

GFI - Electricity Trading Central, Southern and Eastern Europe



Fixed Income | Financials | Equity | Commodity | Trading Systems | Data & Analytics | Clearing



Galvanized.
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Since 1987.

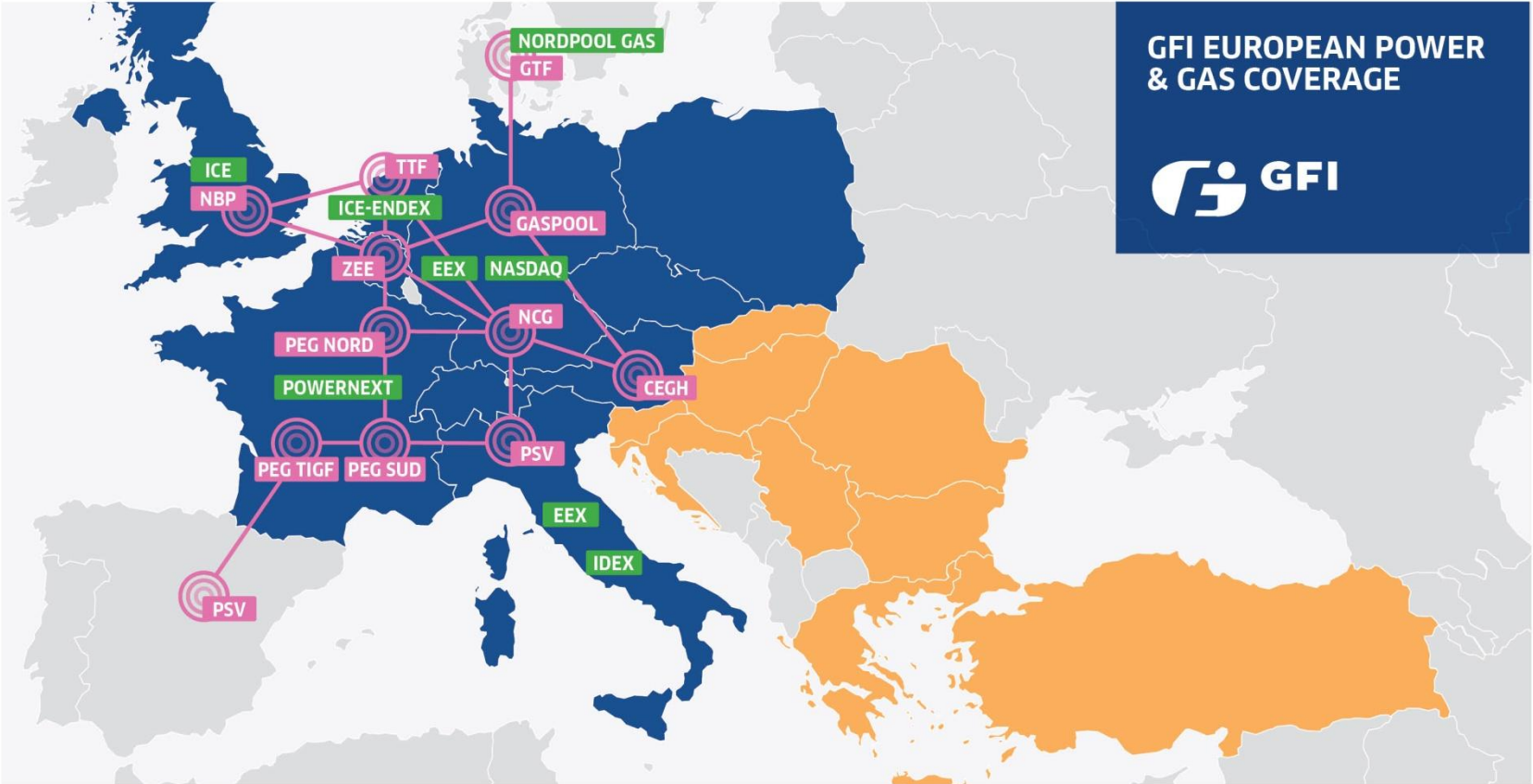


- **Products Traded**
 - European & UK Power
 - European and UK Gas
 - Coal
 - Wet and Dry Freight, Container Derivatives
 - Iron Ore & Steel
- **Led to Development of Cross Commodity Trading**
 - Advanced Calculation Engine
 - more sophisticated price calculations (eg ratio trades, aggregated balance of year)
 - Cross Commodity Options
- **Key features of European Power Markets**
 - Over 300 customers in European Power
 - Highly fragmented market – regional / clearing venue
 - Diversity of users - Large Utilities, suppliers, End users, Banks, Hedge Funds
 - Predominantly physical participants trading predominantly physical products
 - Increase in clearing over the last 5 years

