

EnergyRisk **Commodity** **Rankings 2025**

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Axpo
Bridging the risk appetite gap



Axpo

Bridging the risk appetite gap

Axpo builds new European energy markets by bridging time and risk appetite gaps between producers and consumers, writes Stella Farrington

European energy markets have endured their fair share of crises in recent years – from the lasting impacts of the Russia/Ukraine conflict to the more recent blackout on the Iberian Peninsula. However, as these disruptions bring structural change, they are also helping the European power and gas markets to mature, says Domenico Franceschino, Axpo's head of origination, Western and Eastern Europe, and member of the management board of Axpo Solutions.

He sees consumers such as industrials becoming more savvy about risk management and getting more involved in longer-term contracts such as power purchase agreements (PPAs). "A PPA should not be seen as simply the price at which a renewable producer wants to sell long-term power, but also the price a consumer wants to buy long-term green power at," Franceschino says.

Axpo's drive to support both sides of the market is reflected in its performance in this year's *Energy Risk* Commodity Rankings, a survey in which market participants vote for the firms they feel are offering them the best services in risk management and trading under current market conditions. Axpo did well throughout the power and gas categories of the 2025 survey, being voted the top power dealer in Spain and Portugal and in

the top two for Central and Southern Eastern Europe. It also ranked in the top three for power and gas overall, and scooped the second-highest ranking for overall energy dealer.

Axpo was active throughout Europe during 2024, but it played a particularly key role in building new markets in countries such as Slovenia, Croatia, Serbia and Greece. Here, Axpo used cross-border trading as a bridge to connect less-liquid markets with more mature neighbours, says Franceschino.

By creating structured supply deals and risk management solutions for power and gas producers, and consumers, Franceschino sees Axpo's role as helping consumers to decarbonise, connecting producers to new markets and encouraging more investment in renewable energy. As the European power sector continues to transition, he explains how these efforts are also helping the markets – and their participants – to mature.

What are the main factors that affected the needs and activities of market participants in 2024?

Domenico Franceschino: There is clearly a very strong drive from consumers to reach decarbonisation. This is dictated primarily by their own corporate policies but also by their

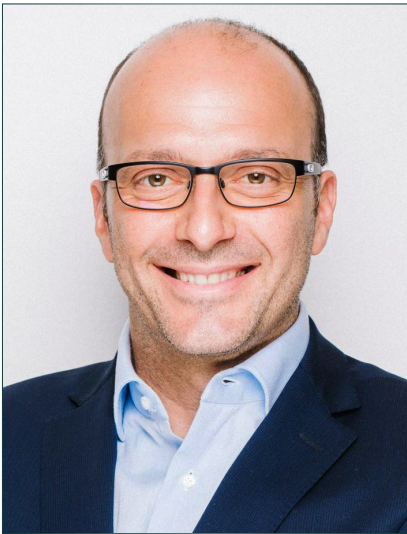
customers, who will only buy green products. This reflects a general maturing of the market, which has happened in three phases.

First, corporates and their customers were looking for green power as long as it wasn't too expensive. Then there was a phase in which they were looking for green power at almost any cost. Last year, they started looking for it at sustainable, competitive prices. So corporates and their customers still want to decarbonise, but not at any cost.

Since price has now become key in the renewables space, the interest on both the production and consumption sides now follow price trends – but in different ways.

At the height of the energy crisis at the beginning of the war in Ukraine, for example, we witnessed more interest from producers because prices were high, and so green power became more viable. When renewables prices are lower, we see more interest on the consumer side. Axpo's role is to bridge the timing gap between the price expectations of these two sides.

We're very proud to be instrumental in decarbonisation in this way. We closed around 11 terawatt hours of renewable PPAs across 13 countries throughout Europe in 2024. Our



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Domenico Franceschino, Axpo

biggest market is France, followed by Belgium and then Poland.

The larger role of an organisation such as Axpo is not to put a producer and a consumer together, like a broker, but to enable these two sides of the market to develop at different times and to manage this time-gap risk.

