Energy Market Report

April 2026

Introduction

Data from April 2026 suggest that we are currently witnessing a progressive reshaping of the global energy supply architecture. The key factor destabilizing energy markets worldwide last month remains the conflict in the Middle East, now in its second month, and the paralysis of shipping in the Strait of Hormuz. Global energy commodity markets quivered with the escalation of the conflict in the Persian Gulf, which strongly correlated with the situation on European energy markets. Continued uncertainty about the future of the US-Israel-Iran relations, the earthquake within OPEC, and the struggle to fill European gas storage facilities on time – these are just some of the events that determined market sentiment last month.

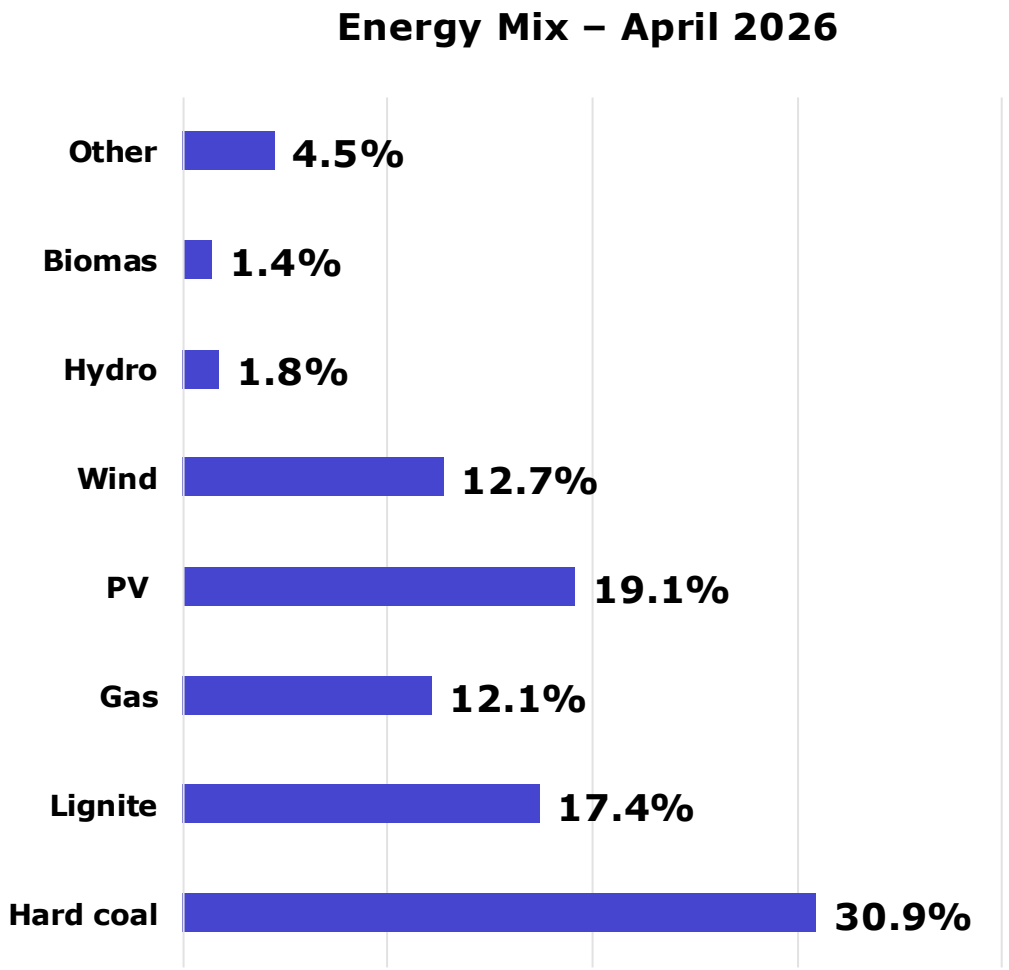
April 2026 in the Polish energy sector was a time of extremes. The Polish power system entered a trajectory of further record-breaking prices resulting from the green revolution in Poland, delivering historically low energy prices and a record number of periods with negative prices on the short-term market.

The Power Grid – renewable energy sources take over

In April, along with the increasing length of days and higher average daily air temperatures, the downward trend in power demand in the National Power System continued. The average daily load last month was just under **18 GW**, a drop of just over 2% compared to March. This confirms that the power system has entered the phase of reduced demand typical for this time of year – heat pumps are already operating at lower loads, and air conditioners in our homes and offices are not yet operational.

At the same time, the share of renewable energy sources in the Polish energy mix exceeded an impressive **35%**, recording a 7 percentage point increase month-on-month. Photovoltaics was the primary driver of the growing supply of renewable energy. The share of PV in the energy mix increased by 5 percentage points month-on-month (**19%**). Wind power broke the downward trend of previous months, recording an increase of over 2 percentage points (**12.7%**). The growing share of renewable energy sources (RES) has reduced coal's share in electricity generation – in April, coal accounted for less than half of generation, losing almost 7 percentage points (**48%**) compared to March. Gas, its use in electricity generation, fell by just 0.3 percentage points month-on-month (**12.1%**).

This capacity mix contributed to a decline in spot energy prices. A closer look revealed that RES generation was uneven throughout the month, which was reflected in short-term market prices. The lowest average daily share of RES in the energy mix occurred on April 15th, at nearly **24%**. The highest RES impact on the energy mix occurred on April 7th, when they covered almost half of domestic demand, or **48.63%**.

