

HUPX Day-Ahead Market

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HUPX Annual report

(2011)

Since the successful beginning of HUPX Day-Ahead Market the monthly increase of the daily volume was 24 076 MW/h on average, and in December the traded volume reached 430 864 MW/h. The total traded volume in 2011 was 3 785 270 MW/h, which corresponds to approximately 8.9% of the total Hungarian gross electricity usage of the given period and 11% in December.

The Hungarian Power Exchange provided transparency and brought the domestic prices closer to the regional prices. The difference between HUPX prices compared to neighbouring exchanges and the OTC market is decreasing, thanks to the activity of cross-border trading.

By the end of the year the number of HUPX Members reached 40. Majority of the market players currently active on the Hungarian and regional electricity market are already well represented among the HUPX members. More than half of the members are from 11 different European countries and actively trading on the Day ahead market.

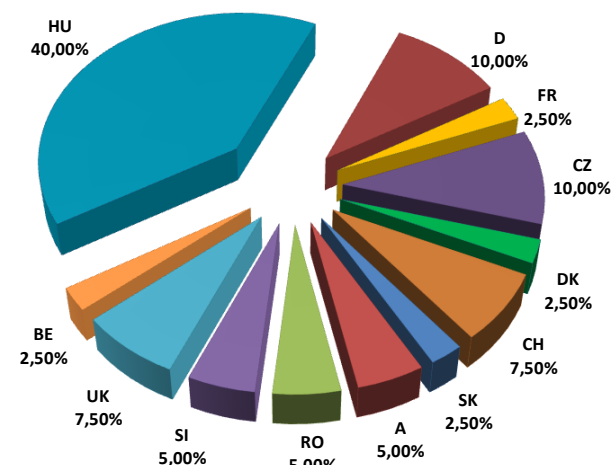
I. Membership

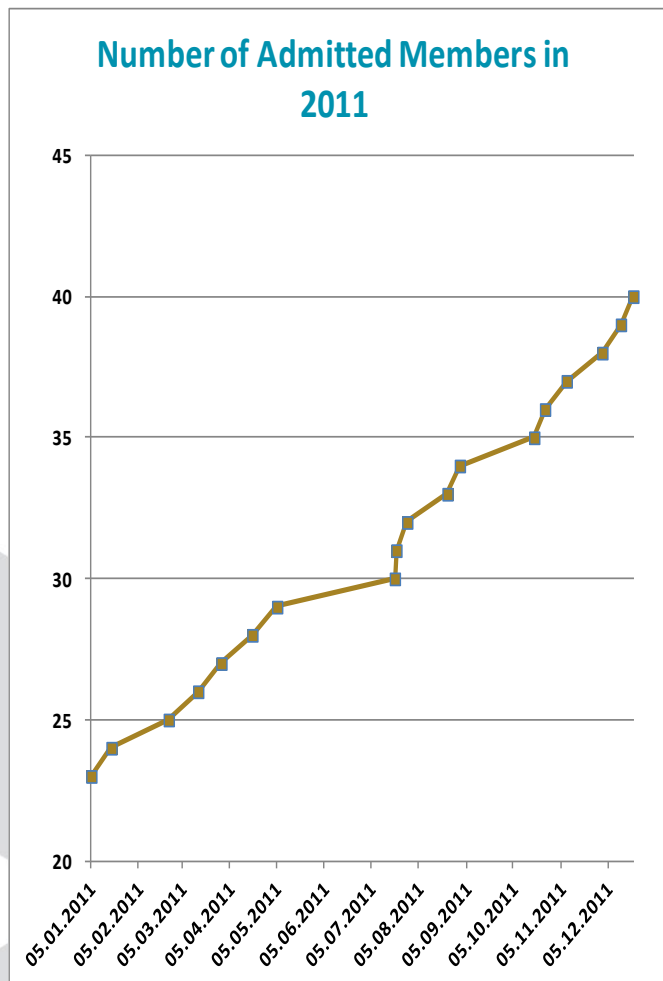
List of the Members



- | | |
|--------------------------------------|---|
| → ALPIQ ENERGY SE | → GEN-I, trgovanje in prodaja elektricne |
| → CEZ, a.s. | → Holding Slovenske Elektrane d.o.o. |
| → Danske Commodities A/S | → JAS Budapest Zrt. |
| → E.ON Energy Trading SE | → Magyar Áramszolgáltató Kft. |
| → EDF DÉMÁSZ Zrt. | → Mátrai Erőmű Zrt. |
| → Energy Financing Team AG | → MVM Partner ZRt. |
| → GDF SUEZ Energia Magyarország ZRt. | → Statkraft Markets GmbH |
| <hr/> | |
| → BC-Energiakereskedő Kft | → MAVIR ZRt. |
| → Budapesti Erőmű Zrt. | → Mercuria Energy Trading SA |
| → Citigroup Global Markets Limited | → MVM Trade Villamosenergia Kereskedelmi Zrt. |
| → DB Energy Commodities Ltd. | → ÓAM Ózdi Acélművek Kft. |
| → EDF Trading Limited | → OMV Trading GmbH |
| → EGL AG | → Repower Trading Ceska republika s.r.o |
| → Electrabel SA/NV | → RWE Supply & Trading GmbH |
