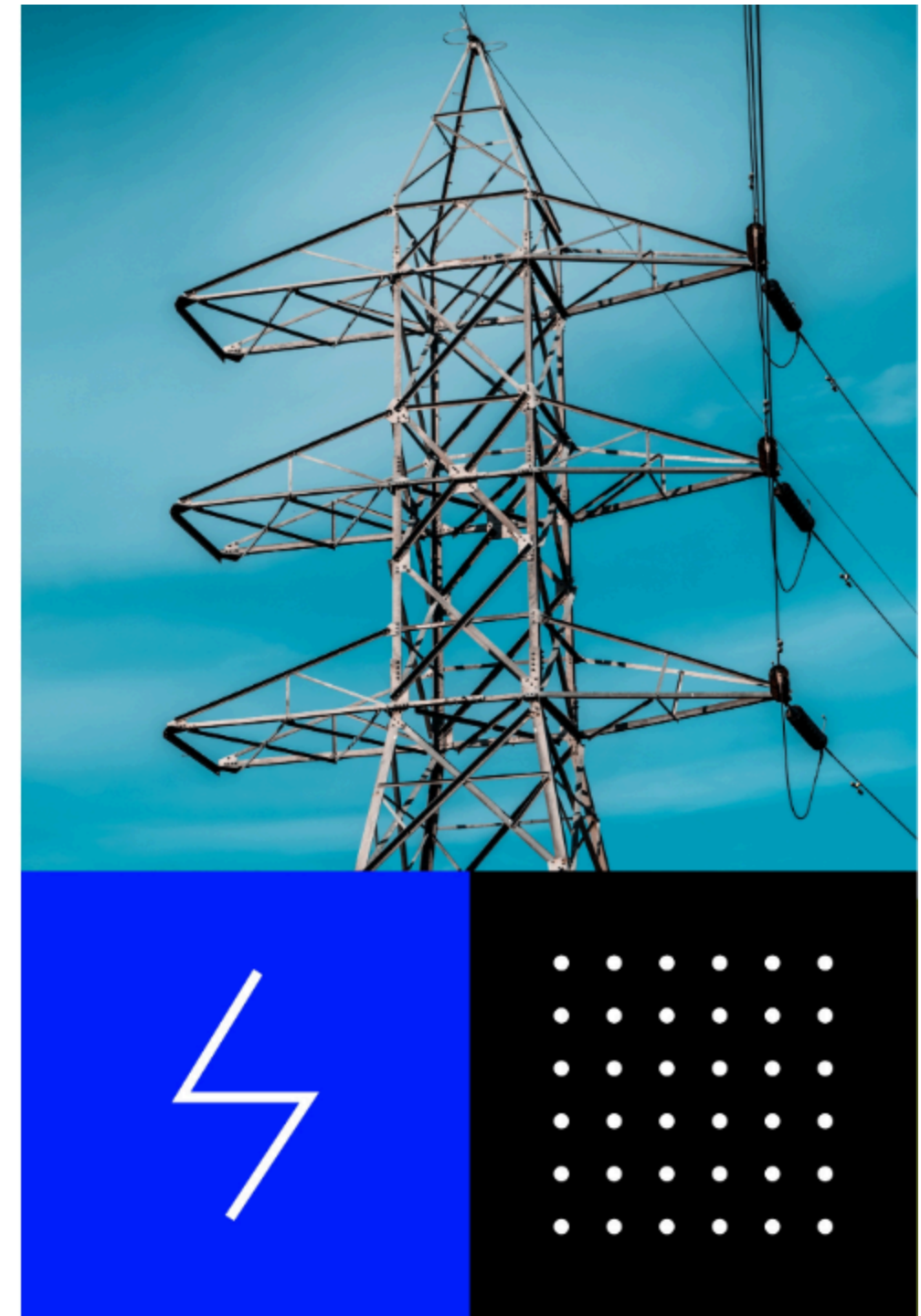


# LSEG Commodities Research

## Power

**Monthly forward report**

**LSEG European Power Research**  
May 26th, 2026



# Monthly Forward Report

Insights on the current situation in the European power markets and what we can expect going forward

Forecast Date  
26-05-2026

LSEG European Power Research  
May 26th, 2026

## Introduction

European power markets in **April-May 2026** were characterized by a **seasonal decline in demand**, a **sharp acceleration in solar generation**, and a **high incidence of zero and negative prices**, alongside a **counter-intuitive rise in monthly average prices** across several core markets. This apparent contradiction reflects a growing **intraday price bifurcation**, where surplus renewable hours increasingly coexist with **gas-driven price floors** during non-solar hours.

