

SIGNS OF A TURNAROUND IN THE EUROPEAN ECONOMY BEING SOUGHT IN GEOPOLITICAL SITUATION FLUCTUATIONS

| Forecast for the week 17: | |
|------------------------------|--------------------|
| Base Quarter Q3-2024 | ↔ Sideways (± 2 %) |
| Year product Front year 2025 | ↔ Sideways (± 2 %) |
| NP System | ↗ Bullish (> 2 %) |
| NEDEC 2024 | ↘ Bearish (< 2 %) |

FORECAST FOR THE WEEK 17

POWER FUTURES

The hydro balance outlook did not change very significantly compared to a week ago or Friday in terms of level, last Monday's expectation was -5.5 TWh at the end of the two-week period and now, at the end of a period of similar length, it is expected to end up at about -5 TWh; the weather forecast grew around 1 TWh wetter and warmer during today (Monday) compared to the morning outlook. This week will see the publishing of United States and euro area Purchasing Managers' Indices and United States PCE inflation figures. In addition, reporting season in technology stocks may swing financial markets. The geopolitical situation continues to show uncertain development to say the least.

Front quarter

In the near quarter, prices will be supported by the difference with German prices and at the same time the costs of condensate production. In addition, the unstable geopolitical situation creates a price risk for Europe, which relies heavily on LNG supplies. On the one hand, the Q3 period will see a significant amount of winter gas storage replenishment, but on the other hand, if demand continues to be weak, inventories will also be at their highest at that time, bringing the risk of a price collapse. Economic activity may, with high probability, continue to be soft this year, the hydro balance looks reasonable, but without the risk of significant use of spillways. The strong increase also brings with it the risk of a correction. As a whole, we consider the period to be fairly neutrally priced and expect neutral, possibly slightly bearish development for the week, in the range of €27-€34/MWh.

Annual products

For the economic outlook, we consider the Purchasing Managers' Indices to be published on Tuesday very interesting and may potentially change pricing, especially for the front years. However, in terms of pricing of the 2026 and 2027 products in the Nordic countries, strong growth in renewable production capacity and possibly when pricing against the investment cost of new capacity in the following years, we still consider the valuation of steady power to be fairly moderate and consider bullish development across the board possible as soon as the economic outlook improves, and the interest rate outlook becomes clearer. The price difference with Germany is at a reasonably high level for the front year product, possibly bringing some room for a price increase, while there is a significant amount of uncertainty in the development of Germany's year product, which is strongly correlated with the development of gas prices. We expect neutral or slightly bearish development for the next few years, with the overall picture continuing to be reasonably priced despite the recent increase. For the 2025 product, we expect the range for the front week to be €40-€44/MWh.

SPOT MARKET

On the spot market, the dynamics of Finland and SE3 in particular will be changed by the transmission link remaining out of play for maintenance entirely in the direction of SE3 and a restriction in the direction of Finland. Combined, this may mean relatively high peak prices due to increased nuclear power maintenance and, on the other hand, an increased risk of very low prices, especially in Finland during windy periods. As a whole, wind power production should be slightly weaker than usual on average, and chiller-than-normal weather is expected to continue until the end of the week. For this reason, we expect a somewhat more expensive week than last week on the spot market, especially in the SE3 area, the level of the Finnish area price may be closer to last week's level.