| → Ezpada s.r.o. | → TINMAR-IND S.A |
| → Gazprom Marketing & Trading Ltd. | → TRANSENERGO COM S.A. |
| → GDF Suez Trading SAS | → Vattenfall Energy Trading GmbH |
| → Greenergy-Trade Kft. | → VERBUND AG |
| → ISD Power Kft. | → HEP Magyarország Energia Kft |
| → Korlea Invest a.s. | → Edison Trading S.p.A. |

HUPX members from different countries





Growth in the number of members

HUPX launched the Day-Ahead Market with 10 members in 21st of July 2010. Thanks to successful start and the improving liquidity more and more company applied for admission to the HUPX Day-Ahead Market.

The average accession was 2 admitted members per month, which resulted in 40 participants on the HUPX Day-Ahead Market by the end of 2011. The distribution between the admitted members represents a wide range of nationalities next to the 40% part of Hungarian companies.

II. Market results

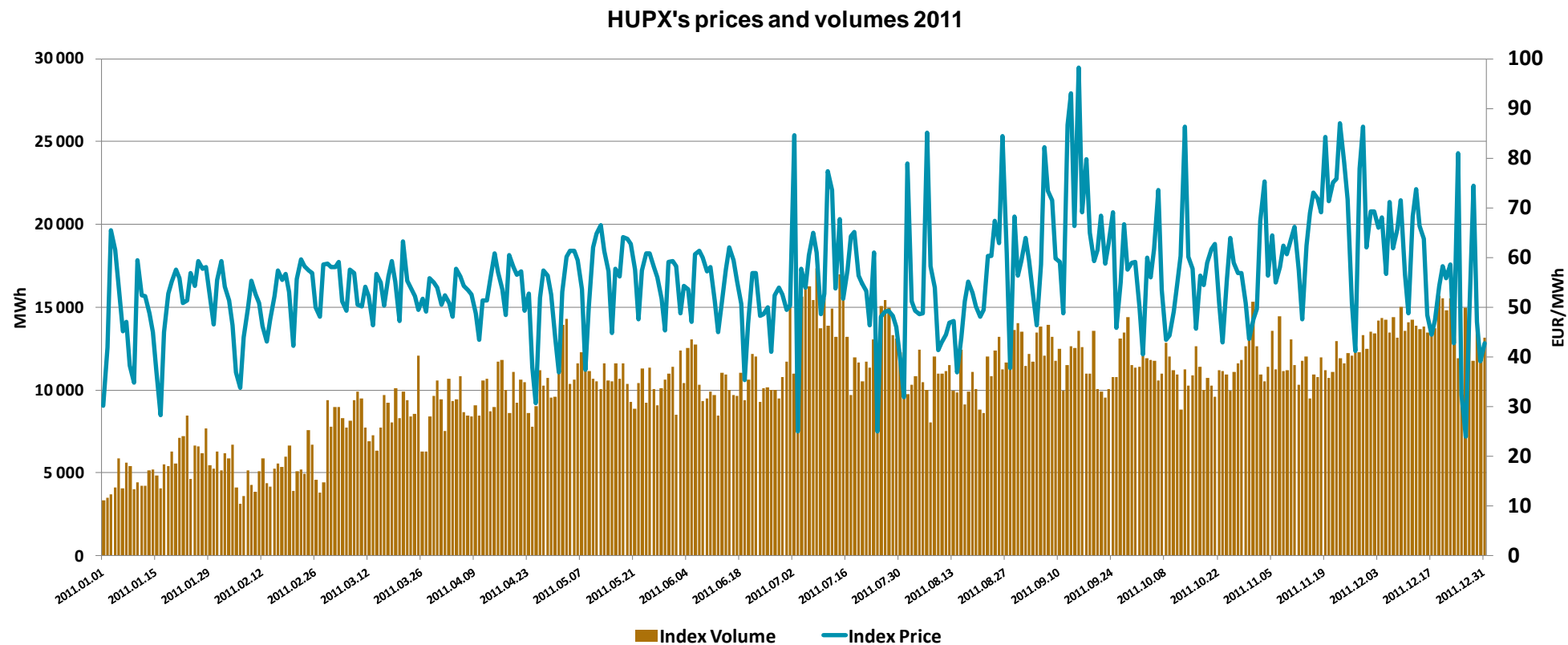
Description	2011	Description	2011
HUPX Base Average Price (EUR/MWh)*	55,81	Total Volume (MWh)	3 785 270,6
HUPX Peak Average Price (EUR/MWh)*	64,49	Average Daily Traded Volume (MWh)	10 370,6
HUPX Base Trimmed Mean Price (EUR/MWh)**	55,85	Highest Daily Traded Volume (MWh)	17 360,2
HUPX Peak Trimmed Mean Price (EUR/MWh)**	64,37	Lowest Daily Traded Volume(MWh)	3 126,3
OTC Base Trimmed Mean Price (EUR/MWh)**	56,21	Highest Hourly Traded Volume (MWh)	962,6
OTC Peak Trimmed Mean Price (EUR/MWh)**	68,15	Lowest Hourly Traded Volume(MWh)	176,4
Diff. BL. HUPX↔OTC	0,52	Average Hourly Traded Volume (MWh)	432,1
Diff. PL. HUPX↔OTC	1,08		
		DAM - Weekdays	01-24 (Baseload)
Highest Traded Price (EUR/MWh)	160,01	Average Daily Traded Volume (MWh)	10 526,4
Lowest Traded Price (EUR/MWh)	0,01	DAM - Weekend	01-24 (Baseload)
		Average Daily Traded Volume (MWh)	9 999,8
Total Turnover (EUR)	211 826 333,65	DAM - Weekdays	09-20 (Peakload)
Average Daily Turnover (EUR)	580 346,12	Average Daily Traded Volume (MWh)	4 989,9
Max. Daily Turnover (EUR)	1 268 346,12	DAM - Weekend	09-20 (Peakload)
Min. Daily Turnover (EUR)	105 561,21	Average Daily Traded Volume (MWh)	4 825,0