In April, demand eased clearly from winter levels, with **German consumption averaging 51.2 GWh/h**, around 3 GWh/h lower than March. **France and Great Britain** were already **16-17% below March**, reflecting milder-than-average temperatures. Despite this relatively soft demand backdrop, **negative and zero price hours were already elevated**, particularly in Germany and France, highlighting growing midday surplus conditions driven by renewable generation. At the same time, **TTF gas prices traded mostly in the low-to-mid €40/MWh range**, providing only limited downward pressure on thermal price setting. In May, demand softened further across most regions. **German consumption fell to 48.4 GWh/h**, with **France (42.0 GWh/h)** and **Great Britain (22.9 GWh/h)** followed a similar trajectory. **Iberian demand**, by contrast, proved more resilient, supported by rising temperatures and early cooling needs.

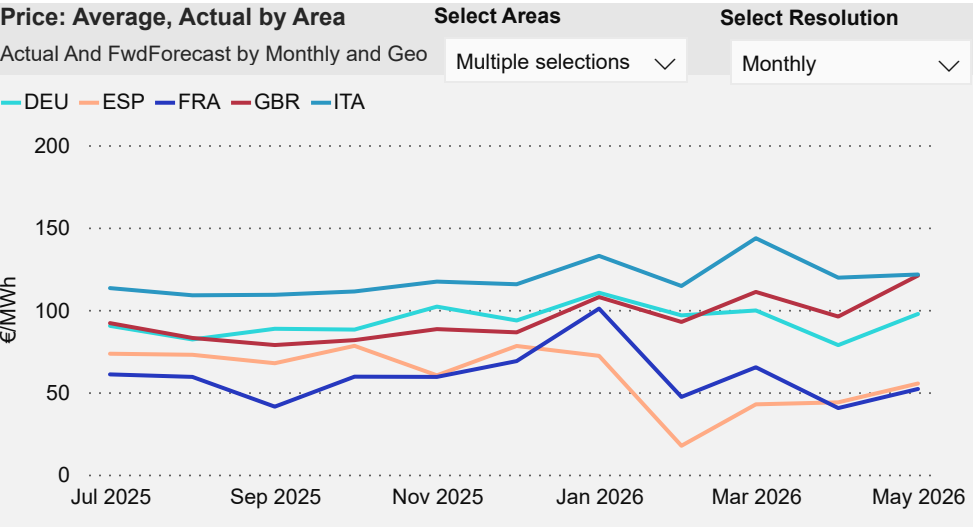
On the supply side, **solar generation surged**. German solar output averaged **13.5 GWh/h** in April, well above levels seen in previous years. materially reducing residual load and pushing prices **at or below zero for a large number of hours**. Germany recorded **over 200 hours of prices ≤ €0/MWh in April** and **more than 120 hours in May** so far, while France also saw **around 150 such hours in April** and **over 110 hours in May**, confirming widespread surplus conditions during peak solar hours.

Despite this, **monthly average prices increased sharply from April to May**, most notably in **Germany (from €78/MWh to €97/MWh)** and **Great Britain (from €96/MWh to €121/MWh)**. A key driver was the **re-tightening of TTF gas prices**, which rose from the **low-€40/MWh range in mid-April to above €50/MWh in mid-May**, lifting marginal generation costs during evening, night-time, and low-renewable periods. As a result, **gas-set price spikes increasingly outweighed the growing number of negative-price hours**, keeping monthly averages elevated despite structurally weak residual load.

Average Price (€/MWh)