EMISSION ALLOWANCE

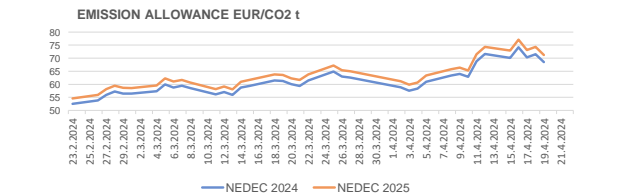
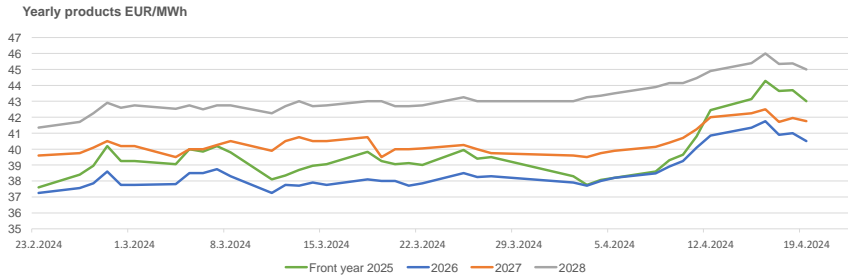
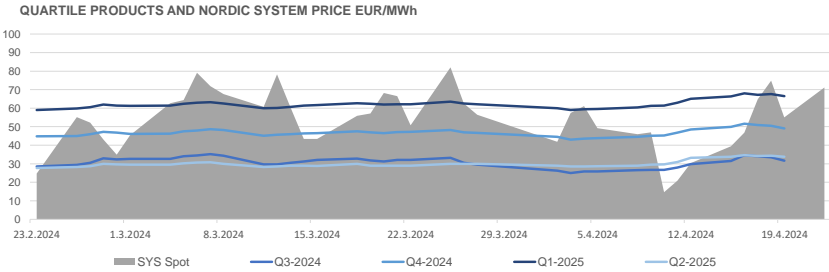
The fall on the emission allowance market, which began at the end of last week, has clearly continued today and may contribute to increasing technical sales and, on the other hand, interest from operators as prices drop below potential purchase thresholds, although due to recent lower prices, this is unlikely to support prices until around €60/t. The economic outlook and, in addition, the gas price in the wake of the geopolitical situation will probably determine how the emission allowance price continues to perform. There has recently been a slight closure of positions in total positions, which has been less than half of the increase at the beginning of the year, as prices then fell from a level of €80/t to a level of €60/t. As there had not yet been a significant closing of short positions, we still expect a wide range also for the very next week, €55-€80/t, with a bearish trend compared to Friday's closing much more likely.

| 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 | 19.4.2024 | 31.60 | 6.2 % | 1.85 |
| 2nd Q: Q4-2024 | 19.4.2024 | 49.00 | 1.0 % | 0.50 |
| 3rd Q: Q1-2025 | 19.4.2024 | 66.45 | 2.1 % | 1.35 |
| Q2-2025 | 19.4.2024 | 33.73 | 1.7 % | 0.58 |
| Front year 2025 | 19.4.2024 | 43.00 | 1.3 % | 0.55 |
| 2026 | 19.4.2024 | 40.50 | -0.9 % | -0.35 |
| 2027 | 19.4.2024 | 41.75 | -0.6 % | -0.25 |
| 2028 | 19.4.2024 | 45.00 | 0.2 % | 0.10 |
| 2029 | 19.4.2024 | 45.40 | 0.9 % | 0.40 |
| NEDEC 2024 | 19.4.2024 | 68.52 | -4.4 % | -3.12 |
| NEDEC 2025 | 19.4.2024 | 71.20 | -4.3 % | -3.17 |

| EPAD settlements | 19.4.2024 €/MWh | 2025 | 2026 | 2027 |
|------------------|-----------------|--------|-------|------|
| | FI - NP System | 4.85 | 2.00 | 0.25 |
| SE1-NP System | -13.25 | -13.25 | -9.95 | |
| SE2 - NP System | -13.25 | -13.25 | -9.95 | |
| SE3 - NP System | -5.55 | -3.40 | -0.90 | |
| SE4 - NP System | 6.50 | 6.30 | 7.25 | |

| SPOT week average: | Product | Week avg | 15 | VS. | 16 |
|--------------------|----------|----------|-------|-----------|----------|
| | | | % chg | Chg (EUR) | Week avg |
| | SYS Spot | 26.08 | 111 % | 28.93 | 55.01 |
| | FI Spot | 20.30 | 190 % | 38.52 | 58.82 |
| | SE1 Spot | 17.05 | 201 % | 34.24 | 51.29 |
| | SE2 Spot | 17.47 | 194 % | 33.82 | 51.29 |
| | SE3 Spot | 17.60 | 234 % | 41.15 | 58.74 |
| | SE4 Spot | 20.90 | 233 % | 48.76 | 69.66 |



COMMENTS ON WEEK 16 DEVELOPMENT

POWER FUTURES

The hydro balance outlook level changed very little during the week from a level of about -6 TWh, at the end of the respective two-week period. The geopolitical situation added to concerns about LNG supplies, but as the situation fluctuated strongly, the trend also varied. As a whole, the Q3 period received support both in the Nordic countries and Germany, with year products moving more horizontally.