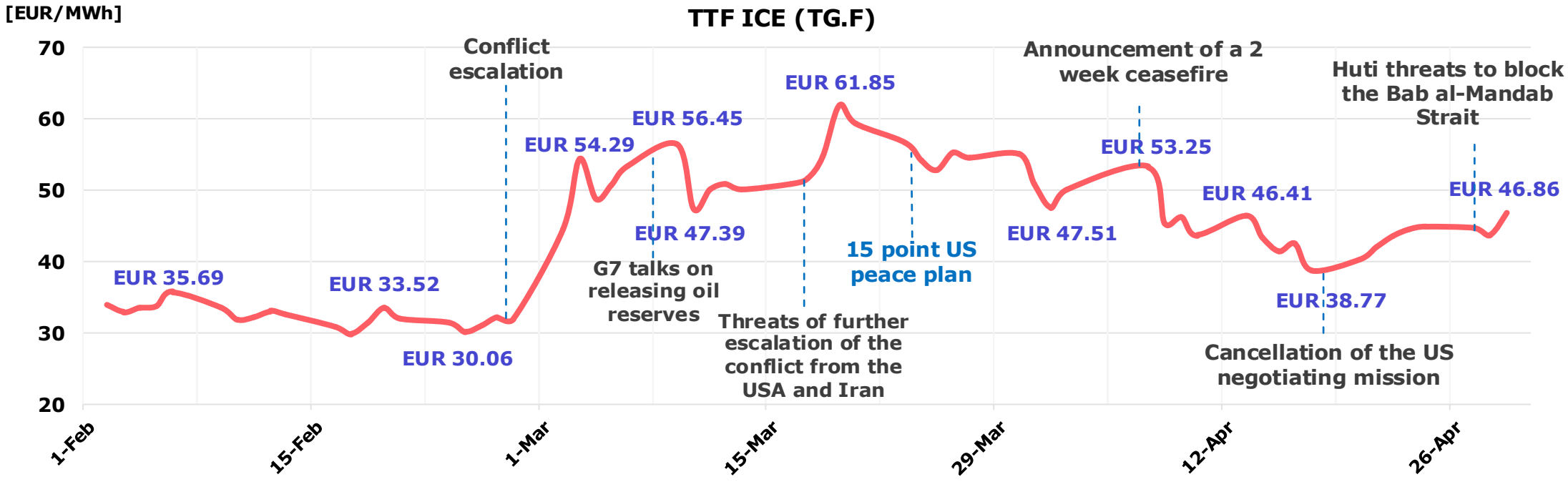


Źródło danych: PSE, Energy.Instrat

Gas TTF – no changes

April gas prices at the TTF hub were completely dominated by the dynamics of the conflict in the Middle East, with fundamental demand and supply factors in Europe taking a back seat. After an initial surge to **€53.25/MWh**, triggered by the lack of a concrete diplomatic plan and the US ultimatum to Iran, however, just before the American ultimatum expired, on the night of April 7-8, a two-week ceasefire was announced, triggering a decline in stock markets, bringing prices to a monthly low of **€38.77/MWh** (April 17). However, the short-lived nature of the declared ceasefire and the lack of a breakthrough in the negotiations quickly undermined this optimism, resulting in a return to the upward trend.

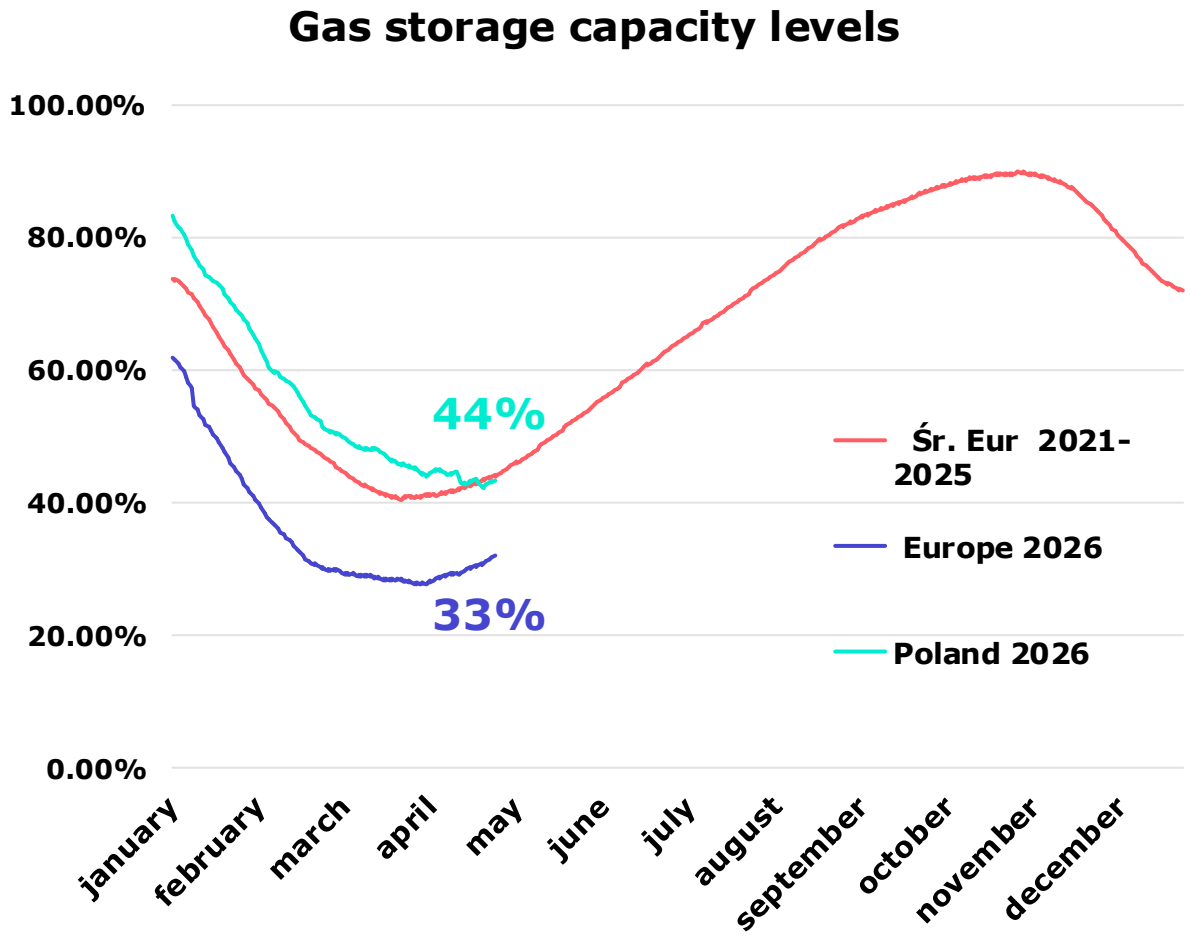
As a result, in the fourth week of April, prices rose by **15%**, reaching **€44.86/MWh**. This, coupled with the growing diplomatic stalemate between Washington and Tehran and the continuing blockade of the Strait of Hormuz, is keeping European stock markets in a state of high volatility. At the beginning of the last week of April, there was still no breakthrough in the US-Israel-Iran talks, and the United States canceled a planned negotiating mission. The growing stalemate between Washington and Tehran, along with further threats from Iran's allies about a possible blockade of the Bab al-Mandab Strait, resulted in energy commodity prices resuming their upward trend. Gas prices on the TTF reached **€45.99/MWh** at the end of April.