BEL, DEU, ESP, FRA, GBR, ITA, NLD, NRD, POL

| Year     | BEL   | DEU   | ESP  | FRA   | GBR   | ITA   | NLD   | NRD   | POL   |
|----------|-------|-------|------|-------|-------|-------|-------|-------|-------|
| 2025     | 82.6  | 89.3  | 65.3 | 61.1  | 94.4  | 115.9 | 86.8  | 39.7  | 104.3 |
| 2026     | 91.5  | 96.4  | 45.4 | 60.8  | 105.3 | 126.2 | 95.9  | 82.4  | 111.0 |
| January  | 108.6 | 110.2 | 71.6 | 100.7 | 107.7 | 132.7 | 107.7 | 103.4 | 143.3 |
| February | 85.1  | 96.6  | 16.4 | 46.0  | 92.6  | 114.4 | 92.9  | 104.4 | 116.8 |
| March    | 92.6  | 99.3  | 41.8 | 63.9  | 110.4 | 143.4 | 98.9  | 63.8  | 104.6 |
| April    | 78.9  | 78.5  | 42.4 | 39.8  | 95.7  | 119.5 | 84.6  | 63.3  | 83.0  |
| May      | 91.0  | 97.1  | 52.6 | 50.3  | 120.8 | 119.0 | 94.5  | 78.1  | 105.5 |



Supply

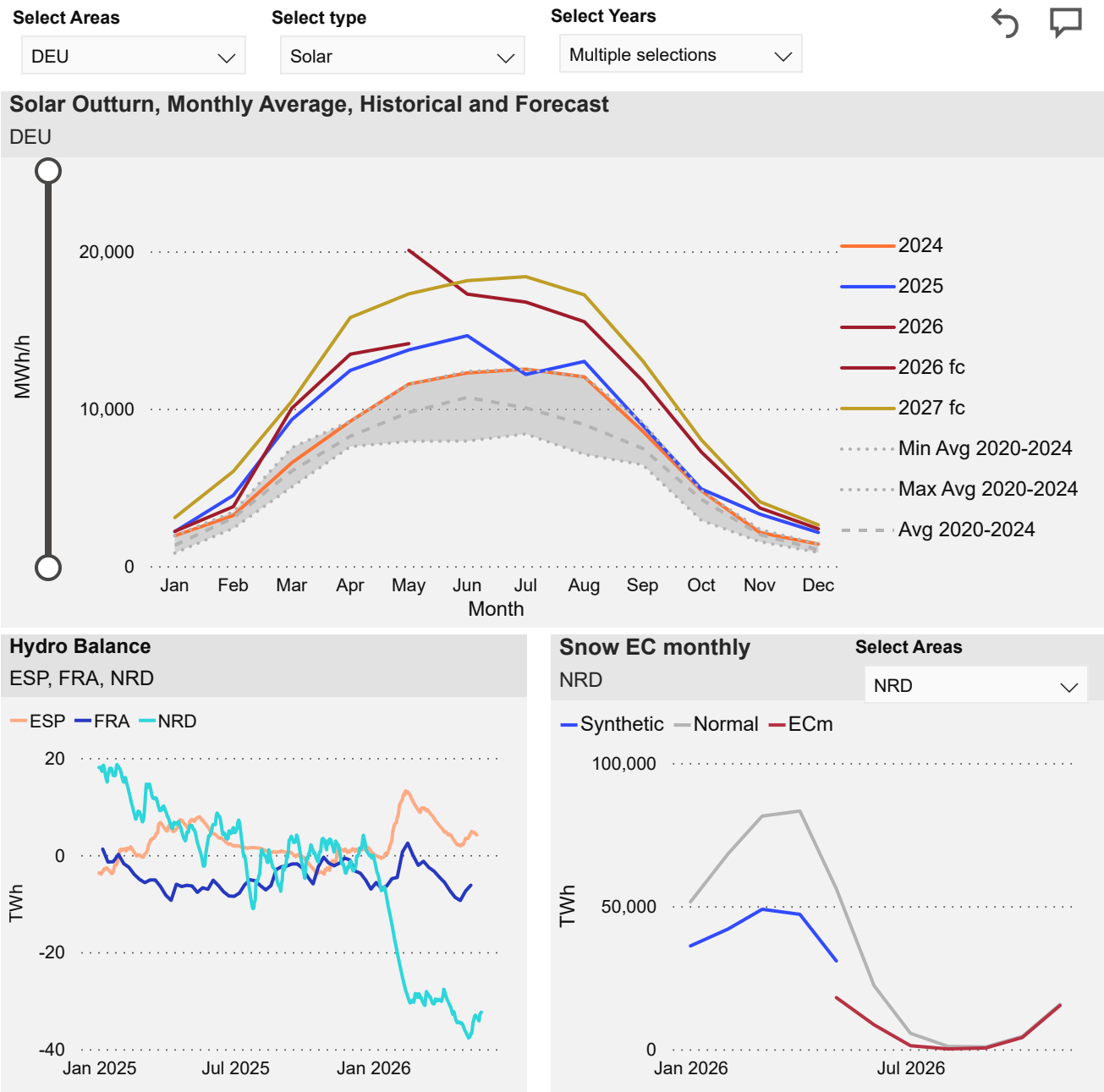
German supply in May was dominated by **strong solar and weak wind**. Solar generation reached **14.1 GWh/h**, slightly higher than in April and above May-25 level. In contrast, wind declined to **9.7 GWh/h**, falling below both April and the seasonal norm. This combination lifted residual load relative to April, reinforcing exposure to higher thermal marginal costs. In April, the solar and wind curtailment is 7% and 9% respectively. For June, model forecasts point to **continued strong solar output (17.3 GWh/h)** and a **rebound in wind to 13.4 GWh/h**. This suggests a more favorable renewable supply balance going into early summer, although increased curtailment risk could limit the effective upside.

