

LONDON ENERGY BROKERS' ASSOCIATION OTC ENERGY VOLUME REPORT – JUNE 2015

London Energy Brokers' Association ("LEBA") is the industry association representing all the FCA regulated wholesale market brokers in the OTC and exchange traded European energy markets.

| Market | June 2015 | | | 2015 Year to Date | | |
|---|-------------------------------------|--------------------------------|---------------------------|-------------------------------------|--------------------------------|---------------------------|
| | Total OTC Bilaterally Settled | Total OTC Cleared Volume | Grand Total OTC Volume | Total OTC Bilaterally Settled | Total OTC Cleared Volume | Grand Total OTC Volume |
| Natural Gas (MWh) | | | | | | |
| UK NBP | 727,574,723 | 107,184,392 | 834,759,115 | 4,738,079,300 | 765,907,378 | 5,503,986,678 |
| European Hubs | | | | | | |
| Netherlands TTF | 985,522,697 | 101,176,652 | 1,086,699,349 | 6,623,903,287 | 480,441,306 | 7,104,344,593 |
| Germany NCG | 129,719,700 | 0 | 129,719,700 | 824,509,543 | 866,625 | 825,376,168 |
| Germany GasPool | 57,988,956 | 0 | 57,988,956 | 438,925,853 | 0 | 438,925,853 |
| France Hubs | 29,868,912 | 1,033,530 | 30,902,442 | 219,074,707 | 6,143,500 | 225,218,207 |
| Austria VTP | 25,714,367 | 0 | 25,714,367 | 147,748,616 | 0 | 147,748,616 |
| Italy PSV | 60,629,586 | 44,160 | 60,673,746 | 348,481,222 | 44,160 | 348,525,382 |
| Zeebrugge Hub | 63,421,516 | 0 | 63,421,516 | 468,296,355 | 0 | 468,296,355 |
| Other Gas | 39,318,098 | 0 | 39,318,098 | 183,530,756 | 702,720 | 184,233,476 |
| Total European Gas | 1,392,183,832 | 102,254,342 | 1,494,438,174 | 9,254,470,339 | 488,198,311 | 9,742,668,650 |
| Power (MWh) | | | | | | |
| UK Power | 62,217,872 | 2,199,720 | 64,417,592 | 479,411,594 | 5,456,030 | 484,867,624 |
| European Power | | | | | | |
| German Power | 266,205,224 | 65,392,886 | 331,598,110 | 1,938,150,023 | 376,190,270 | 2,314,340,293 |
| French Power | 67,658,742 | 12,607,000 | 80,265,742 | 459,762,609 | 78,824,977 | 538,587,586 |
| Nordic Power | 0 | 32,079,050 | 32,079,050 | 0 | 136,182,562 | 136,182,562 |
| Italian Power | 28,563,920 | 19,446,814 | 48,010,734 | 199,540,786 | 129,702,515 | 329,243,301 |
| Central & Eastern Europe | 29,859,985 | 29,640 | 29,889,625 | 145,175,945 | 163,440 | 145,339,385 |
| Spanish Power | 5,781,576 | 4,019,137 | 9,800,713 | 47,118,556 | 18,321,090 | 65,439,646 |
| Other Power | 27,991,566 | 2,247,081 | 30,238,647 | 189,629,093 | 15,869,341 | 205,498,434 |
| Total European Power | 426,061,013 | 135,821,608 | 561,882,621 | 2,979,377,012 | 755,254,195 | 3,734,631,207 |
| European Financial Coal Swaps (MT) | | | | | | |
| API 2 Rotterdam | 60,000 | 174,151,032 | 174,211,032 | 3,993,000 | 1,200,668,632 | 1,204,661,632 |
| API 4 Richards Bay | 15,000 | 31,596,000 | 31,611,000 | 725,000 | 146,792,500 | 147,517,500 |
| Total European Financial Coal | 75,000 | 205,747,032 | 205,822,032 | 4,718,000 | 1,347,461,132 | 1,352,179,132 |
| European Carbon Emission Allowances (MT) | | | | | | |
| EUA | 25,700,000 | 113,533,000 | 139,233,000 | 33,951,050 | 563,896,000 | 597,847,050 |
| CER | 962,000 | 236,000 | 1,198,000 | 962,000 | 8,828,014 | 9,790,014 |
| Other Emissions | 0 | 0 | 0 | 3,300,000 | 290,000 | 3,590,000 |
| Total European Carbon Emissions | 26,662,000 | 113,769,000 | 140,431,000 | 38,213,050 | 573,014,014 | 611,227,064 |

After two months of comparatively low activity volumes in all the energy markets bounced back significantly in June. Volumes were higher in every market, except UK Power, compared to June 2014. Volumes for the first six months of 2015, at most key hubs, are also considerably higher than for the corresponding period of 2014. European gas volumes up 15%, European Power up 9% and financial coal swap volumes up 20%.

