

Energy Market Update

07th April 2026

Wholesale Market Prices and Trends

Wholesale Gas Element (p/kWh)	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Apr-26 12m	3.78	↑ 58.4%	↑ 45.7%	↑ 38.6%
Apr-26 24m	3.27	↑ 47.1%	↑ 30.3%	↑ 25.8%
Apr-26 36m	2.96	↑ 38.7%	↑ 21.0%	↑ 16.5%
Oct-26 12m	3.22	↑ 46.5%	↑ 28.1%	↑ 23.6%
Oct-26 24m	2.81	↑ 34.7%	↑ 15.7%	↑ 13.1%

Wholesale Power Element (p/kWh)	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Apr-26 12m	8.93	↑ 26.4%	↑ 22.8%	↑ 22.6%
Apr-26 24m	8.18	↑ 20.0%	↑ 14.5%	↑ 15.0%
Apr-26 36m	7.77	↑ 15.6%	↑ 9.8%	↑ 10.8%
Oct-26 12m	8.04	↑ 19.3%	↑ 13.1%	↑ 13.9%
Oct-26 24m	7.48	↑ 13.4%	↑ 6.4%	↑ 7.9%

Wider Energy Complex	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Brent (\$/bbl.)	109.77	↑ 83.1%	↑ 86.0%	↑ 93.6%
Coal (\$/t)	128.00	↑ 33.3%	↑ 28.0%	↑ 38.4%
UK Carbon (£/t)	41.50	↓ -39.7%	↓ -28.1%	↓ -23.2%
EU Carbon (€/t)	62.54	↓ -18.2%	↓ -11.6%	↑ 2.2%
€/E	0.872	↓ -1.2%	↓ -0.6%	↑ 2.7%

UK NBP Gas

Wholesale Market Drivers

Bearish (Falling)

Gassco expects stable and high Norwegian gas deliveries over the period due to a lighter maintenance schedule, reassuring markets over summer supply, with exports forecast to rise by 1.7bcm year on year.

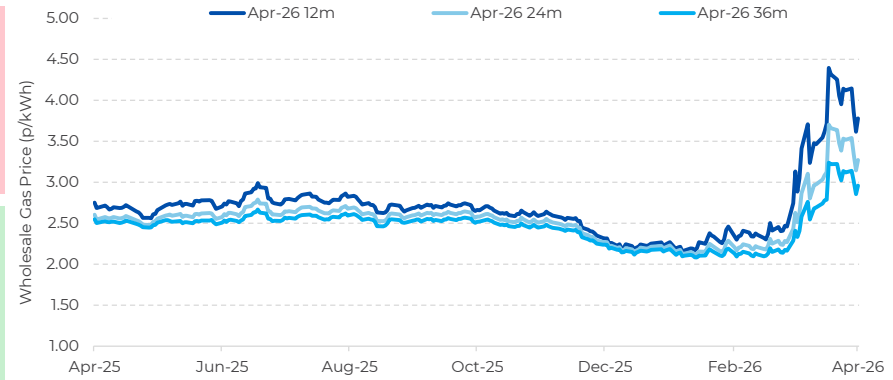
Golden Pass LNG project in the US has started production and is on track to deliver its first LNG cargo, with US summer LNG exports expected to rise 19% year-on-year.

Bullish (Rising)

The shutdown of Ras Laffan and Das Island reduces global LNG supply by around 8bcm for each month the conflict continues, with Northwest Europe facing a 3bcm shortfall and Asia absorbing the larger 5bcm impact.

Equinor's director said energy supplies are unlikely to normalise this year, with recovery dependent on peace talks, security guarantees for the Strait, fleet restoration and port repairs, all of which are expected to take longer than markets currently assume.

Wholesale Price Graphs



UK Baseload Power

Market Drivers

Bearish (Falling)

LSEG forecast that total EU summer gas-for-power demand is expected to fall by only 1.5bcm year-on-year.

