

# REPORT OF TRADE ON THE NATURAL GAS EXCHANGE

UAB GET Baltic Report of Trade on the Natural Gas Exchange

Q2 2016

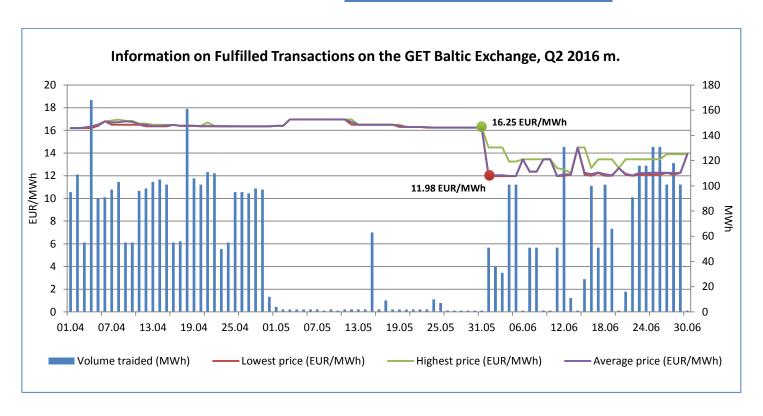
## TRADING DATA ON THE NATURAL GAS EXCHANGE

## **FULFILLED TRANSACTIONS AND OTHER TRADING DATA**

Natural Gas Prices on the GET Baltic Exchange (by the trading contracts)						
	Q2 2015	2016 April	2016 May	2016 June	Q2 2016	Q2 2016 compared to Q2 2015
Turnover (thou. EUR) <sup>1</sup>	633	45	2	23	70	-563
Highest price (EUR/MWh) <sup>1</sup>	21.99	16.95	16.96	14.50	16.96	-5.03
Lowest price (EUR/MWh) <sup>1</sup>	17.00	16.20	16.25	11.97	11.97	-5.03
Average price (EUR/MWh) 1	19.78	16.43	16.50	12.18	14.74	-5.04

<sup>&</sup>lt;sup>1</sup> Pateikiama be PVM

Trading Volumes on the GET Baltic Exchange(by the trading contracts)							
	Q2 2015	2016 April	2016 May	2016 June	Q2 2016	Q2 2016 compared to Q2 2015	
Turnover (MWh)	32,008	2,717	137	1,886	4,740	-27,268	
Number of transactions	380	98	48	69	215	-165	
Highest volume of fulfilled transactions (MWh)	620	84	61	100	100	-520	
Lowest volume of fulfilled transactions (MWh)	1	1	1	1	1	0	
Average volume of fulfilled transactions(MWh)	84	28	3	27	22	-62	

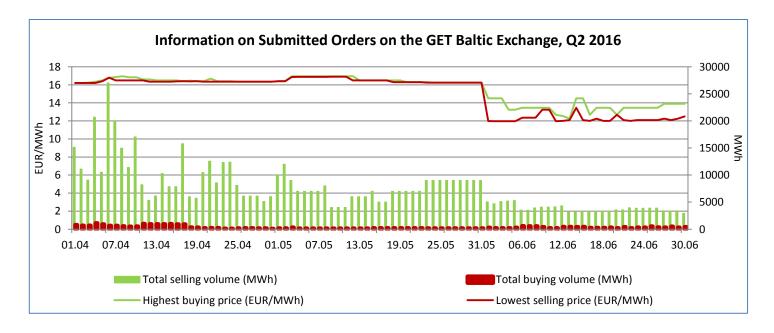




Volume Data of Submitted Orders on the GET Baltic Exchange (by the trading contracts)						
	Q2 2015	2016 April	2016 May	2016 June	Q2 2016	Q2 2016 compared to Q2 2015
Total volume of orders to buy MWh <sup>2</sup>	147,784	16,438	5,526	10,493	32,457	-115,327
Total volume of orders to sell MWh <sup>2</sup>	265,662	323,805	230,032	115,499	669,336	403,674

Price Data of Submitted Orders on the GET Baltic Exchange (by the trading contracts)						
	Q2 2015	2016 April	2016 May	2016 June	Q2 2016	Q2 2016 compared to Q2 2015
Average price of orders to buy (EUR/MWh) <sup>2</sup>	16.80	13.45	12.15	12.03	12.77	-4.03
Average price of orders to sell (EUR/MWh) <sup>2</sup>	20.38	16.88	16.70	15.73	16.62	-3.76

<sup>&</sup>lt;sup>2</sup> All submitted orders are summed up, regardless of their fulfillement.



#### **REVIEW OF TRADE ON THE GAS EXCHANGE**

In Q2 2016, the turnover of natural gas was 4,740 MWh with a value of 70 thous. EUR. During the comparable period (Q2 2015) the turnover was 32,008 MWh with a value of more than 633 thous. EUR. In total, during the Q2 2016, 215 transactions were carried out on the Exchange. It should be noted that transactions have been concluded continuously for each natural gas delivery day from the beginning of year 2015 until now.

Decreased demand of natural gas and natural gas surplus which formed in the

corresponding period had the bigest impact on trading in the Exchange. In Q2 2016 total volume of submitted orders to sell was 669,336 MWh which is 251% higher compared to Q2 2015. Meanwhile, the overall volume of submitted orders to buy, decreased by 78% compared with the Q2 2015 and was equal to 32,457 MWh.

