fall after Monday's bullish day, with prices falling from just over €33/MWh to below €30/MWh, the technical picture showed several downside signals. The costs of condensate production and the development in Germany over the corresponding period were clearly more moderate, rising on Monday compared to the previous week.

Annual products

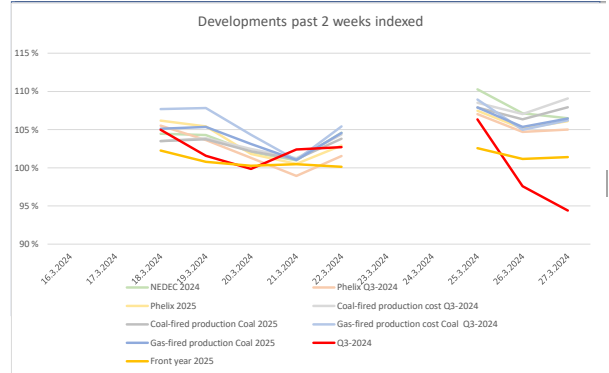
The development of the 2025 product was more even, opening the week on a clear upward note with condensate production costs, but recovering slightly from this to Wednesday in line with them. In the absence of significant price signals from the economic figures, oil supported by strong economic developments in the United States and China could increase inflationary pressures in Europe, which in turn could increase investment uncertainty. Other year products followed the development of the 2025 product, and the order of the next few years did not change, with 2026 being the most affordable.

SPOT MARKET

In terms of SYS prices, by far the most expensive day last week was Monday and the cheapest Friday, while the average price level for the week was slightly lower than the previous week. Price development in Finland followed the development of the system price, with Monday being the most expensive day and Friday the cheapest, the area price difference at the end of the week turning negative, while the previous week was close to zero on average. Wind power production in Finland remained very weak at the beginning of the week on Monday and Tuesday but rose noticeably from Wednesday onwards to near its normal daily averages. In the Nordic and Baltic countries, the average week varied from very low winds from Monday to Friday, peaking at just over 16 MWh/h hourly. The maintenance of Oikiluoto 3 was extended by five days until April 20, according to UMM due to additional inspections of the fuel system.

EMISSION ALLOWANCE

On the emission allowance market, price development followed gas and coal prices, while overall development was fairly neutral. The CoT showed that mutual funds had, as expected, continued to cut short-sold positions, but this did not cause any significant market reaction. As the economic outlook continues to be uncertain, the most significant purchasing enthusiasm of ETS operators is expected to materialize only closer to the September deadline for the surrender of allowances.



Forecast history	13	Chg	12	Chg
Base Quarter Q3-2024	☐	-8.10%	☐	0.31%
Year product Front year 2025	📈	1.28%	📈	-0.13%
NP System	🔄	11.25%	📉	16.68%
NEDEC 2024	🔄	1.80%	🔄	3.57%

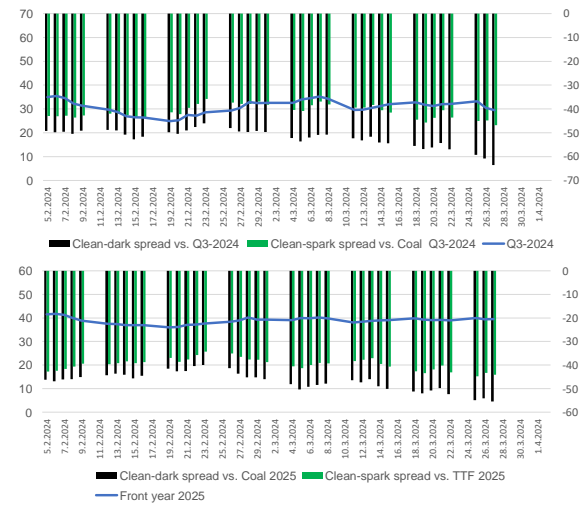
DETERMINANTS AFFECTING THE MARKET ON WEEK 14

RESTRICTIONS IN PRODUCTION AND TRANSMISSION CAPACITY

Oikiluoto 3 (1600 MW), yearly maintenance 1.3.2024-20.4.2024, in use 0 MW

- FI-EE EE-FI (1016 MW), fault 25.1.-31.8.2024, in use 358 MW
- FI-SE1 (1100 MW), maintenance 8.-12.4.2024, in use 500 MW
- SE1-FI (1500 MW), maintenance 30.11.2023-1.3.2025, 2.3.-15.4.2024 in use 1500 MW
- FI-SE3 (1200 MW), maintenance 26.2.2024-19.12.2024, in use 800-1200 MW, and 1.4.2024-9.5.2024, in use 300-800 MW
- FI-SE3 (1200 MW), maintenance 8.4.2024-12.4.2024, in use 0 MW

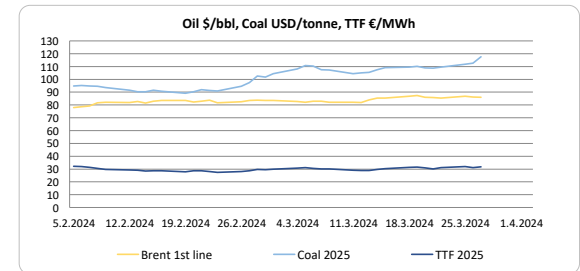
- Nordic nuclear power plant utilization capacity was this morning (Monday) 87%
- RU-FI transmission has been out of use since May 2022 because of payment transaction issues, average imports from Russia last week were 0% of the maximum



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	58.11
NP Area FI - NP System	5.53	3.78	2.81	5.10	17.09	10.03	18.18	0.03	13.78
NP Area SE1 - NP System	2.04	1.43	0.24	-1.00	3.46	-19.82	-76.80	-16.47	-10.36
NP Area SE2 - NP System	2.04	1.43	0.24	-1.00	3.46	-19.76	-73.92	-16.47	-10.28
NP Area SE3 - NP System	2.32	1.83	0.55	-0.58	10.26	3.69	-6.66	-4.74	-2.29
NP Area SE4 - NP System	2.62	2.77	2.37	0.86	14.94	18.21	16.24	8.44	1.45

*Average of 1.1.2024-3.4.2024.



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