French supply benefited from **high hydro and stable nuclear availability** in May. Hydro averaged **8.9 GWh/h**, exceeding the 2020-2024 average, while nuclear output remained around **38.4 GWh/h**, approximately **4 GWh/h** above May-25 level. By contrast, wind output eased to **3.9 GWh/h**. In April, **solar and wind curtailment are estimated at around 10% and 6%**, respectively, limiting the effective contribution from variable renewables. Hydro and wind are expected to decline seasonally in June, but nuclear availability is forecast to improve to around **40 GWh/h**, supporting overall supply adequacy.

Iberian supply showed a **clear shift toward solar dominance**. Spanish solar reached **8.4 GWh/h** in May, confirming its leading role in the regional renewable mix. While wind output declined seasonally to **4.4 GWh/h**. Renewable integration constraints remained material in April, with **solar curtailment estimated at around 24% in Portugal and 12% in Spain**, while **wind curtailment reached approximately 10% in Portugal and 17% in Spain**. For June, forecasts indicate persistently strong solar and wind but lower hydro, increasing reliance on thermal generation during peak hours.

Great Britain’s supply in May was supported by **robust wind** generation, averaging **6.1 GWh/h**, which partially offset weaker nuclear output. Nuclear generation fell to **3.5 GWh/h**, down **46%** month on month and around **1 GWh/h** below May-25 level. Looking ahead to June, wind generation is expected to normalize at lower levels, while nuclear availability is likely to remain broadly in line with May, resulting in a more balanced but less renewable-heavy supply mix.

Nordic supply in May was supported by **strong wind and solar generation**, with wind averaging **11.8 GWh/h** and solar **2.6 GWh/h**, both well above seasonal norms. Nuclear availability remained stable at around **5.4 GWh/h**. By contrast, **hydro output remained weak**, averaging **20.2 GWh/h** and failing to show the typical spring recovery. This reflects a **poor snow situation and limited inflows**, leaving the **hydrological balance deeply negative at around -32 to -36 TWh** in May, signaling a structurally bullish hydro backdrop. For the front month, while nuclear, solar and hydro output are expected to improve, **hydro remains the key upside risk**, keeping Nordic supply tighter than seasonal norms.