Note:

***The average price** contains all the hourly prices in the examined periods.

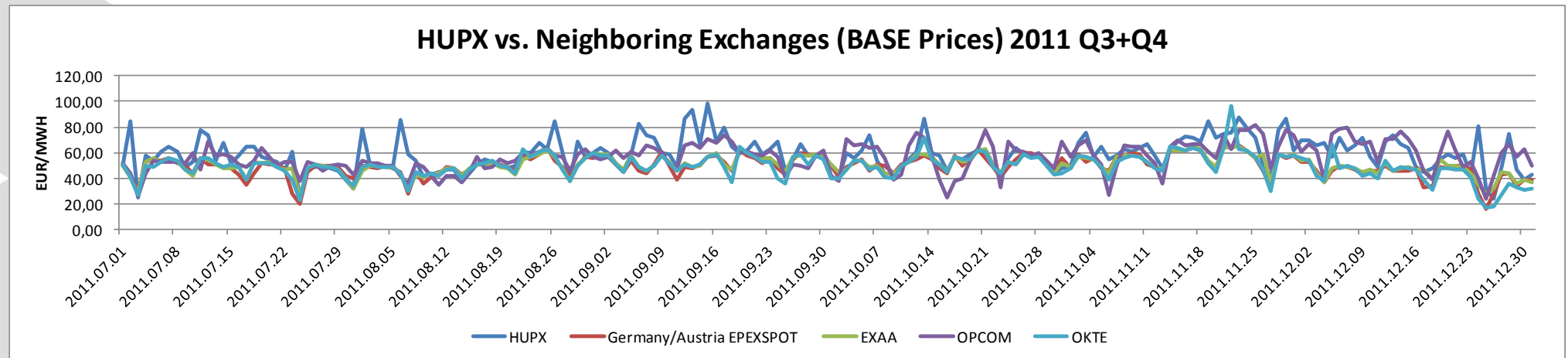
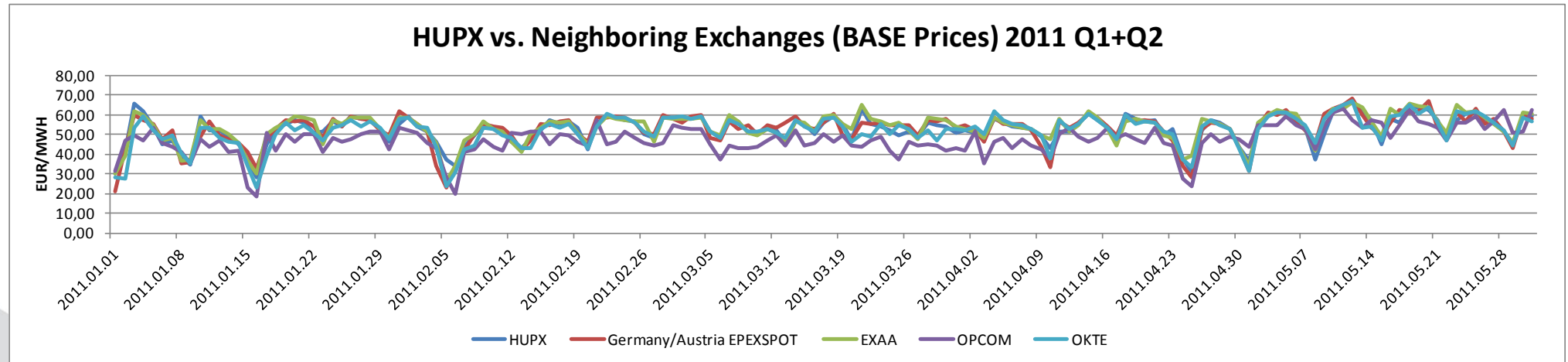
****Trimmed Mean** is a special average which shows monthly mean prices considering all prices except for the two lowest and the two highest. We applied this indicator to avoid from distortion of the results. Mean is very sensitive to extreme values.