Front quarter

The price of the next quarter rose strongly on Monday and Tuesday, rising from around €30/MWh to north of €34/MWh since the previous week's close, but slipped back to south of €32/MWh later in the week. In the technical picture, the strong, but not yet over-the-top, bullish picture turned into a more neutral one at the end of the week and the price fell below the 200-day moving simple average at around €32/MWh. In our opinion, the increase in fuel and German prices in previous weeks was not yet fully reflected in the Nordic price, although there was a clear correction in relative terms.

Annual products

Regarding year products, 2026 continued to be the most affordable, while 2025 remained more expensive than the 2027 product, but more affordable than the 2028 product. The price development of the front year followed the development of the price in Germany and condensate production. Starting from 2028, prices continued to rise slightly towards a level of €45-€46/MWh, while the 2026 and 2027 products remained below €42/MWh at Friday's close. The price development of gas products is fairly steadily decreasing, so we estimate that strong growth in renewable production will be priced in the 2026 and 2027 products.

SPOT MARKET

The weather grew much chillier compared to last week and wind power production fluctuated strongly, with Wednesday and Thursday being the days with the weakest production in the Nordic countries, Monday, Friday and Saturday being the strongest. Annual maintenance continued at Forsmark 2 at the end of the week, maintenance of Olkiluoto 3 was extended until the end of May 3, overlapping with Olkiluoto 2 for a few days. At the SYS level, the most expensive day was Thursday at an average price of about €75/MWh, while the cheapest day was Monday at around €40/MWh. In Finland, prices were below the system price on Monday and Saturday only, with Monday being the cheapest day and, just like the system price, Thursday being the most expensive day of the week. Peak prices in particular showed a clear increase, rising to its highest level of €60-€165/MWh during the week, while at the system level, peak prices remained below €100/MWh except on Thursday morning. The highest output of solar power production rose to more than 3 GW in the Nordic countries on all days except Friday, and in Finland to 300-550 MW throughout the week.

EMISSION ALLOWANCE

In our opinion, the most interesting detail concerning the emissions allowance market was the CoT report published on Wednesday, in which investment funds had hardly changed their positions, remaining firmly on the short-selling side. The DEC24 product was at its highest level since the beginning of January on both Tuesday and Wednesday, approaching a level of €75/t, but retreated to well below this towards the end of the week, with intraday fluctuations of around €5/t on Tuesday, Wednesday and Friday. In the technical picture, the price reached its 10-day moving exponential average on Friday, the RSI weakened to a fairly neutral 54 level, the MACD continued to weaken near the convergence point. Open interest continued in a slight, steady decline, without significant falls such as seen on April 10.

DETERMINANTS AFFECTING THE MARKET ON WEEK 17

RESTRICTIONS IN PRODUCTION AND TRANSMISSION CAPACITY

Olkiluoto 3 (1600 MW), annual maintenance 1.3.2024-4.5.2024, in use 0 MW
 Olkiluoto 2 (890 MW), annual maintenance 28.4.2024-6.5.2024, in use 0 MW
 Oskarshamn 3 (1400 MW), annual maintenance 6.4.2024-1.5.2024, in use 0 MW
 Forsmark 2 (1118 MW), annual maintenance 21.4.-18.5.2024, in use 0 MW

FI-EE, EE-FI (1016), failure 25.1.-31.8.2024, in use 358 MW
 SE1-FI (1500 MW), maintenance 30.11.2023-1.3.2025 in use 1200 MW
 FI-SE3 (1200 MW), maintenance 26.2.2024-19.12.2024, in use 800-1200 MW, and 2.4.2024-9.5.2024, in use 200-800 MW, 22.4.-17.5.2024 in use 0 MW
 SE3-FI (1200 MUW), maintenance 22.4.-17.5.2024, in use 700 MW