How has the market changed as a result of the Russia/Ukraine conflict and other recent market events such as the Iberian Peninsula blackout in April 2025?

Domenico Franceschino: Recent market crises have encouraged consumers to develop more efficient risk management policies – and this is another way in which the market has been maturing recently.

Before the Ukraine crisis, for example, we saw industrials buying a fixed-price policy for the next two years. Now, this time horizon has expanded because they see renewable PPAs as instruments to help them decarbonise, and also to manage price volatility more effectively. When buying a fixed price for 10 years, a consumer may not be sure they’re getting the lowest possible price over that entire period, but they’re definitely reducing the volatility of their purchases. So, there is a growing maturity on the consumer side in relation to fixing for the long term.

Another important and related change we have witnessed has been due to price cannibalisation. With the increased presence of renewable sources on the grid, power prices have become very dependent on whether the sun shines or

the wind blows. This risk has to be managed, somehow, by everyone – buyers, sellers and companies such as Axpo. And this is driving the importance of batteries, which can be used for storage and more flexible dispatch.

Flexibility in the market has become paramount. On the production side, we are seeing more hybrid renewable plants with solar and wind generation, and battery storage. On the consumption side, industrials are realising they can also use the flexibility in their production processes to reduce the impacts of price volatility.

You’re seeing more maturity in general, but among consumers specifically?

Domenico Franceschino: Yes, and the two big shifts on the consumer side have been gaining the maturity to start buying long term – because they want to be green but also because they want to reduce price volatility – and also the idea of cross-border PPAs.

Axpo’s cross-border capabilities have enabled consumers to access long-term PPAs in countries with no market liquidity, such as Greece, Croatia, Serbia and Hungary. In such markets, more corporates want to buy long-term renewable power, but there is no market after around two years. We can go to a neighbouring country to fulfil this need.

This has also been recognised by lenders. It used to be the case that an investor would only finance a renewable energy project with a pay-as-produced PPA in the country. Now, many are comfortable financing projects with a base load PPA elsewhere.

In which parts of Axpo’s portfolio is cross-border trading most useful?

Domenico Franceschino: An organisation must take its own risk profile into account when trading power, of course, but a PPA has a very fundamental role in enabling risk management – particularly when there is no long-term market. In such markets – Greece, Croatia, Serbia, Romania, Turkey – Axpo can propose a long-term fixed price. This can cover five to 10 years in countries in which the market liquidity is two years maximum, and it really builds confidence in renewable assets.

A great example of this is a recent deal in Greece, where, in 2022, we completed the first public merchant PPA. Two years after that, we completed the first corporate PPA. We were able to make the solar asset happen, bridging the time between when the asset was approved and when power consumers were interested in buying.

Similarly, we can also step in if a plant wants to sell pay-as-produced, but the buyer doesn’t want to assume the risk of a mismatch between the production profile and their consumption profile. We did this last year in Croatia when prices were very high. We closed a PPA with an asset in Croatia based on Hungarian prices. The beauty of this is that the asset owner and the lenders were happy to sell their power in Hungary, even though the asset was based in another country. Last year, we also closed a corporate PPA in Slovenia that was supported by Croatian assets.

What trends do you expect to affect the markets in 2025, and how will that impact how Axpo shapes its portfolio?

Domenico Franceschino: It’s extremely important to have a portfolio that is diversified in terms of technology, countries and tenor. For Axpo, this is because our role is not to find a one-to-one match, it’s to help bridge the risk appetite gap of power producers and consumers.