Źródło danych: Stooq

Gas storage facilities – 90% target in question

The situation on the European gas market is also influenced by the fact that EU gas storage facilities are currently approximately 33% filled. This is significantly below the five-year average for this period, which is around **44%**, making Europe even more sensitive to any supply fluctuations. In April, gas storage levels increased by over 4%, with the extrusion rate reaching 0.14 ppm. At the current rate, EU storage facilities will be filled to around **60%**. The relatively low gas storage levels remain a key risk factor, impacting price expectations and trade dynamics. On paper, the EU target is 90% storage capacity by November 1st, which currently means storing the equivalent of around **900 TWh** of gas in six months. In light of recent events, this target is starting to look more theoretical. Even taking into account seasonal acceleration, the system would need sustained, near-maximum injection throughout the summer to catch up. Recently, there have been voices arguing that **the 90% target itself is no longer perceived as fully binding**. With the realities of May 2026 looming, the role of flexible LNG supplies is clearly gaining importance – they will be essential to rebuilding gas reserves in the European Union before the next heating season. If Europe attracts sufficient LNG cargoes in the summer, storage facilities reach "good enough" levels, and prices remain relatively stable – this is the optimistic scenario. However, if competition for LNG intensifies due to demand from Asia or additional geopolitical disruptions, supply may be insufficient, which would impact gas prices.

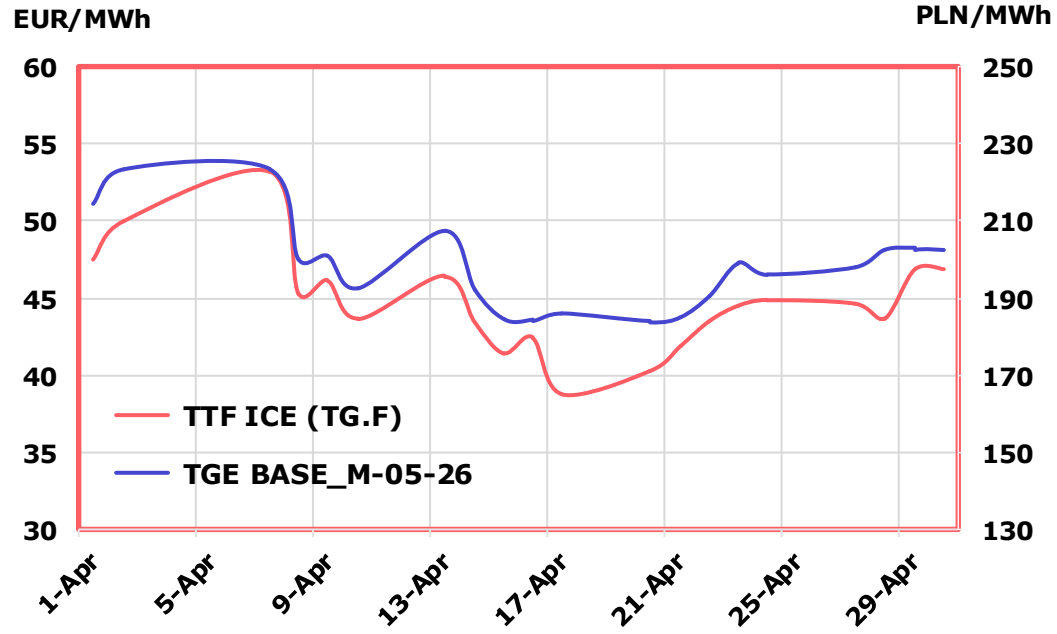


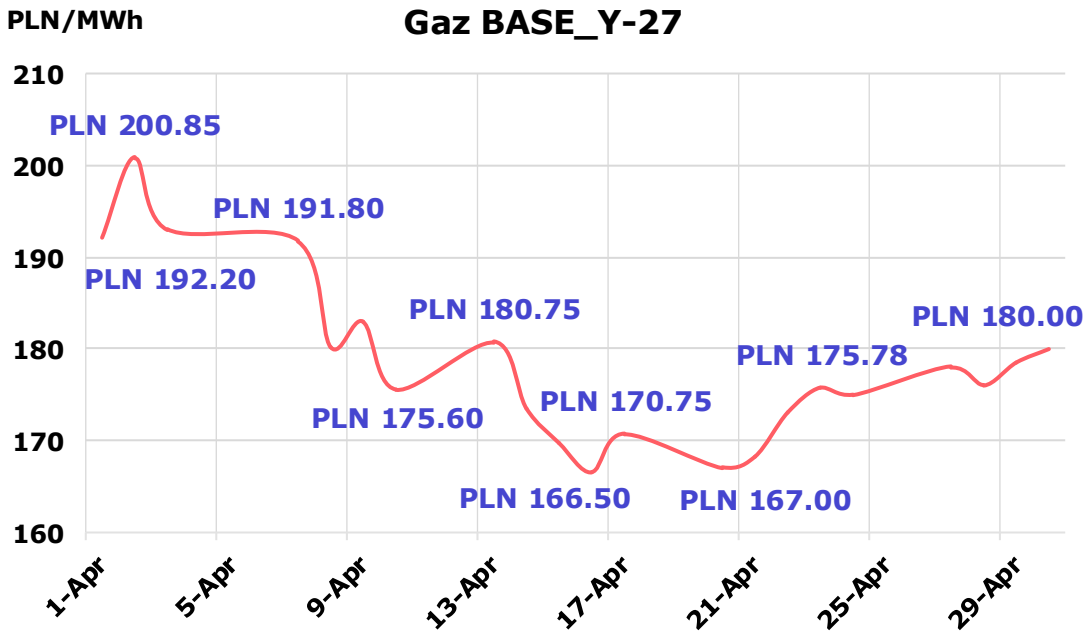
Źródło danych: AGSI

TGE gas – geopolitics is a fundamental factor

Exactly the same factors determining global and European exchanges influenced gas prices on the Polish Power Exchange. **The main factor determining sentiment on the Polish Power Exchange (PGE) was the high correlation with the European TTF hub**. Gas futures contracts on the PGE started April at high levels. The BASE_Y-27 contract reached a monthly high of **PLN 200.85/MWh** during the second April session (April 2). In the following days of April, they gradually declined, reaching **PLN 166.50/MWh** (April 16, 2026). In the second half of the month, as with other European exchanges, prices resumed their upward trend due to the lack of significant signals that could calm the situation in energy commodity markets.