EnergyMatch Europe Trading Platform

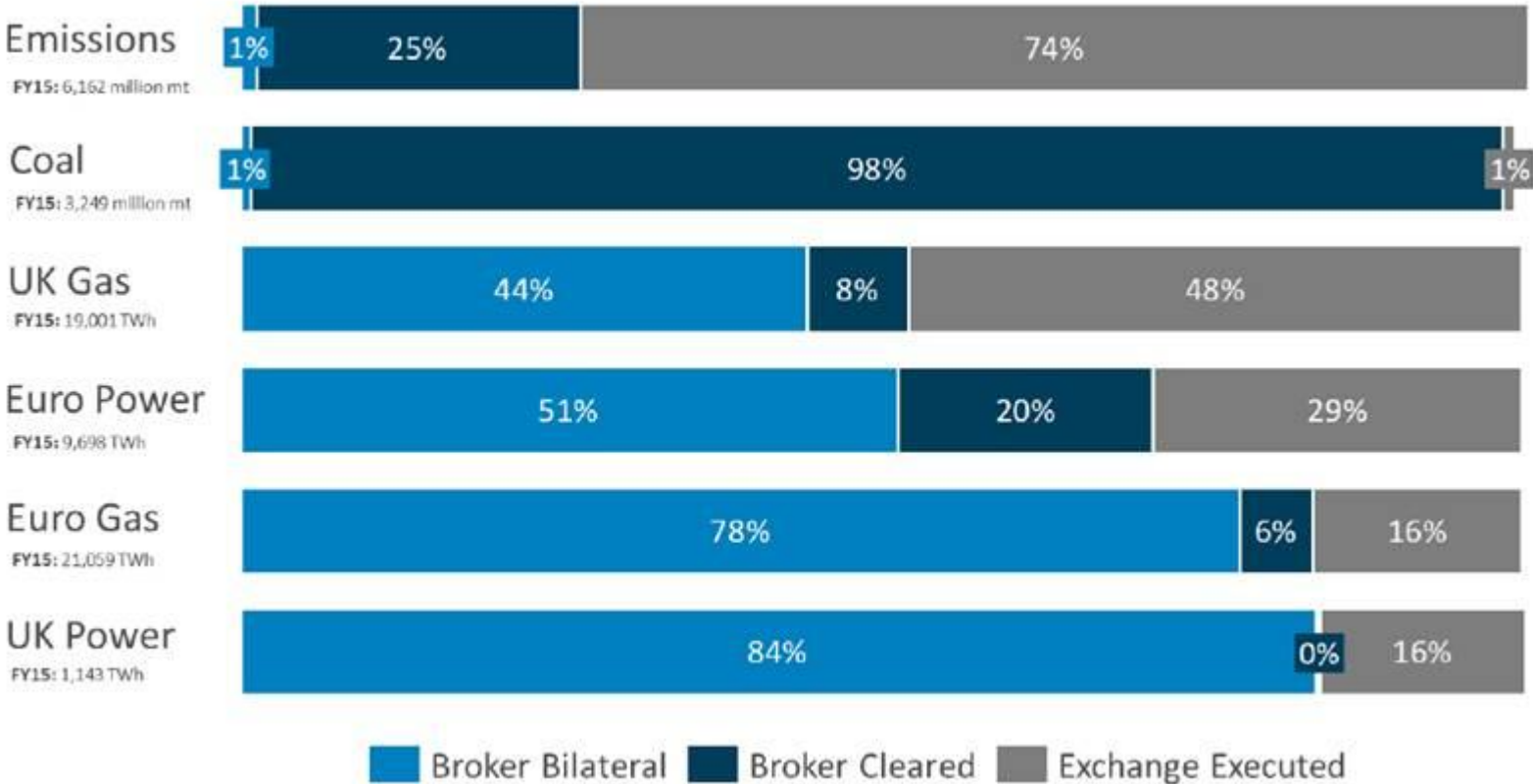
- **Energy Products traded on EnergyMatch Europe trading platform:**
 - Multi product / multi clearing house platform
 - Provides both MTF / Non MTF facilities
 - STP to risk management and back office system
 - STP links to key clearing venues (EEX, Nasdaq, CME)
 - PTC & EFETnet ecm in-house
 - GFI provides REMIT Reporting service
 - Effectively supports hybrid broking model
 - Over 2,000 registered users
 - Predominantly European
 - Increasing number from Asia (Freight / coal)
 - Traction in US, Asia
 - Approximately 2500 users on the system at peak times representing over 600 companies
 - Average 1300 trades daily