The weighted average price of fulfilled transactions in Q2 2016 was 14.74 EUR/MWh, which is 5.04 EUR, or 25 % lower compared to the comparable period when the weighted average price was

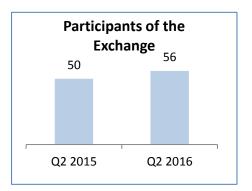
19.78 EUR/MWh. The highest price of fulfilled transactions in the analysed period was 16.96 EUR/MWh executed on 3 - 12 of May, while the lowest price of fulfilled transactions was 11.97 EUR/MWh executed on 2 - 5 of June. Comparing Q2 2016 average volume of fulfilled transactions with previous periods, it decreased and was equal to 22 MWh. The lowest volume of fulfilled transactions was 1 MWh and the highest 100 MWh.

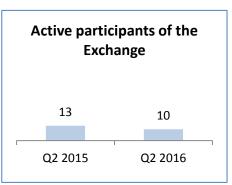


#### **PARTICIPANTS OF THE EXCHANGE**

During Q2 2016 two new participants from Latvia joined the Exchange. In total 56 participants have been registered from all three Baltic countries. To review the list of participants of GET Baltic gas exchange please click on this <u>link</u>.

During Q2 2016 there were 10 active participants who submitted orders to buy/sell or (and) entered into transactions to buy/sell.





#### Exchange Participants registered during the second quarter of 2016:

Ltd. "AJ Power"

JSC "Latvijas Gāze"

## **IMPORTANT EVENTS**



## TWO NEW PARTICIPANTS FROM LATVIA HAS JOINED GET BALTIC NATURAL GAS EXCHANGE

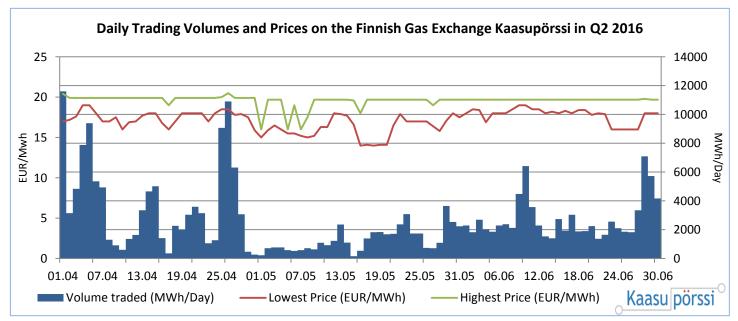
In Q2 2016 two Latvian natural gas market players Ltd "AJ Power and JSC "Latvijas Gāze" registered on the Natural Gas Exchange. Currently participants from all three Baltic countries have registered on the

GET Baltic's Natural Gas Exchange: 50 from Lithuania, 4 from Estonia and 2 from Latvia. The establishment of the Regional Natural Gas Exchange is a strategic goal of GET Baltic. Therefore, the increasing number of Exchange participants from Latvia and Estonia confirms the need of the single gas trading platform for the whole Baltic countries. For the time being, the registered

Exchange participants from the Baltic countries have an opportunity to sell and (or) buy natural gas at the Lithuanian virtual trading point. According to the reinforced BEMIP Action plan a unified gas trading platform for the regional gas market should be implemented by the 2020.

## TRADING DATA ON THE FINNISH GAS EXCHANGE

UAB GET Baltic together with the Finnish Natural Gas Exchange Kaasupörssi Oy is developing the regional gas exchange project. Therefore the information about trading on the Finnish Natural Gas Exchange is provided in these periodic reports.



<sup>&</sup>lt;sup>3</sup> The amount of energy (GWh) based on the lower heating value of natural gas.

<sup>&</sup>lt;sup>4</sup>Taxes and costs of gas transmission are excluded.



# TRADING IN THE FINNISH GAS EXCHANGE KAASUPÖRSSI

**ABOUT KAASUPÖRSSI:** 

Activity: Finnish Natural Gas Exchange Start of activity: from 2001 Trading platform: same as GET Baltic's Number of participants: 27 Traded volume in 2015: 992 GWh

In the second quarter of 2016 the trading volume of Finnish gas exchange Kaasupörssi was almost 20% higher than in the same period last year. The realized volume for Q2 2016 was 238 GWh compared to 200 GWh in the Q2 2015.

This year the monthly trading volumes have been much higher than the last year except

February and May. January was especially active due to the cold weather. The trading volume in the first half of year 2016 was 746 GWh compared to 470 GWh in the first half of year 2015. The trading volume is up by 59% compared to the same period last year. The volume of Kaasupörssi's trades amounted to about 6% of the total gas usage in Finland. The value of the trade was 16 Million Euros compared to 11 Million Euros in the first half of year 2015. The number of trades in total was 35,472 (195 trades per day in average), with a 2% decrease compared to the same period

last year (36,221 in the first half of year 2015).

The lowest price during the Q2 2016 in Kaasupörssi was 14.00 EUR/MWh and the highest price was 20.50 EUR/MWh. The weight average price of all the trades was 19.42 EUR/MWh in the Q2 2016.

In Finland, the gas lower heating value is used, where as in Lithuania the higher heating value is used. The difference between the heating values is around 10 %, whereby 10% must be added to the Lithuanian MWh prices of gas to make them comparable with the Finnish ones.

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