The BASE_Y-27 contract closed at **PLN 180.00/MWh** during the last April session. The BASE contract for 2027 averaged **PLN 178.55/MWh** last month, down **PLN 9.46 month-on-month**. The short-term gas market saw exceptionally volatile price trends. April demonstrated one of the characteristic features of the spot market, namely its variability. What can be considered optimistic is that, despite significant price fluctuations on the day-ahead market (DAM), a downward trend dominated for most of the month. The average gas price on the day-ahead market in April was **PLN 212.84/MWh**, a drop of over **8%** compared to March. Compared to February 2026, this represents a **20%** drop.

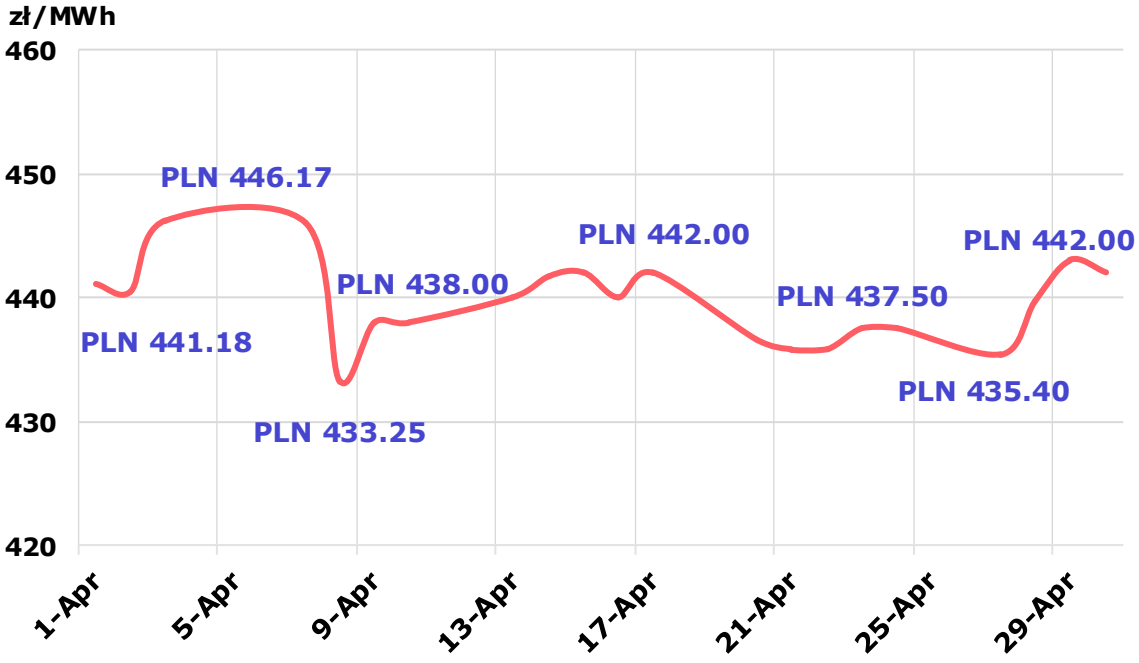


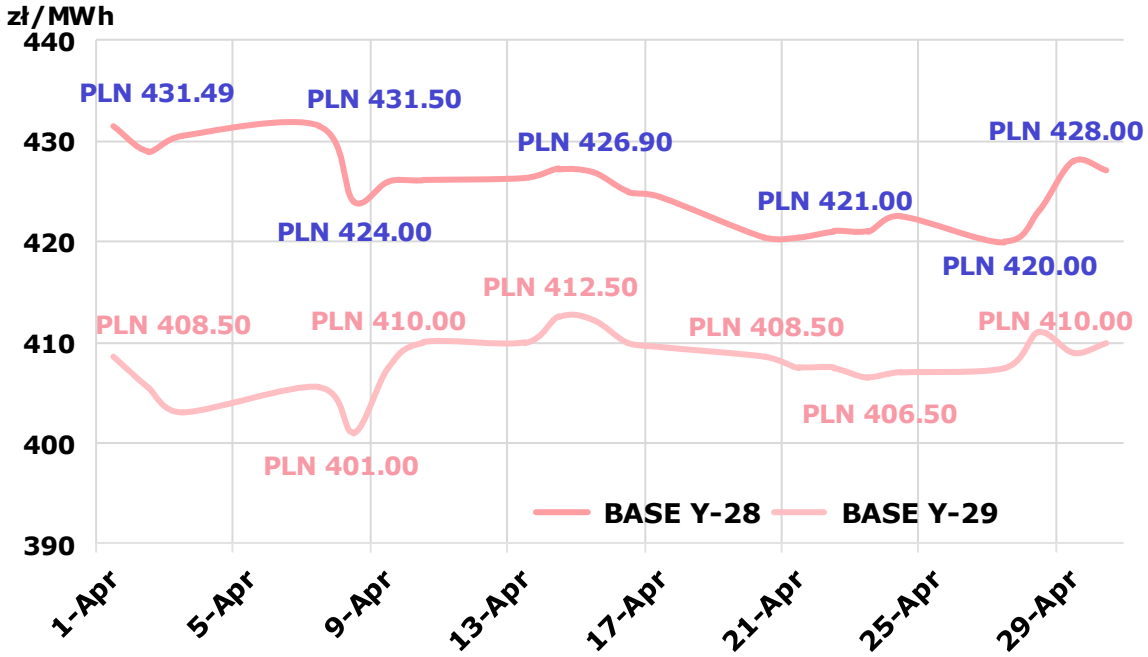


Źródło danych: AGSI

Electricity – energy prices under pressure from fuels and geopolitics

The BASE_Y-27 contract on the Polish Power Exchange began April at **PLN 441.18/MWh** (April 1st). Subsequently, electricity prices followed the rising price of gas, rising in the following days to **PLN 446/MWh**. The aforementioned two-week ceasefire announced on the night of April 7th to 8th led to declines in energy commodity prices, and after this, the BASE_Y-27 contract fell by PLN 12.80 to **PLN 433.25/MWh** (April 8th), reaching a monthly low. By mid-month (April 15th), the BASE_Y-27 contract price had steadily increased to PLN 442/MWh. Until the beginning of the fourth week of April, the price of BASE contracts for energy supplies in 2027 remained above PLN 440/MWh. In the following week, despite the de-escalation rhetoric, energy markets remained tense, with the BASE_Y-27 price fluctuating within a narrow range from **PLN 435.80** to **PLN 437.50/MWh**. The last week of April, with energy and energy commodity markets constantly uncertain about the situation in the Strait of Hormuz, saw the BASE_Y-27 index rise, closing April at PLN 442/MWh. **The average BASE_Y-27 price for the past month was PLN 439.63/MWh, an increase of less than 2% month-on-month**. The BASE CAL28 contract recorded a month-on-month increase of PLN 12.48 – the average for the past month was **PLN 425.33/MWh**, while the BASE CAL29 contract increased by PLN 7.80 – the average for April was **PLN 408.08/MWh**.