Performance of HUPX DAM (Delivery Day: 01.01.2011-31.12.2011)



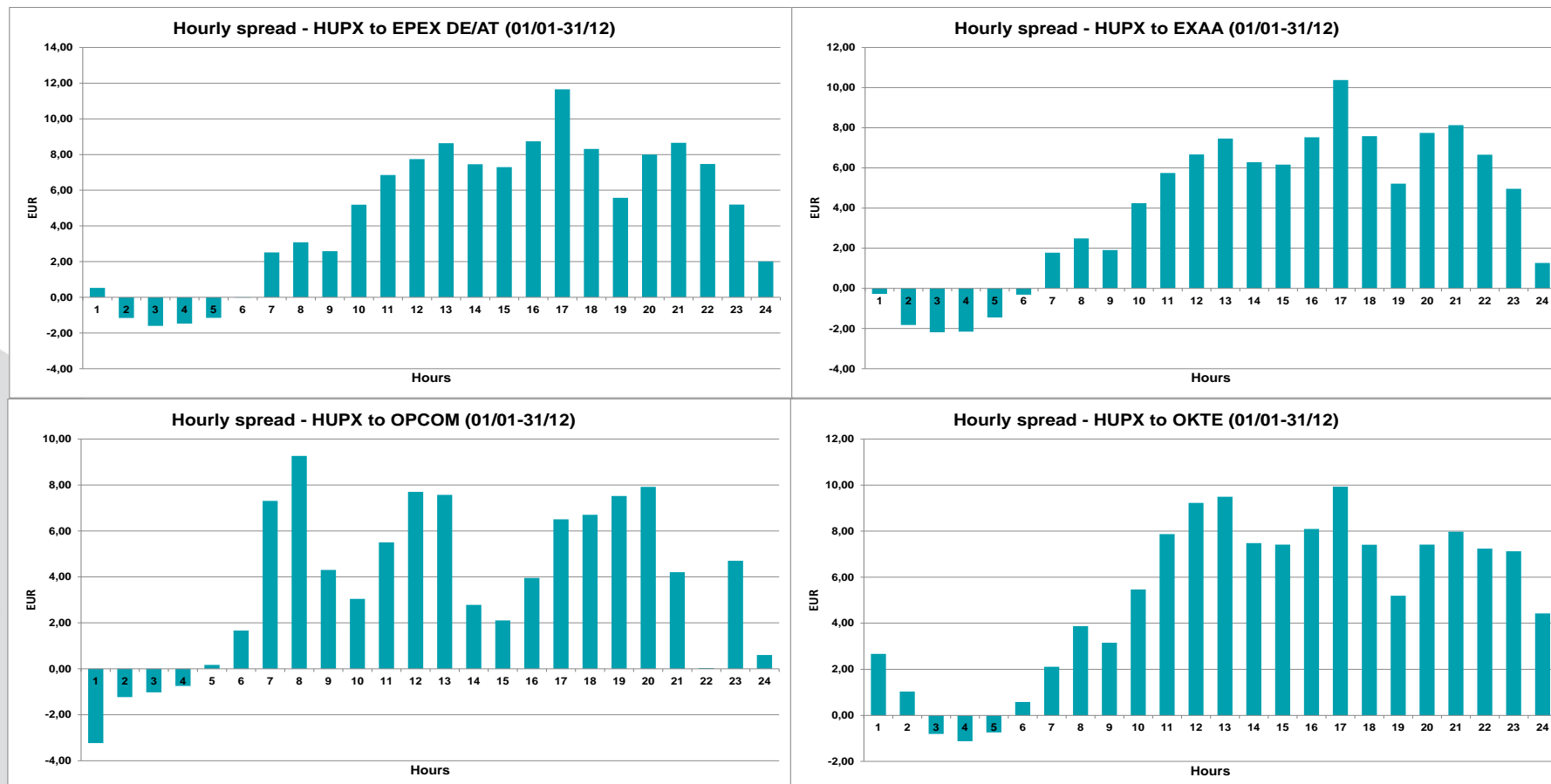
III. Price Analysis