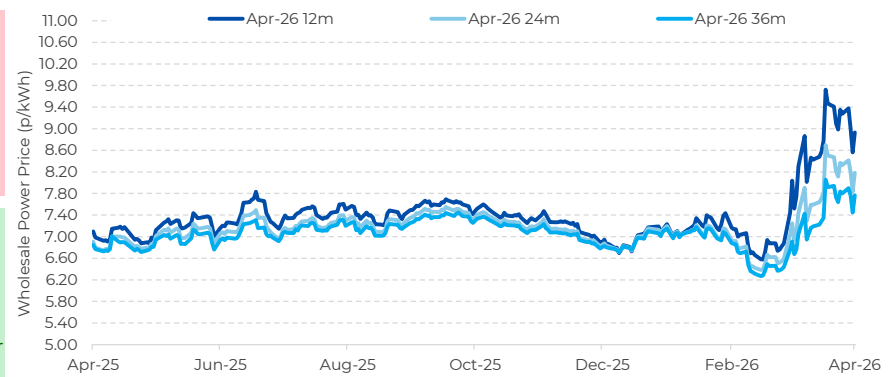
UK clean power generation has reached record highs in 2026 so far, with Q1 wind output up 31% year on year, lifting total clean generation by 16% and helping cushion power markets from gas price volatility.

Bullish (Rising)

Ember said EU grid constraints could delay around 120GW of new renewable capacity by 20230, with bottlenecks increasingly posing an energy security risk by prolonging reliance on gas-fired generation and helping to keep power prices supported.

NOAA sees a 62% chance of El Niño developing between June and August and persisting through year-end, increasing the risk of hotter summer conditions, firmer cooling demand and potential stress on nuclear availability.

Wholesale Price Graphs



Iran remains defiant as Trump's ceasefire deadline approaches, keeping energy markets under pressure. Iran and Israel continued exchanging strikes on Tuesday, with Tehran refusing to reopen the Strait of Hormuz or accept a US-backed ceasefire ahead of President Donald Trump's deadline for compliance. Although Pakistani mediation efforts were described by Iran's ambassador as reaching a critical stage, there was little sign of an immediate breakthrough. Instead, both sides continued to escalate, with fresh Israeli strikes on Iranian infrastructure and renewed missile threats across the Gulf. For energy markets, the central issue remains the continued closure of Hormuz, a route that carries around a fifth of global oil and gas supply. At the same time, Trump's threat to destroy Iran's power and transport infrastructure has added a further layer of geopolitical risk. Brent crude remained near \$110 per barrel as traders weighed the risk of a much sharper US response if no deal is reached. Until there is firm evidence of de-escalation, oil and gas markets are likely to remain highly volatile and acutely sensitive to every military and diplomatic signal.



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Energy Market News:

07 April 2026

Market Prices and Trends

Gas (p/therm)	Close	Indicative Price*	Change Today	Change Yesterday	3-Month Variance
Day-Ahead	126.00	126.98	0.8%	4.2%	62%
May-26	126.90	128.59	1.3%	5.4%	93%
Jun-26	125.28	127.26	1.6%	5.6%	94%
Jul-26	123.97	126.34	1.9%	5.5%	92%
Aug-26	124.57	127.33	2.2%	5.6%	92%
Q3-26	124.66	125.95	1.0%	5.5%	92%
Q4-26	127.43	128.95	1.2%	5.0%	85%
Winter-26	127.00	128.29	1.0%	4.9%	80%
Summer-27	94.55	105.99	12.1%	4.1%	59%
Winter-27	94.21	108.24	14.9%	3.8%	38%
Summer-28	67.69	69.99	3.4%	2.8%	19%
Winter-28	72.73	72.73	0.0%	2.2%	10%
Summer-29	64.08	64.08	0.0%	2.4%	15%