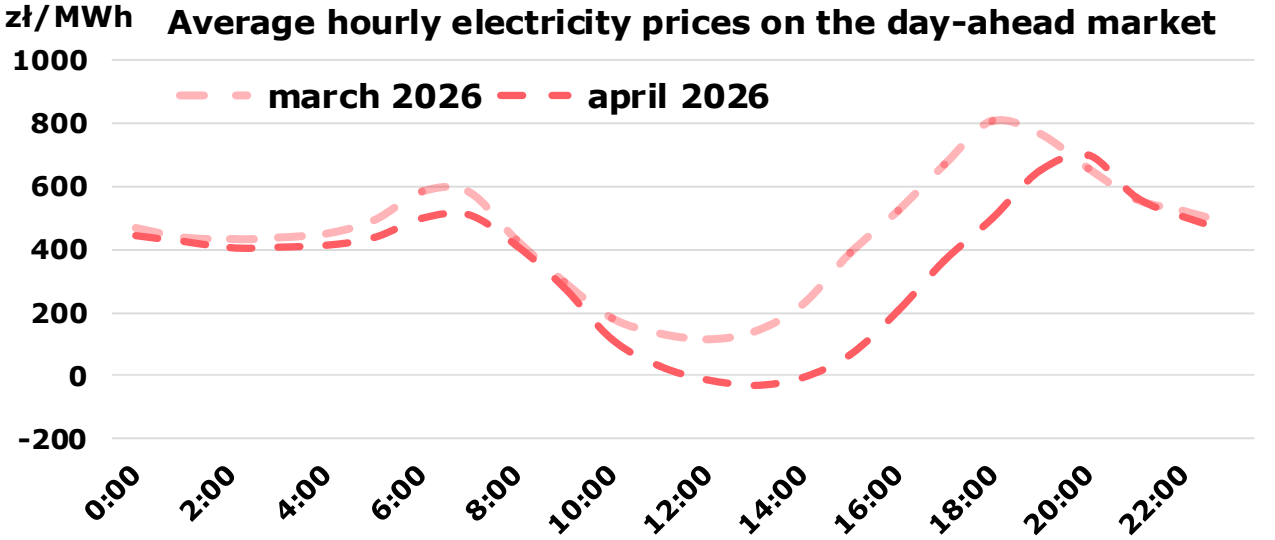


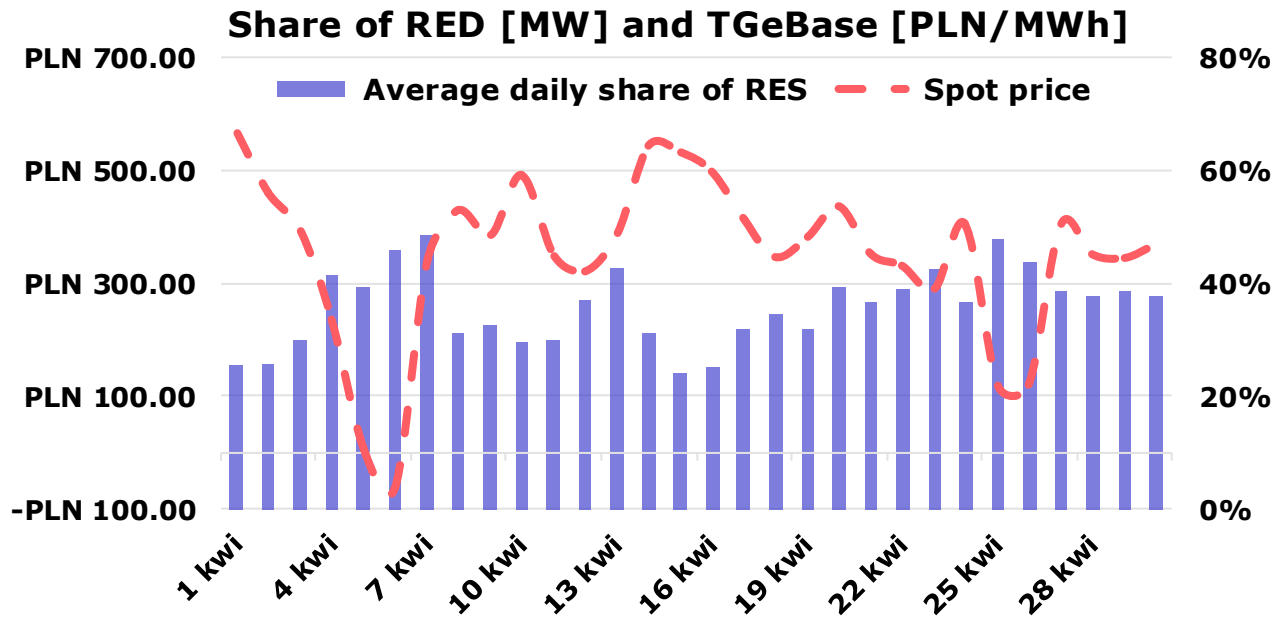


Źródło danych: TGE

Spot electricity – RES are back in the pricing landscape

The Day-Ahead Market (DAM) for electricity in April was characterized by high volatility and price range, with greater fluctuations month-on-month. Comparing the profiles of hourly DAM prices for March and April reveals that average prices declined in most hours of the day. The price peak will shift, as will the price trough in the middle of the day – a result of longer daylight hours and increasing PV generation. Overall, the growing share of renewable energy in the energy mix, coupled with relatively stable CO_2 emission allowance prices, remained a key factor influencing DAM prices. As a result, the arithmetic mean of spot prices in April reached **PLN 348.27/MWh**, a **22%** decrease compared to March. The daily profile of hourly prices highlights price differences between midday and the evening peak. In April, peak prices (peak 7:00–22:00) fell by 31% month-on-month. The arithmetic average of the Day Ahead Market for these hours was **PLN 303.67/MWh**. For off-peak hours (10:00 PM–7:00 AM), the average price was **PLN 437.47/MWh**, which also represents a month-on-month decline, but the difference is not as impressive, at 5%. Considering the average for each hour of the entire month, statistically the most expensive hour was 9:00 PM, with an average price of **PLN 699.37/MWh**. In turn, the lowest price in April could be expected at 2:00 PM, with an average for this hour of **PLN -29.82/MWh**.