2014 and 2015 June month and "Year to Date" comparisons.

| | June 2014 | June 2015 | % Change | 2014 Year to Date | 2015 Year to Date | % Change |
|--|----------------------|----------------------|----------------|----------------------|----------------------|----------------|
| <u>Natural Gas (MWh)</u> | | | | | | |
| UK NBP | 814,279,035 | 834,759,115 | 2.52% | 6,145,971,229 | 5,503,986,678 | -10.45% |
| <u>European Gas Hubs</u> | | | | | | |
| Netherlands TTF | 908,835,093 | 1,086,729,349 | 19.57% | 5,866,290,495 | 7,104,344,593 | 21.10% |
| Germany NCG | 127,432,613 | 129,719,700 | 1.79% | 869,539,624 | 825,376,168 | -5.08% |
| Germany GasPool | 60,382,123 | 57,988,956 | -3.96% | 492,616,820 | 438,925,853 | -10.90% |
| France Hubs | 22,008,401 | 30,902,442 | 40.41% | 168,051,852 | 225,218,207 | 34.02% |
| Austria VTP | 23,530,267 | 25,714,367 | 9.28% | 181,591,191 | 147,748,616 | -18.64% |
| Italy PSV | 43,964,088 | 60,673,746 | 38.01% | 271,098,720 | 348,525,382 | 28.56% |
| Zeebrugge Hub | 84,284,549 | 63,421,516 | -24.75% | 436,555,293 | 468,296,355 | 7.27% |
| Other Gas | 21,670,937 | 39,318,098 | 81.43% | 213,218,245 | 184,233,476 | -13.59% |
| Total European Hubs | 1,292,108,071 | 1,494,468,174 | 15.66% | 8,498,962,240 | 9,742,668,650 | 14.63% |
| <u>Power (MWh)</u> | | | | | | |
| UK Power | 75,949,280 | 64,417,592 | -15.18% | 541,235,214 | 484,867,624 | -10.41% |
| <u>European Power</u> | | | | | | |
| German Power | 260,611,232 | 331,598,110 | 27.24% | 2,178,581,767 | 2,314,340,293 | 6.23% |
| French Power | 41,834,431 | 80,265,742 | 91.87% | 324,059,019 | 538,587,586 | 66.20% |
| Nordic Power | 18,954,922 | 32,079,050 | 69.24% | 155,514,013 | 136,182,562 | -12.43% |
| Italian Power | 42,939,991 | 48,010,734 | 11.81% | 304,426,848 | 329,243,301 | 8.15% |
| Central & Eastern | 15,714,204 | 29,889,625 | 90.21% | 141,312,282 | 145,339,385 | 2.85% |
| Spanish Power | 17,554,508 | 9,800,713 | -44.17% | 96,863,982 | 65,739,646 | -32.13% |
| Other Power | 23,986,937 | 30,238,647 | 26.06% | 221,230,041 | 205,498,434 | -7.11% |
| Total European Power | 421,596,225 | 561,882,621 | 33.28% | 3,421,987,952 | 3,734,931,207 | 9.15% |
| <u>European Financial Coal Swaps (MT)</u> | | | | | | |
| API 2 Rotterdam | 163,783,500 | 174,211,032 | 6.37% | 918,201,500 | 1,204,661,632 | 31.20% |
| API 4 Richards Bay | 31,850,000 | 31,611,000 | -0.75% | 204,664,000 | 147,517,500 | -27.92% |
| Total Coal | 195,633,500 | 205,822,032 | 5.21% | 1,122,865,500 | 1,352,179,132 | 20.42% |
| <u>European Carbon Emission Allowances (MT)</u> | | | | | | |
| EUA | 91,780,813 | 139,233,000 | 51.70% | 843,076,941 | 597,847,050 | -29.09% |
| CER | 3,948,000 | 1,198,000 | -69.66% | 60,702,132 | 9,790,014 | -83.87% |
| Other Emissions | 0 | 0 | - | 29,653,000 | 3,590,000 | -87.89% |
| Total Emissions | 95,728,813 | 140,431,000 | 46.70% | 933,432,073 | 611,227,064 | -34.52% |