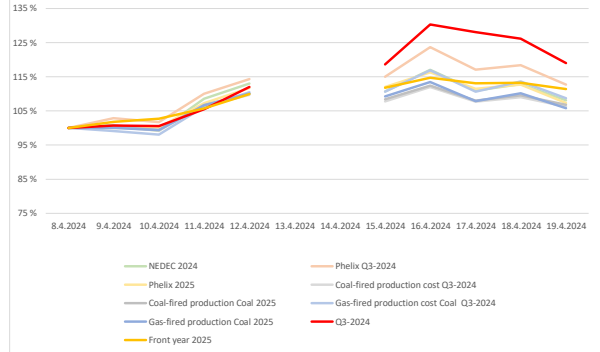
- Nordic nuclear power plant utilization capacity was this morning (Monday) 65%
 - RU-FI transmission has been out of use since May 2022 because of payment transaction issues, average imports from Russia last week were 0% of the maximum

SPOT AVERAGES AND EPADS

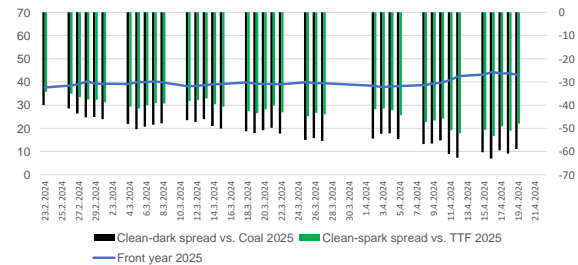
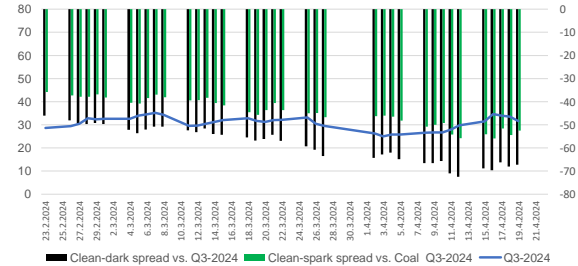
| Price area (€/MWh) | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024* |
|-------------------------|-------|-------|-------|-------|-------|--------|--------|--------|-------|
| NP System | 26.91 | 29.41 | 43.99 | 38.94 | 10.93 | 62.31 | 135.86 | 56.44 | 55.45 |
| NP Area FI - NP System | 5.53 | 3.78 | 2.81 | 5.10 | 17.09 | 10.03 | 18.18 | 0.03 | 11.23 |
| NP Area SE1 - NP System | 2.04 | 1.43 | 0.24 | -1.00 | 3.46 | -19.82 | -76.80 | -16.47 | -9.49 |
| NP Area SE2 - NP System | 2.04 | 1.43 | 0.24 | -1.00 | 3.46 | -19.76 | -73.92 | -16.47 | -9.36 |
| NP Area SE3 - NP System | 2.32 | 1.83 | 0.55 | -0.58 | 10.26 | 3.69 | -6.66 | -4.74 | -2.13 |
| NP Area SE4 - NP System | 2.62 | 2.77 | 2.37 | 0.86 | 14.94 | 18.21 | 16.24 | 8.44 | 2.10 |

*Average of 1.1.2024-23.4.2024.

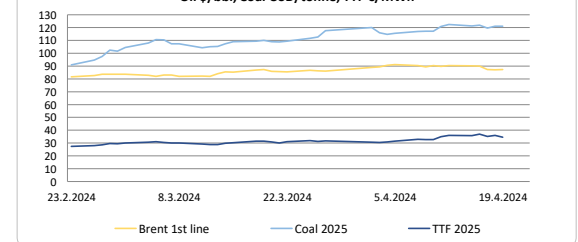
Developments past 2 weeks indexed



| Forecast history | 16 | Chg | 15 | Chg |
|------------------------------|----|---------|----|----------|
| Base Quarter Q3 2024 | ↗ | 6.22 % | ↗ | 15.09 % |
| Year product Front year 2025 | ↗ | 1.30 % | ↗ | 11.13 % |
| NP System | ↗ | 81.19 % | ↘ | -38.42 % |
| NEDEC 2024 | ↻ | -4.36 % | ↻ | 17.42 % |



Oil \$/bbl, Coal USD/tonne, TTF €/MWh



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Source for data: Gasum, Tilastokeskus

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