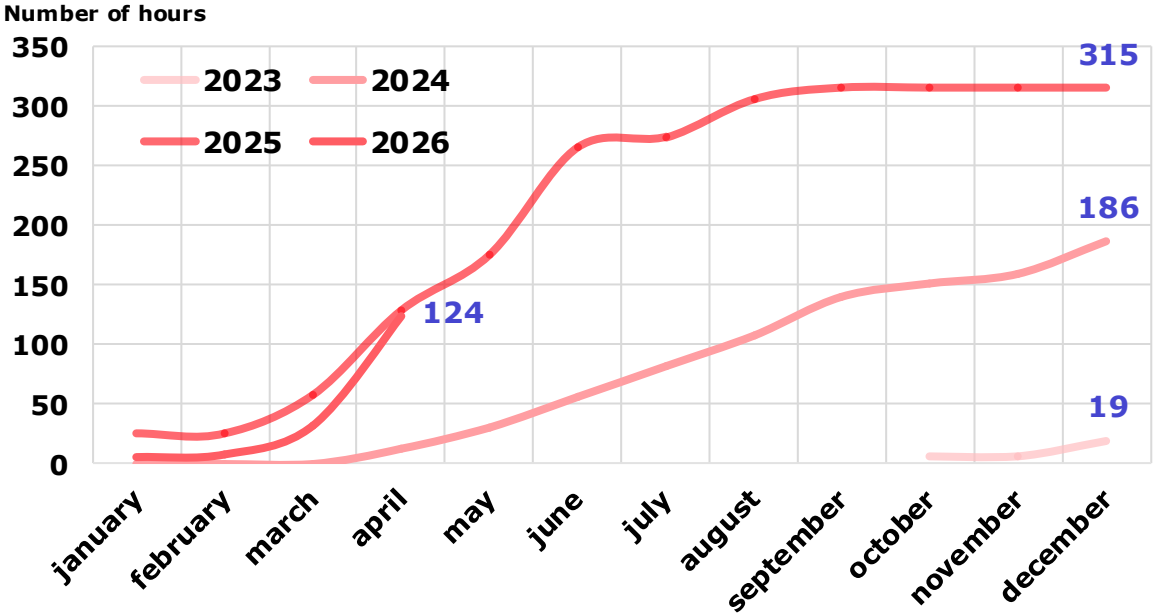
Źródło danych: TGE, PSE

Negative energy prices – April marked by record highs

Negative energy prices on the short-term market are evidence of a supply-demand imbalance in the market. Their frequency is clearly correlated with the significant and growing share of PV and other renewable energy sources in the energy mix. According to the most recent data from PSE, the installed capacity of PV in Poland is **26,484 MW** (as of March 1, 2026), while wind farms account for **11,188 MW** (as of April 1, 2026). Furthermore, in mid-2026, the share of RES in the energy mix is expected to support offshore. Year after year, we are seeing an increasing number of hours when prices on the first day-ahead market (DAM) fixing drop below zero. The beginning of 2026 deviates somewhat from this trend due to lower windiness and therefore wind generation, but if the dynamics observed last month continue, this year is likely to be record-breaking, not only in terms of price declines but also in the number of such incidents.

In terms of negative prices, April set several records. The lowest price recorded in April on the Day Ahead Market (DAM) occurred during the Easter period. Delivery of one MWh on April 6 at 2:00 PM was priced at a record low of **-900.00 PLN**. However, something completely new is that on Easter Monday, TGeBase (the arithmetic mean of the weighted average hourly prices for a given day) reached a negative value of **-63.09 PLN/MWh** for the first time in history. Additionally, in April, as many as seven hours were settled at a price lower than -500 PLN/MWh (the previous record). April 2026 outperformed June 2025 in terms of the number of hours with a negative energy price on the first DAM fixing by two hours, with a total of **92** recorded in the past month.

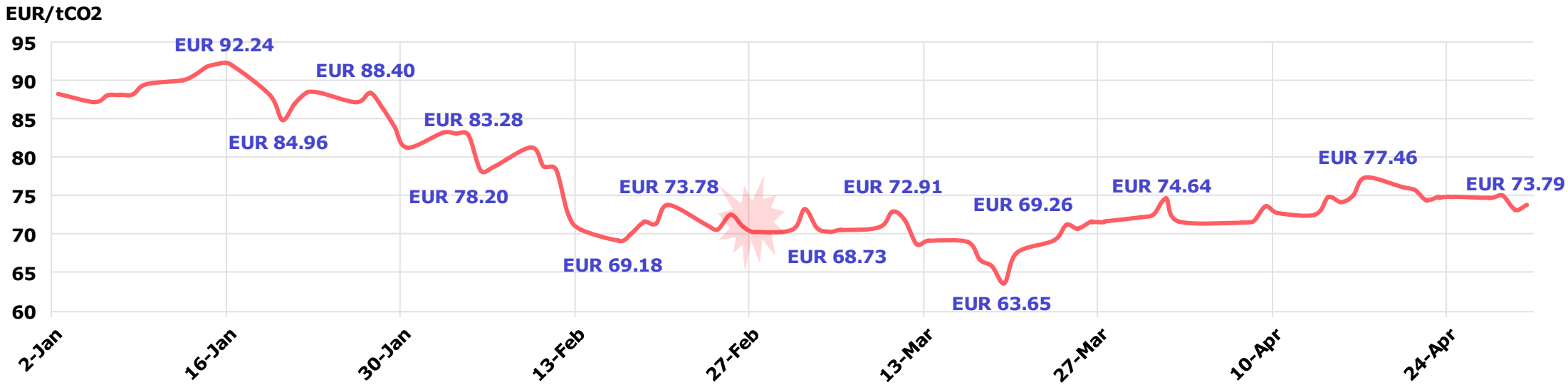
While such episodes and price records most often occur on weekends and holidays, they are also increasingly observed on weekdays. In April, 38% of hours with negative prices occurred on weekdays, and the lowest recorded price on such a day was **-138.49 PLN/MWh** (2:00 PM, Thursday, April 23rd). On the other hand, the highest hourly price on the TGE Day-Ahead Market was recorded on April 10th at 9:00 PM, with a MWh priced at **PLN 1,265.90 during** that period. Additionally, the average daily price spread increased month-on-month in April, reaching **PLN 729.19**. An important conclusion for energy consumers may be that, over time, **energy purchasing models that take into account delivery times will become increasingly attractive**, offering the opportunity to significantly optimize energy costs due to the increasing frequency of low and negative electricity prices.