- We offer CHOICE – Choice of Markets, choice of Products, Choice of Clearers



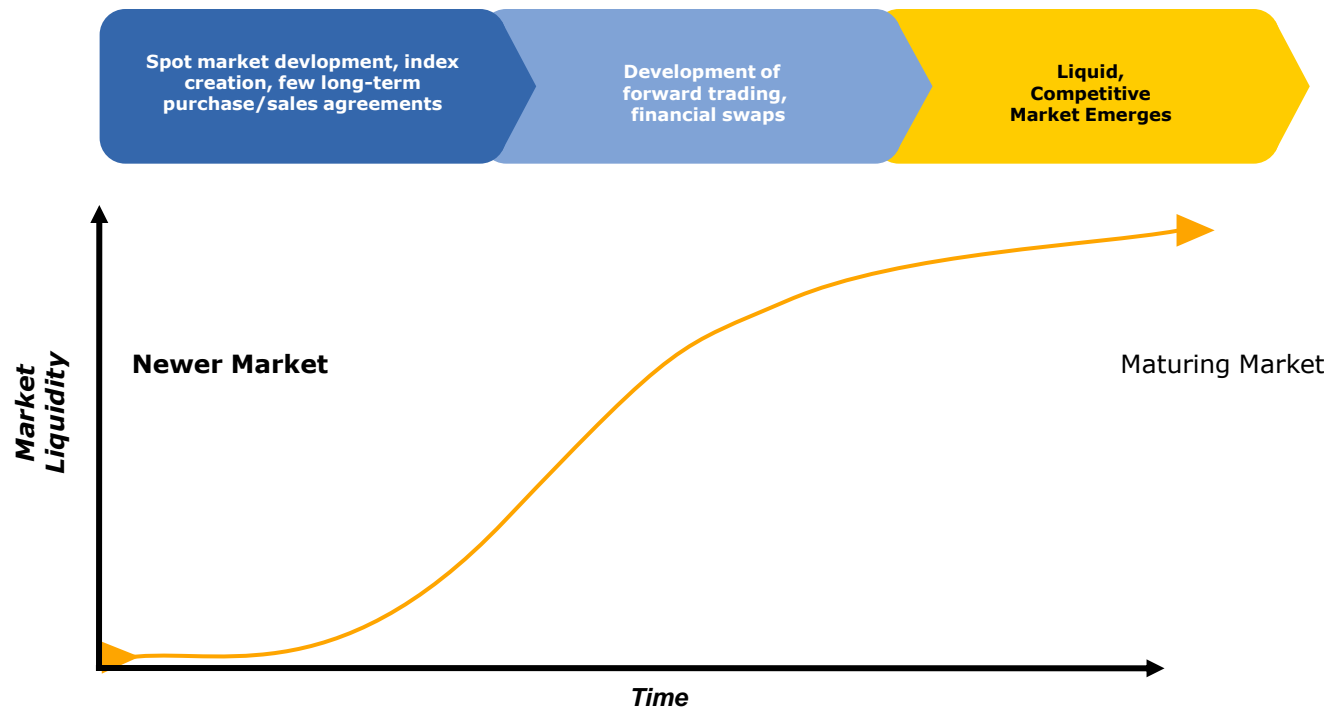
■ CORE ELECTRICITY MARKETS ■ DEVELOPING ELECTRICITY MARKETS ● GAS HUB ■ EXCHANGE & CCPS

Energy Market Trading Dynamics



- **Ready supply of commodity**
- **High degrees of standardisation (homogeneous product)**
- **Large numbers and diversity of participant**
- **Ease of access to transportation network**
- **Stable Regulatory and Legal framework**
- **Retail competition**
- **Cross Border Trading?**

Hybrid model capitalizes on all stages of product lifecycle



GFI Strategy

Early Entry to Gain Market Share, promote market development, build user confidence

Add Technology and Trading Tools, build transparency through interactive Trading platform

Aid liquidity by bringing new customer groups to market

- **Investigating the market for last 2 years**
 - Early Issues (EFETs, stamp duty etc)
 - Initially not conducive to screen based trading
 - Importance of local presence
- **GFI launched Turkish Power - January 2014**
- **Nearly 3 TWh traded in 2015**
- **Client base of 100 plus and 50 plus participating using Hybrid Model**
- **Instruments :**
 - Turkish BSLD Fixed,
 - Turkish BSLD Fixed Financial
 - Turkish BSLD Tariff INDEXED
 - Turkish Domestic Peaks (08-20EET including weekends)
 - Turkish Domestic Off Peak (00-08, 20-24 EET including weekends)
 - Customised Strips (allowing users to create their own custom period range)

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