# Consumption

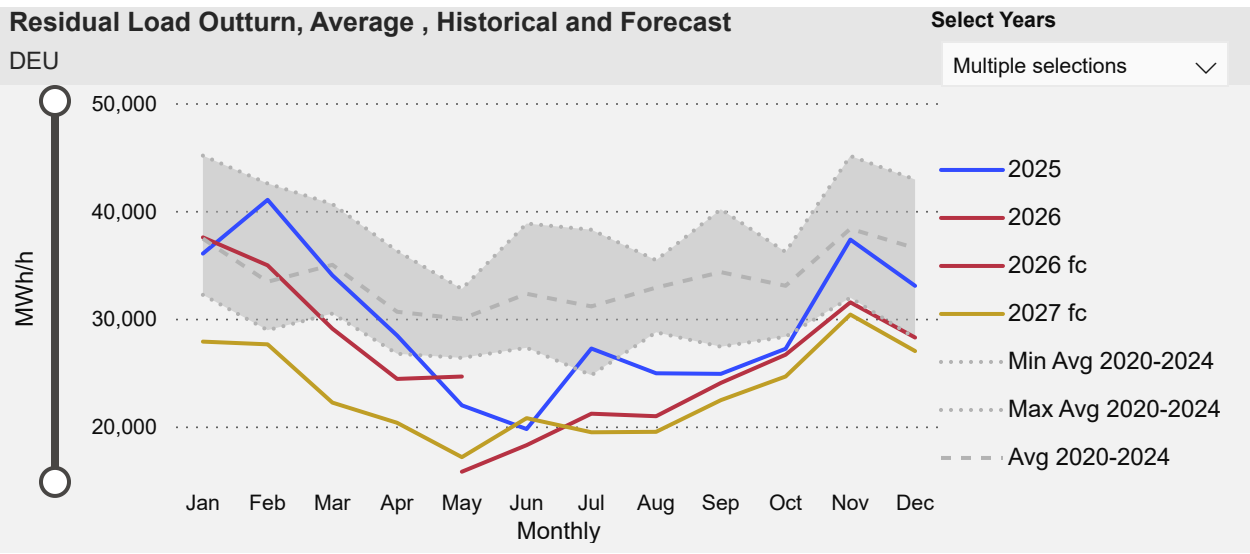
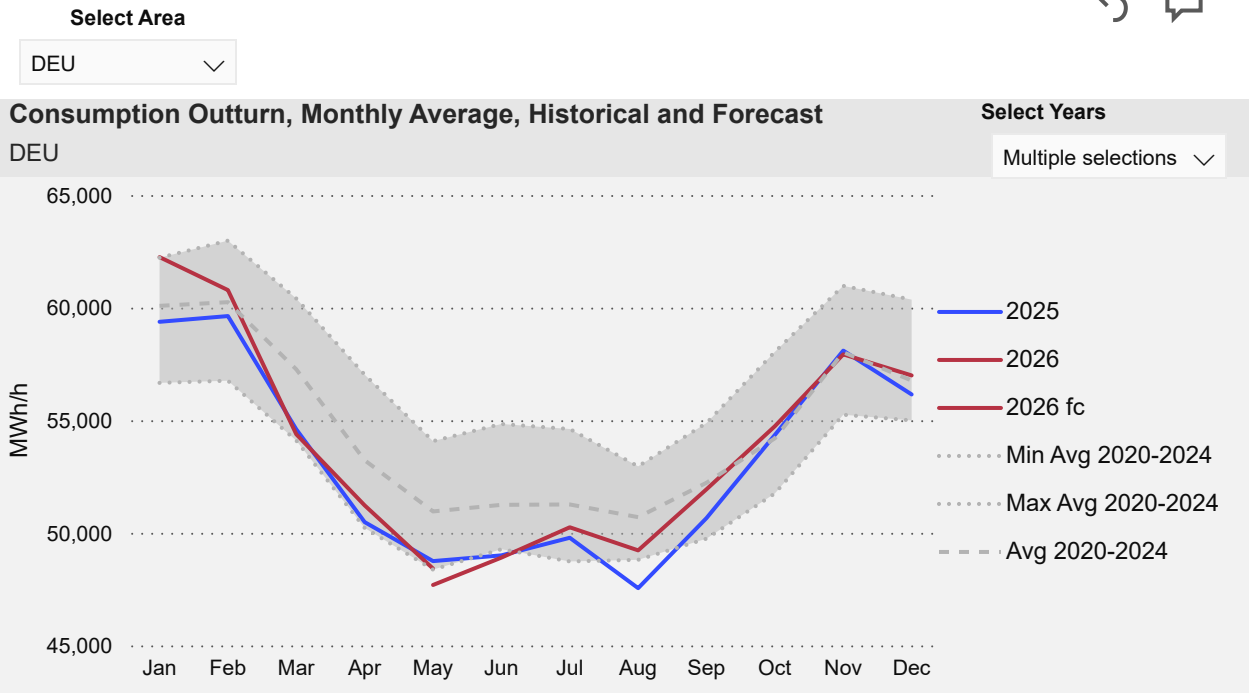
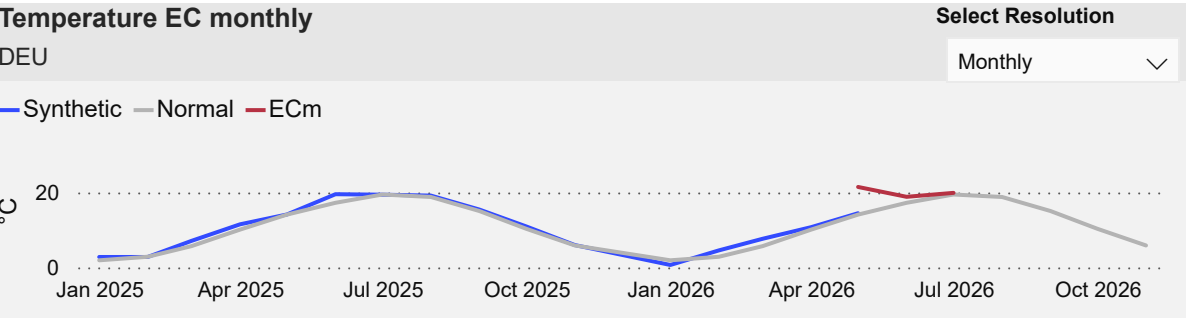
Demand trends in May diverged clearly across regions. **Germany, France, and the Nordics** all experienced a **pronounced decline in demand from April to May**, driven by **milder temperatures and strong renewable generation**, while **Iberian demand moved in the opposite direction**, supported by warmer conditions and rising cooling needs.