Źródło danych: TGE, PSE

EUA – CO_2 prices awaiting direction

The market is recovering from the downward correction in March 2026, when EUA prices reached their lowest level this year (**EUR 63.65/tCO$_2$**). This was prompted by the debate on the need for urgent reform of the EU ETS, which effectively lowered the price of CO_2 emission allowances. In the following weeks, rising gas prices and the expected increased use of high-emission coal provided a significant impetus for the EUA to return to its upward trend. On the other hand, in the medium and long term, the ongoing conflict and the resulting persistently high commodity prices could lead to an economic slowdown in Europe. This scenario inhibits the potential for EUA price increases by reducing the overall demand for CO_2 emission allowances. Although the proposal for changes to the emissions trading system presented by the European Commission in early April has not yet brought about specific changes, according to declarations by European Commission President Ursula von der Leyen, work on reforms is expected to accelerate in the coming months. As announced by the European Commission, a comprehensive review of the EU ETS will be conducted in July 2026. A continued sideways trend in EUA pricing is the most likely scenario for the coming months. In the first quarter of this year, EUA prices were more volatile than in April, when prices fluctuated within a narrower range from **EUR 71.51/tCO$_2$** (April 7) to **EUR 77.46/tCO$_2$** (April 17). By the end of April, prices had risen to around €75, a similar level to the beginning of the month. Compared to the same period in 2025, EAU prices had increased by **12%**. Since the beginning of the escalation of the conflict in the Middle East, CO_2 emission allowance prices have remained at a similar level, with an April average of **€71.85/tCO$_2$**.

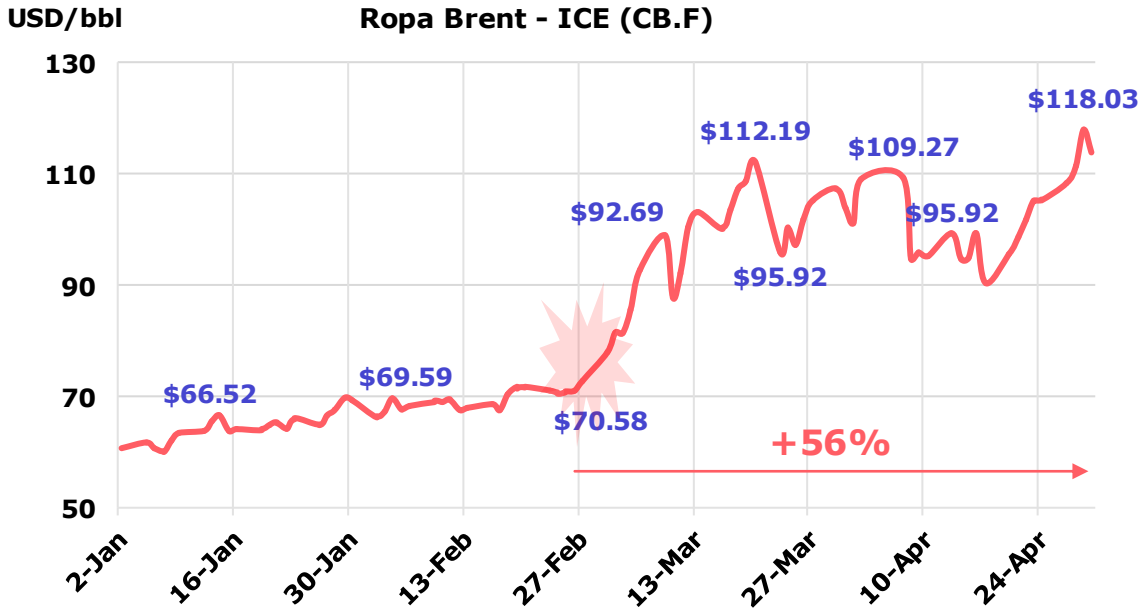


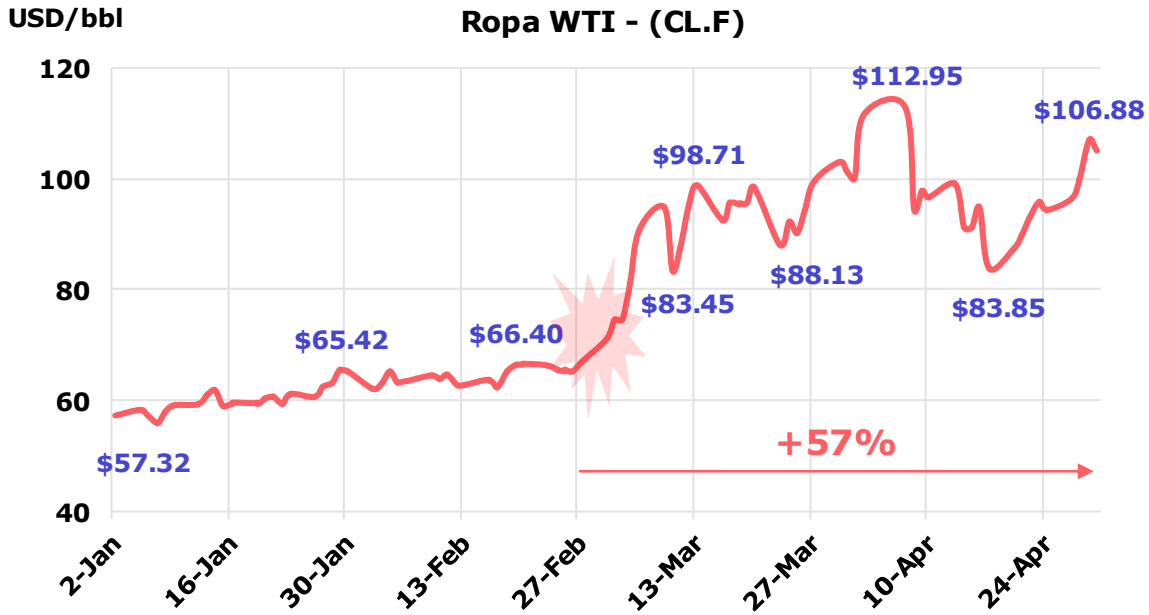
Źródło danych: Stooq

Oil – war, OPEC collapse and prices at the highest level in years

April 2026 in the oil market was marked by extreme geopolitical tensions and suspicions of insider trading related to US policy towards Iran. A landmark event was the **official withdrawal of the United Arab Emirates from OPEC at the beginning of May**. This decision, motivated by the lack of support from allies in the Persian Gulf region, ends the era of cartel solidarity and is seen as a strategic success for the Donald Trump administration. The loss of such a modern and predictable producer is a powerful operational blow to the organization, ushering in a new era in commodity trading. In the coming cycle, the primacy of national interests over cartel arrangements heralds increased unpredictability, but also new market dynamics.