Baseload (£/MWh)	Close	Indicative Price*	Change Today	Change Yesterday	3-Month Variance
Day-Ahead	76.50	111.50	45.8%	-32.9%	-40%
May-26	96.26	99.95	3.8%	3.7%	37%
Jun-26	100.21	100.21	0.0%	4.9%	44%
Jul-26	98.12	98.12	0.0%	3.8%	40%
Aug-26	98.47	98.47	0.0%	3.7%	41%
Q3-26	98.58	98.58	0.0%	3.7%	39%
Q4-26	99.56	99.56	0.0%	3.6%	33%
Winter-26	100.90	100.90	0.0%	3.3%	32%
Summer-27	77.71	77.71	0.0%	5.6%	18%
Winter-27	83.06	83.06	0.0%	6.0%	10%
Summer-28	65.63	69.00	5.1%	3.2%	-1%
Winter-28	72.83	80.00	9.8%	4.0%	-3%
Summer-29	65.93	65.93	0.0%	3.7%	1%

Wider Energy Complex	Close	Current Offer	Change Today	Change Yesterday	3-Month Variance
Brent (\$/bbl)	109.77	109.15	-0.6%	0.7%	83.1%
Coal (\$/t)	133.08	135.00	1.4%	0.0%	33.3%
UKA Dec-26 (€/t)	41.50	41.79	0.7%	-2.3%	-39.7%
UKA Dec-27 (€/t)	43.73	44.13	0.9%	-2.3%	17.0%
EUA Dec-26 (€/t)	71.69	72.13	0.6%	-3.8%	-18.2%
EUA Dec-27 (€/t)	74.27	74.74	0.6%	-3.8%	-17.6%
€/€	0.872	0.87	0.0%	-0.1%	0.5%
€/€	1.154	1.156	0.2%	0.2%	-0.8%

Get in Touch



Current Market Drivers

- Prompt power contract is bullish as wind is expected to drop by around 3GW and solar generation weakens, but rising temperatures, easing domestic demand, and higher Norwegian imports limit further upside to day-ahead gas prices.
- Near-curve gas contracts are bullish as Trump's deadline for Iran to reopen the Strait expires tonight, with him renewing threats against Iran, while Tehran's rejection of ceasefire proposals raises fears of prolonged disruption and greater volatility across European gas markets.
- The IEA chief has warned that this current oil and gas energy crisis, driven by the Iran conflict, surpasses the shocks of 1973, 1979, and 2002 combined, deepening fears over prolonged global supply disruption, supporting oil and wider energy commodity prices.
- A leaked European Commission draft proposing an average benchmark tightening of around 17% for free EUAs over 2026-2030 appeared slightly softer than feared, easing expected compliance demand and adding mild bearish sentiment to EU carbon prices.
- European Central Bank policymaker Dimitar Radev warned that war-driven energy inflation could raise expectations more quickly, reinforcing the risk of faster rate hikes and adding pressure to broader European economic and energy market sentiment.

Yesterday's Session

UK gas futures strengthened on Thursday, rising 2.2% to 5.6% along the curve, led by Jun-26 up 5.6% as Middle east conflict continue to influence prices amid Washington's Tuesday deadline approaching. Baselead followed higher, gaining 3.2% to 6.0%, led by Winter-27, while carbon losses limited the upside.

Weather Fundamentals

UK wind forecasts are revised lower into mid-April, before stabilising broadly in line with seasonal norms thereafter. The UK temperatures declines from tomorrow and then recovers end of this week while staying in line with seasonal norms next week. Across NWE, temperature revisions are mixed, with France, Netherlands and Belgium showing similar modest changes overall.

Gas Supply/Demand Fundamentals

Warmer temperatures are reducing UK demand, with domestic demand (LDZ) down 29mcm/d to 83mcm/d on the day-ahead. Weaker wind forecasts are increasing gas-for-power demand by 13mcm/d to 32mcm/d. Norwegian imports to the UK are up 5mcm/d to 85mcm/d, driven by Langedig rising to 71mcm/d. Injections into mid-range storage are anticipated as the UK gas system opens oversupplied.