In **Germany**, demand in May is **48.4 GWh/h**, broadly in line with last-year's level. Average temperatures is close to normal, reducing heating demand compared with April. Stronger solar and weaker wind output lifted residual load above May-25 level. June demand is expected to stabilize near **48.9 GWh/h**, with warmer temperatures limiting upside risks. A similar pattern was observed in **France**, where demand fell by 3 **GWh/h** from April to May. Residual load remained above last year, primarily reflecting weaker wind conditions. For June, demand is forecast to remain subdued, with residual load expected to stay structurally low.

In the **Nordics**, demand dropped materially from **44.2 GWh/h** in April to **37.2 GWh/h** in May, demand is expected to **decline further seasonally** in June, and residual load is expected to drop below Jun-25 level.

In **Great Britain**, the seasonal demand decline from April to May was **less pronounced** than last year, leaving May demand at **22.9 GWh/h**, above May-25 level. For June, demand is forecast to soften and converge toward Jun-25 level, with limited weather-driven upside.

By contrast, **Iberian demand diverged from northern Europe**. Spanish consumption held at **24.5 GWh/h** in May, slightly above May-25 level, supported by **above-normal temperatures**. June demand is expected to rise further as **cooling needs increase**. While strong solar generation should continue to cap residual load, **it is projected to stay below historical levels**, reflecting the dominance of solar output during daytime hours.



For June-26, **German** prices are indicated at around **€96.6/MWh** (EEX) versus a model forecast of **€74.7/MWh**, hence we are **bearish** for the June contract. We expect price setting of gas plants to have a lesser effect than what the current market price is implying. Despite expectations of stronger renewable generation and seasonally low demand, the persistent premium of the front month highlights limited downside.

**France** continues to stand out as the **lowest-priced major market** into June-26. Prices are clustered tightly around **€34.0/MWh** (EEX) and **€33.8/MWh** (model forecast). The close alignment between market and model, combined with structurally low residual load, points to a **bearish signal**, with downside risks dominating.

In Iberia, **Spanish** prices for June-26 are indicated at around **€64.8/MWh** (EEX), closely aligned with the model forecast of **€65.2/MWh**. This tight convergence suggests that summer demand growth and strong solar output are largely priced in. As a result, **price risks appear broadly balanced**, supporting a **neutral stance** with limited near-term volatility.

**Great Britain** remains one of the **most expensive major markets** for June-26, with prices around **€99.3/MWh** (EEX) compared with a model forecast of **€100.7/MWh**. While prices already reflect structural tightness, the lack of seasonal softening leaves the market **skewed to the upside**, particularly in the event of weaker wind or unplanned outages. Overall, this supports a **mildly bullish stance**.

In the **Nordics**, June prices are forecasted around **€53.1/MWh**, below current market pricing around **€59/MWh**, our **bearish bias** is driven by seasonally weak demand alongside improving renewable and nuclear availability. However, **low hydrological balances** and easing wind generation limit downside potential, leaving Nordic prices relatively stable but exposed to **upside risks**.