Crude oil prices exhibited extreme volatility this month. After initial increases (**Brent around $110, WTI around $112**), a period of declines occurred due to a temporary truce, with a monthly low on April 20. Brent and WTI crude prices fell to around $95/bbl, down **13%** and over **16%**, respectively. However, the failure of the US-Iran negotiations and the continuing blockade of the Strait of Hormuz led to a real supply shock in the third decade of the month. On April 30, prices broke through critical barriers, reaching their highest levels since the energy crisis triggered by Russia's attack on Ukraine. Brent crude prices approached **$120/bbl**, reaching their highest levels since June 2022.

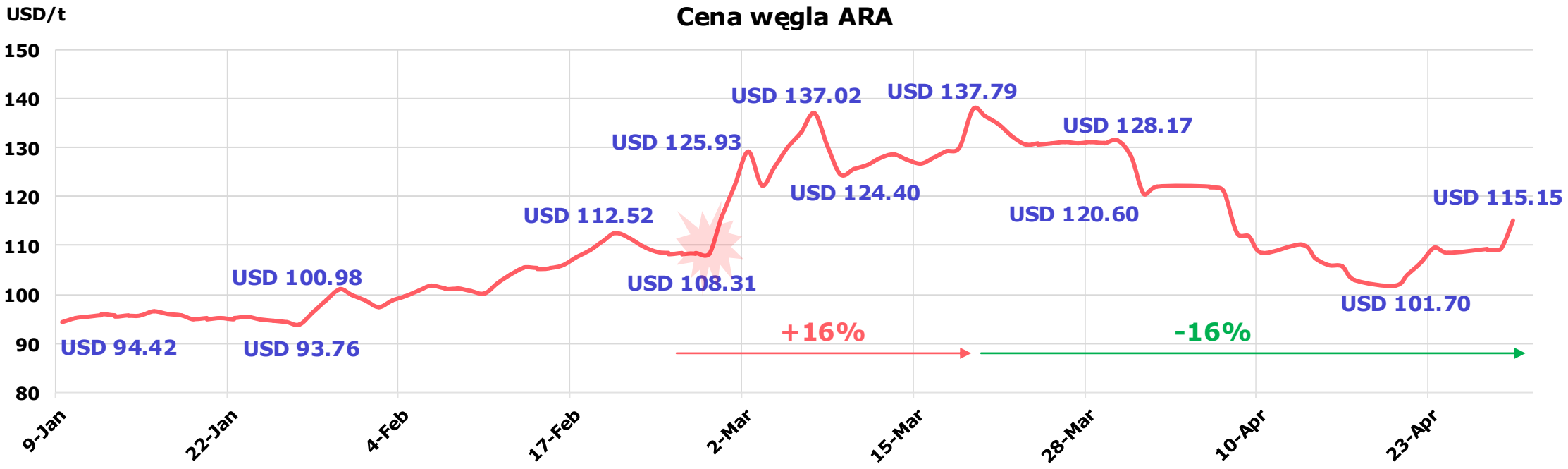




Źródło danych: Trading Economic

Thermal coal – an unexpected winner of the crisis

Although the Strait of Hormuz is not a critical logistical point for coal transport, the escalation of the conflict in the Middle East triggered a strong domino effect. The sharp rise in oil and gas prices dramatically increased the profitability of coal-fired units. As a result, coal regained its competitive advantage as a cheaper fuel alternative in both Asian and European markets. The market situation was further exacerbated by reports of mining restrictions and export limits for Indonesian coal, which reinforced concerns about the stability of global supply. Consequently, thermal coal prices skyrocketed following the escalation of the conflict, and the API2 index showed significant volatility in the following weeks, reacting to each new development in the geopolitical conflict. Despite strong upward pressure, the price rally was effectively tempered by a solid supply base and the dynamic growth in renewable energy generation, which took over a significant portion of the load on power systems. ARA thermal coal prices in April ranged from **$101.70/tonne** to **$121.95/tonne**. The ARA coal price at the end of April was down **16%** from its March peak **($137.79/tonne**). However, the current price is 22% higher than at the beginning of this year. Globally, coal remains a key raw material for energy security, particularly in the context of reducing raw material imports and diversifying energy sources. The desire to prioritize energy security amid high oil prices positions coal as a leading raw material in the evolving energy strategies of economies such as China and India.



Źródło danych: WNP

Summary

April 2026 sheds new light on an energy market undergoing profound transformation, simultaneously subjected to unprecedented external pressures. Key conclusions can be summarized in four pillars:

- **Geopolitics as the main price maker**: The commodity market (gas, oil) has almost completely detached itself from supply-demand fundamentals. The situation in the Persian Gulf and the rhetoric between Washington and Tehran have become the main "director" of pricing. The UAE's departure from OPEC is a tectonic event that could herald the end of the cartel's previous monopoly in favor of national resource strategies.
- **European security bottleneck**: The relatively low fill rate of EU gas storage facilities (32%), coupled with rising gas prices, creates a dangerous mix. The goal of 90% fill by November is becoming a logistical and financial challenge, promoting the role of LNG as a key fuel for the EU, but also making us dependent on the global competition for cargo.
- **Poland's "green" dominance and its consequences**: The share of renewable energy exceeding 35% (with photovoltaics leading the way) is permanently changing the price profile in the short-term market. April became a symbol of so-called price cannibalization – a record -900 PLN/MWh and a record number of hours with negative prices.
- **Coal Renaissance and EUA Uncertainty**: Paradoxically, high gas and oil prices have restored the profitability of coal-fired units, which, with stable (though pending reform) CO_2 emission allowance prices, allowed coal to maintain its position as a "safety net" in the system.

April 2026 proved that the energy purchasing model must evolve. Those who manage volatility and exploit price troughs while hedging against geopolitical shocks will prevail.

Axpo View

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