Also, more flexibility tools are coming into the market, especially on the production side with battery storage assets. Flexibility is becoming an increasingly important aspect of portfolio diversification – on both the production and the consumption side of the market. ■

Overall

Commodities dealer

2025	2024	Dealer
1	4	TD Bank
2	1	ENGIE Global Markets
3	3	UBS
4	9	GEN-I
5	2	Axpo Group
6	—	Societe Generale
7	—	J.P. Morgan
8	6	Global Factor
9	—	Citi
10	10	BNP Paribas

Energy dealer

2025	2024	Dealer
1	3	GEN-I
2	2	Axpo Group
3	1	ENGIE Global Markets
4	—	EDF
5	8	RWE Supply & Trading
6	—	Shell
7	10	Enel
8	—	Statkraft
9	—	Uniper
10	—	Gunvor

Natural gas

2025	2024	Dealer
1	1	ENGIE Global Markets
2	—	SEFE
3	2	Axpo Group
4	—	Enel
5	—	Uniper

Power

2025	2024	Dealer
1	3	GEN-I
2	1	ENGIE Global Markets
3	2	Axpo Group
4	4=	RWE Supply & Trading
5	—	EDF Trading
6	—	Shell
7	4=	ENEL
8=	8	Statkraft
8=	7	Uniper

How the poll was conducted

The *Energy Risk* Commodity Rankings survey was live between November 11, 2024 and January 27, 2025 and received valid responses from 1,670 individuals.

The survey asked respondents to vote for their top three dealers and brokers in markets in which they had been active over the previous year. The rankings poll is designed to reflect market participants' perception of a dealer or broker based on the overall quality of service they offer their clients. It is not intended to reflect volumes traded in any market. Instead, respondents vote according to a range of criteria including reliability, pricing, liquidity provision and speed of execution.

In order to create the final list of rankings, *Energy Risk* aggregates the results, weighting them by awarding three points for a first place, two points for second place and one point for third. The points are then added up and the highest placed firms in each category are listed in the Rankings tables. The *Overall* rankings are calculated by adding up all the points accrued to each firm across and within the different sections (Oil, Gas, Power, Environmental markets, etc). Following closure of the poll, the results are subject to an internal review process, which can result in categories being dropped or aggregated if they do not have enough votes. The outcome of the review is final.

Natural gas – Europe

NBP (UK)

2025	2024	Dealer
1	1	ENGIE Global Markets
2	2	Axpo Group
3	3	SEFE
4	–	BP

TTF (Netherlands)

2025	2024	Dealer
1	1	ENGIE Global Markets
2	–	SEFE
3=	2	Axpo Group
3=	–	BP

PSV (Italy)

2025	2024	Dealer
1	1	ENGIE Global Markets
2	3	Enel
3	2	Axpo Group
4	–	ENI

European gas options and structured business

2025	2024	Dealer
1	1	ENGIE Global Markets
2=	–	Enel
2=	2	Axpo Group

Power – Europe

UK

2025	2024	Dealer
1	1	Axpo Group
2	4	EDF Trading
3	2	ENGIE Global Markets
4	–	RWE Supply & Trading

Netherlands

2025	2024	Dealer
1	2	ENGIE Global Markets
2	3	RWE Supply & Trading
3=	–	Gunvor
3=	4	Shell

Northern Europe (Denmark, Estonia, Finland, Latvia, Lithuania, Norway, Sweden)

2025	2024	Dealer
1	1	Axpo Group
2	3	Vattenfall
3	4	ENGIE Global Markets

Central Eastern Europe (Czechia, Hungary, Poland, Romania, Slovakia, Slovenia)

2025	2024	Dealer
1	2	GEN-I
2	1	Axpo Group
3	3	ENGIE Global Markets

France

2025	2024	Dealer
1	1	ENGIE Global Markets
2	3	EDF Trading
3	2	Axpo Group

Italy

2025	2024	Dealer
1	3	Enel
2	2	Axpo Group
3	1	ENGIE Global Markets

Spain and Portugal

2025	2024	Dealer
1	1	Axpo Group
2	2	ENGIE Global Markets
3=	–	Iberdrola
3=	–	Shell

South Eastern Europe (Bulgaria, Croatia, Greece, Serbia)

2024	2023	Dealer
1	1	GEN-I
2	3	Axpo Group
3	–	Public Power Corporation

Environmental markets

Renewables and clean fuels

Wind power

2025	2024	Dealer/Broker
1	–	Axpo Group
2	–	Statkraft