Price Forecast, Actual and Forecast (€/MWh)

Forecast Date: 26-05-26

| Year |       | AUT    | BEL    | CZE    | DEU    | ESP   | FRA    | GBR    | ITA    | NLD    | POL    | PRT   |
|------|-------|--------|--------|--------|--------|-------|--------|--------|--------|--------|--------|-------|
| 2025 |       |        |        |        |        |       |        |        |        |        |        |       |
|      | Qtr 1 | 125.76 | 110.72 | 120.40 | 114.22 | 88.30 | 100.72 | 125.27 | 137.57 | 111.65 | 115.99 | 88.83 |
|      | Qtr 2 | 73.88  | 70.78  | 80.01  | 74.50  | 44.52 | 40.35  | 84.82  | 102.26 | 72.86  | 91.17  | 45.11 |
|      | Qtr 3 | 85.69  | 75.14  | 90.27  | 86.89  | 71.25 | 54.27  | 84.53  | 110.33 | 83.82  | 101.61 | 71.31 |
|      | Qtr 4 | 113.01 | 82.42  | 104.67 | 94.44  | 72.25 | 62.54  | 85.33  | 114.52 | 88.46  | 115.52 | 72.30 |
| 2026 |       |        |        |        |        |       |        |        |        |        |        |       |
|      | Qtr 1 | 121.46 | 95.82  | 116.37 | 102.33 | 45.35 | 71.95  | 104.05 | 130.69 | 100.15 | 121.81 | 43.03 |
|      | Qtr 2 |        |        |        |        |       |        |        |        |        |        |       |
|      | April | 92.82  | 78.93  | 81.82  | 78.52  | 43.78 | 40.30  | 95.86  | 119.47 | 84.71  | 83.26  | 43.50 |
|      | May   | 93.34  | 88.61  | 94.77  | 94.11  | 57.15 | 50.93  | 117.32 | 121.09 | 91.28  | 102.94 | 57.32 |
|      | June  | 74.78  | 71.62  | 81.14  | 74.67  | 65.19 | 33.83  | 100.68 | 118.46 | 69.52  | 100.99 | 65.20 |
|      | Qtr 3 | 81.37  | 80.63  | 84.30  | 81.30  | 71.56 | 53.94  | 100.23 | 126.72 | 80.50  | 104.29 | 71.61 |
|      | Qtr 4 | 113.01 | 108.16 | 114.40 | 109.43 | 88.78 | 100.54 | 114.00 | 134.41 | 108.10 | 118.77 | 88.74 |

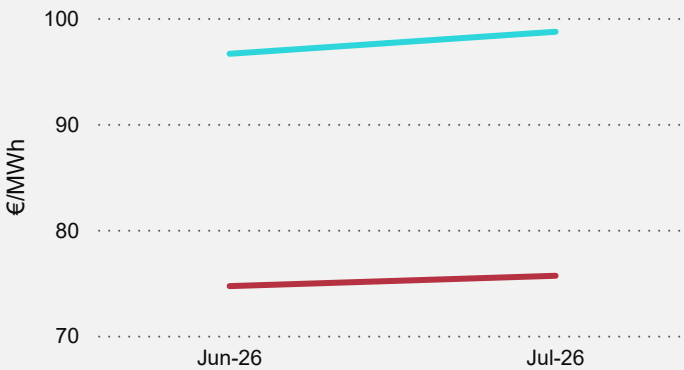
Select Area

DEU

DEU Price Forecast vs. Market (€/MWh)

Forecast Date: 26-05-26 / Market Close Date: 26-05-26

Fwd Forecast EEX Futures



DEU Price Forecast vs. Market (€/MWh)

Forecast Date: 26-05-26 / Market Close Date: 26-05-26

Month Fwd Forecast EEX Futures

|         |       |       |
|---------|-------|-------|
| Jun-26  | 74.7  | 96.6  |
| Jul-26  | 75.7  | 98.7  |
| Aug-26  | 78.4  | 96.7  |
| Sep-26  | 90.2  | 105.3 |
| .Jan-27 | 107.8 | 121.2 |

Quarter Fwd Forecast EEX Futures

|       |      |      |
|-------|------|------|
| Q2-28 | 60.0 | 65.0 |
| Q3-28 | 62.4 | 70.6 |
| Q2-27 | 71.1 | 77.1 |
| Q3-27 | 73.2 | 85.4 |





## Contact & Sources

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### Sources

Sources for data displayed in this report are European TSOs, markets, and output from our mid-term pricing model (forecast date: 26-05-2026 ).  
Please reach out to the team as listed above for more information.

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The following areas are included in the aggregation for Europe:

DEU, AUT, NLD, BEL, FRA, ESP, PRT, ITA, CHE, CZE, POL, GBR, DNK, NOR, SWE, FIN

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