HUPX prices are compared to relevant neighboring exchanges' prices



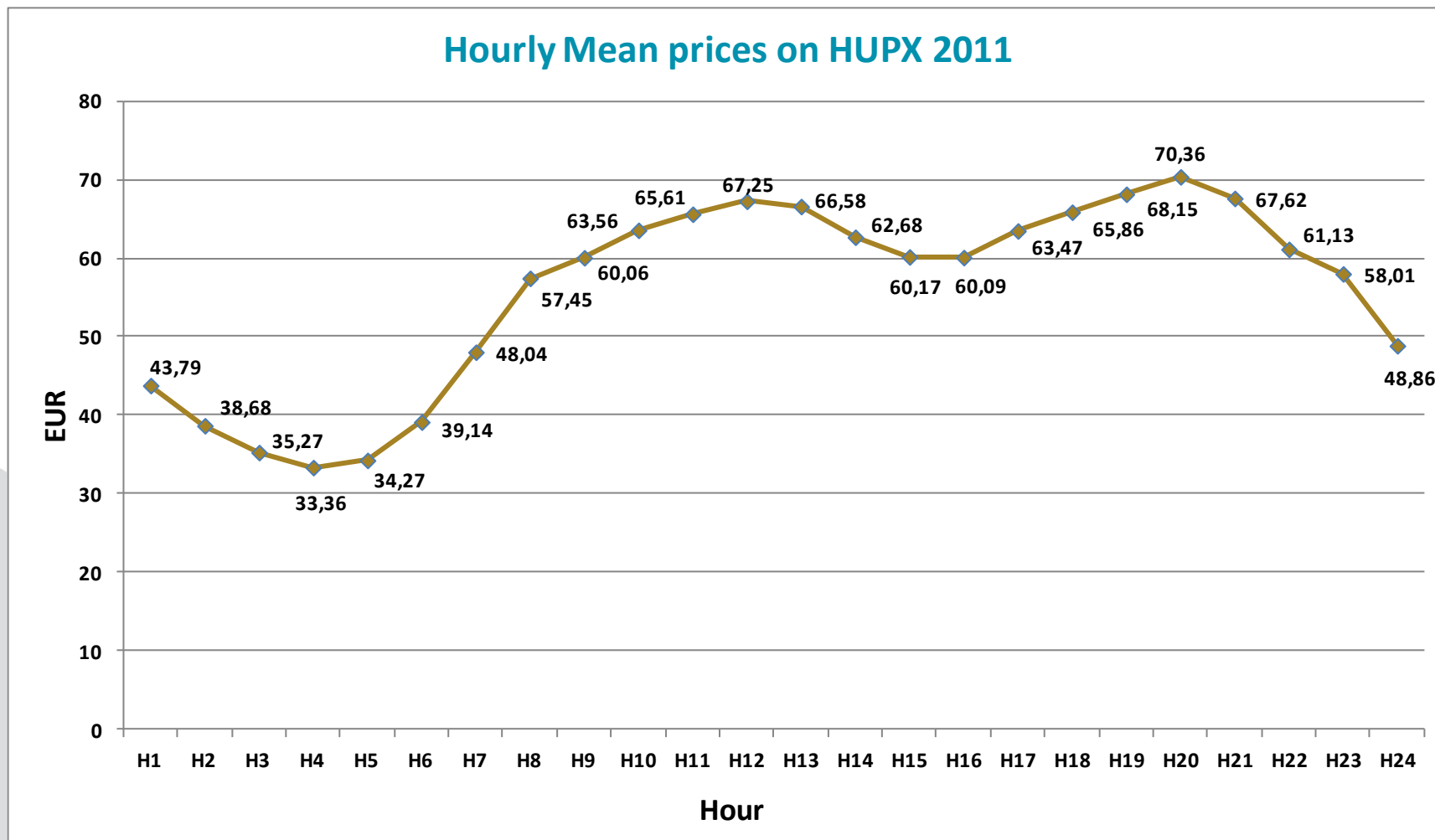
Spread between HUPX and relevant power exchanges