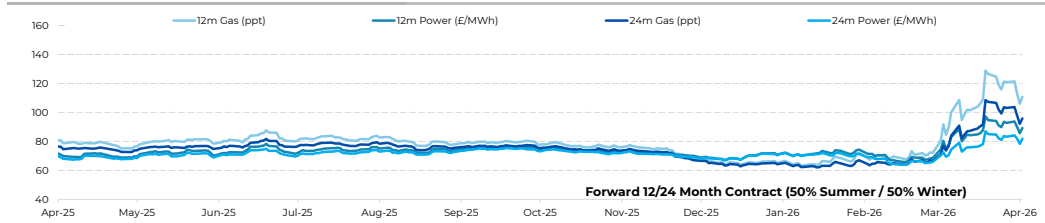
Market Focus

Iran remains defiant as Trump's ceasefire deadline approaches, keeping energy markets under pressure. Iran and Israel resumed exchanging strikes on Tuesday, with Tehran refusing to reopen the Strait of Hormuz or accept a US-backed ceasefire ahead of President Donald Trump's deadline for compliance. Although Pakistani mediation efforts were described by Iran's ambassador as reaching a critical stage, there was little sign of an immediate breakthrough. Instead, both sides continued to escalate, with fresh Israeli strikes on Iranian infrastructure and renewed missile threats across the Gulf. For energy markets, the central issue remains the continued closure of Hormuz, a route that carries around a fifth of global oil and gas supply. At the same time, Trump's threat to destroy Iran's power and transport infrastructure has added a further layer of geopolitical risk. Brent crude remained near \$110 per barrel as traders weighed the risk of a much sharper US response if no deal is reached. Until there is firm evidence of de-escalation, oil and gas markets are likely to remain highly volatile and acutely sensitive to every military and diplomatic signal.

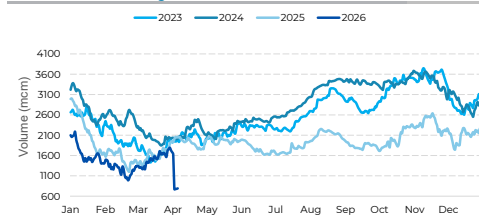
Oil surges as escalation signals outweigh hopes of near-term de-escalation. Energy markets have shifted back toward a more bullish risk profile after hopes of a swift resolution to the Iran conflict faded, with President Donald Trump signalling an intensification of military operations rather than a near-term exit. Brent crude surged around 6% following the speech, as investors reacted to the lack of clarity on reopening the Strait of Hormuz and the prospect of further strikes on Iranian energy infrastructure. Iran's warning of broader and more destructive attacks reinforces the risk of continued disruption across key supply routes, with the Strait still effectively constrained and regional infrastructure under sustained threat. Ongoing missile interceptions across the Gulf and evacuation warnings in Iraq highlight the widening scope of the conflict, while global institutions have flagged increasingly severe economic impacts. The absence of meaningful ceasefire progress alongside escalating rhetoric continues to underpin a strong geopolitical premium, keeping upward pressure on oil and gas prices despite intermittent market optimism around a potential off-ramp.

De-escalation hopes rise but sustained attacks keep energy risk elevated. Energy markets remain caught between emerging de-escalation signals and ongoing disruption, as the US signals a potential near-term exit from the Iran conflict while fresh strikes continue across the Gulf. Attacks on fuel infrastructure in Kuwait and Bahrain, alongside another tanker strike off Qatar, highlight the persistent threat to regional supply chains, with the Strait of Hormuz still effectively constrained. Oil prices extended gains despite improved market sentiment, reflecting the underlying risk premium tied to continued instability and unresolved shipping disruptions. While Asian markets rebounded on hopes of a diplomatic off-ramp, Iran has downplayed the prospect of formal negotiations, suggesting limited near-term resolution. The combination of ongoing strikes, geopolitical uncertainty and strained transit routes continues to support elevated prices, even as markets begin to tentatively price in the possibility of a gradual wind-down in hostilities.