Continues below

| | YTD Total OTC Market Volume Change 1 year | Proportion OTC Cleared June 2015 | Proportion OTC Cleared June 2014 | Average Price June 2015 | Price Change | Price Change 1 Year | Historical Volatility 1 Month |
|---|---|----------------------------------|----------------------------------|--|--------------|---------------------|-------------------------------|
| Natural Gas (MWh) | | | | | | | |
| UK NBP | - 10 % | 12.84% | 8.34% | | | | |
| Netherlands TTF | + 21 % | 9.31% | 4.51% | Price Benchmark LEBA TTF Day 20.55 €/MWh | | | |
| Germany NCG | - 5 % | 0.00% | 0.55% | | | | |
| Germany GasPool | - 11 % | 0.00% | 0.00% | | | | |
| France Hubs | + 34 % | 3.34% | 0.40% | | | | |
| Austria VTP | - 19 % | 0.00% | 0.00% | | | | |
| Italy PSV | + 29 % | 0.07% | 0.00% | | | | |
| Zeebrugge Hub | + 7 % | 0.00% | 0.00% | | | | |
| Other Gas | - 14 % | 0.00% | 0.00% | | | | |
| Total European Gas | + 15 % | 6.84% | 3.23% | | - 0 % | + 20 % | 14% |
| Power (MWh) | | | | | | | |
| UK Power | - 10 % | 3.41% | 0.00% | | - 2 % | + 9 % | 52% |
| German Power | + 6 % | 19.72% | 14.81% | Price Benchmark LEBA UK Day 41.16 €/MWh | | | |
| French Power | + 66 % | 15.71% | 6.11% | | | | |
| Nordic Power | - 12 % | 100.00% | 100.00% | | | | |
| Italian Power | + 8 % | 40.51% | 12.22% | | | | |
| Central & Eastern Europe | + 3 % | 0.10% | 0.00% | | | | |
| Spanish Power | - 32 % | 41.01% | 20.04% | | | | |
| Other Power | - 7 % | 7.43% | 7.74% | | | | |
| Total European Power | + 9 % | 24.17% | 16.77% | | | | |
| European Financial Coal Swaps (MT) | | | | | | | |
| API 2 Rotterdam | + 31 % | 99.97% | 99.15% | Price Benchmark LEBA API 2 59.22 US\$/MT | | | |
| API 4 Richards Bay | - 28 % | 99.95% | 99.29% | | | | |
| Total Coal | + 20 % | 99.96% | 99.17% | | | + 2 % | - 18 % |
| European Carbon Emission Allowances (MT) | | | | | | | |
| EUA | - 29 % | 81.54% | 89.72% | Price Benchmark LEBA EUA Spot Average 7.44 €/MT | | | |
| CER | - 84 % | 19.70% | 83.54% | | | | |
| Other Emissions | - 88 % | 0.00% | 0.00% | | | | |
| Total Emissions | - 35 % | 81.01% | 89.46% | | | + 1 % | + 27 % |

Notes:

1. Price Change - 1 Month: calculated using the percentage change from the previous month
2. Price Change - 1 year: calculated using the percentage change from the previous year
3. Historical Volatility - 1 month: calculated by taking the annualised standard deviation of the daily logarithmic returns over the last month.

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NOTES TO EDITORS:

LEBA, the London Energy Brokers' Association, is the industry association representing the FCA regulated wholesale market brokers in the over the counter (OTC) and the exchange traded liberalised European energy markets. These brokers intermediate and facilitate bilateral contracts to be concluded between banks, trading houses, commercial enterprises, public utilities and integrated energy businesses, providing liquidity and price discovery to these markets as well as contributing significant liquidity to European exchange traded markets. .

The LEBA member firms that currently operate in the European gas, power, coal and emissions markets are:

| | | | |
|-------------------------------------|--|------------------------------|--|
| 42Financial Services | www.42financialservices.org | Evolution Markets | www.evomarkets.com |
| GFI Brokers | www.gfigroup.com | Griffin Markets | www.griffinmarkets.com |
| ICAP Energy | www.icapenergy.com | Marex Spectron | www.marexspectron.com |
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