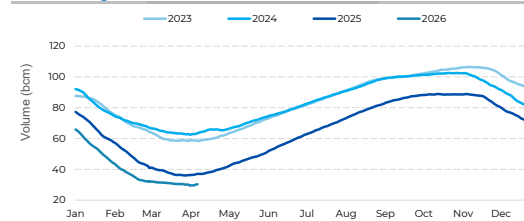
Forward Curve Price Action



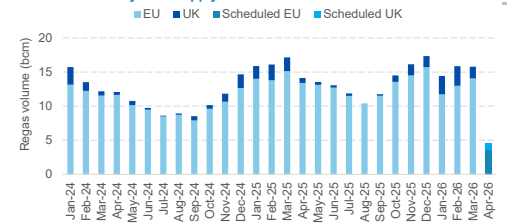
UK Gas and LNG Storage Levels



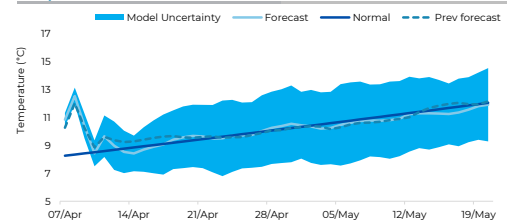
EU Gas Storage Levels



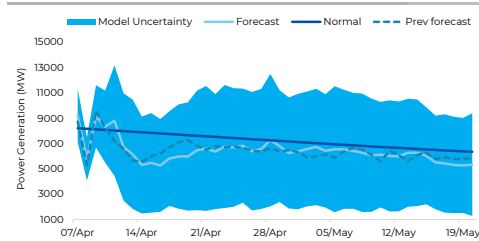
Historical Monthly LNG Supply



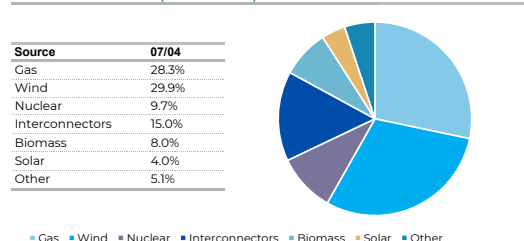
Temperature Forecast



Wind Power Generation Forecast



Power Generation Mix (Last 24 Hours)

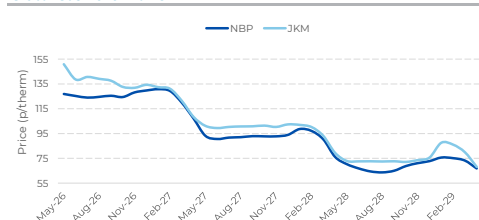


Nuclear Outages

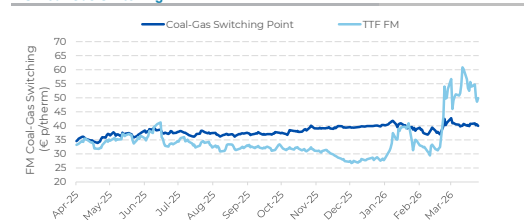
Facility	Capacity (MW)	Start Date	End Date
Torness 2	595	21/01/26	09/04/26
Heysham 1-1	595	09/03/26	27/03/26

Current online capacity: 6500 MW, 100%

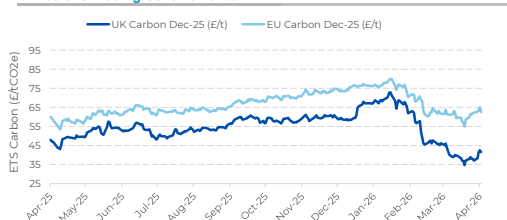
Global Gas Benchmarks



EU Coal-Gas Switching



Emissions Trading Scheme Carbon



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