Hourly spread – 01st January – 31st December



*Export and import fees are not included.

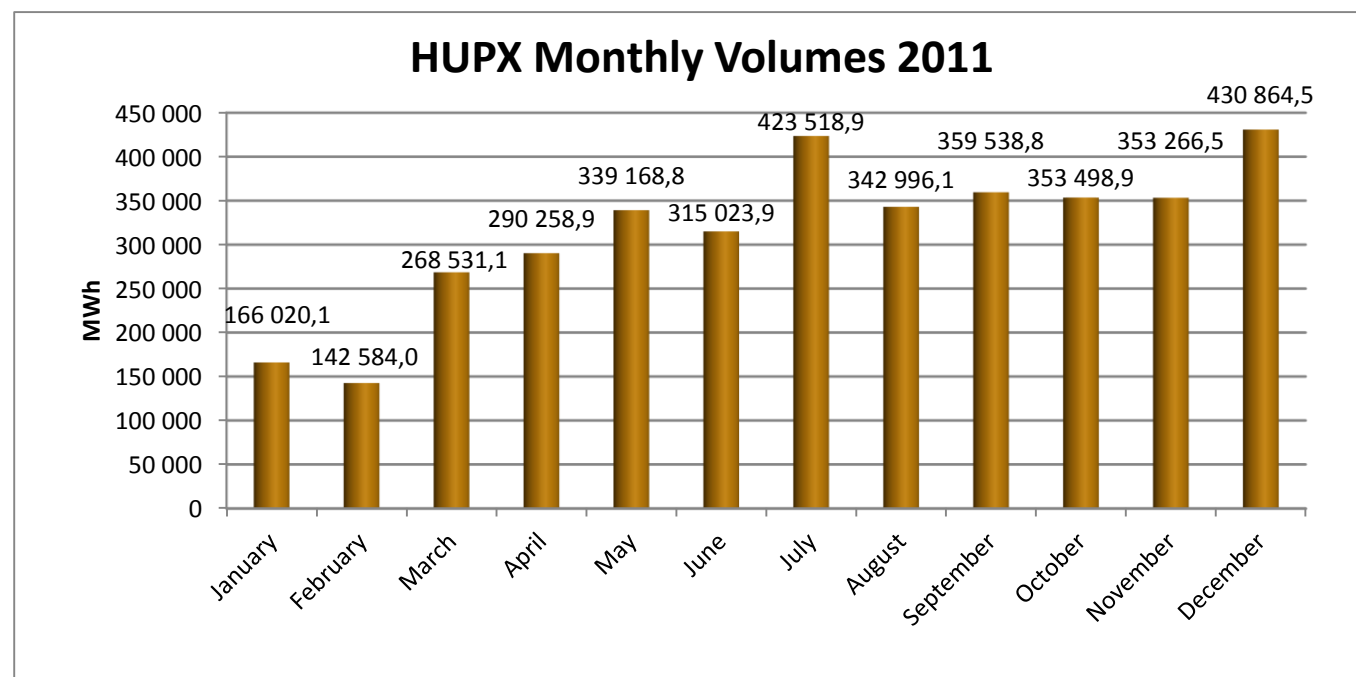
Hourly trimmed mean prices on HUPX (Delivery Day: 01.01.2011-31.12.2011)



IV. Analysis of Volumes

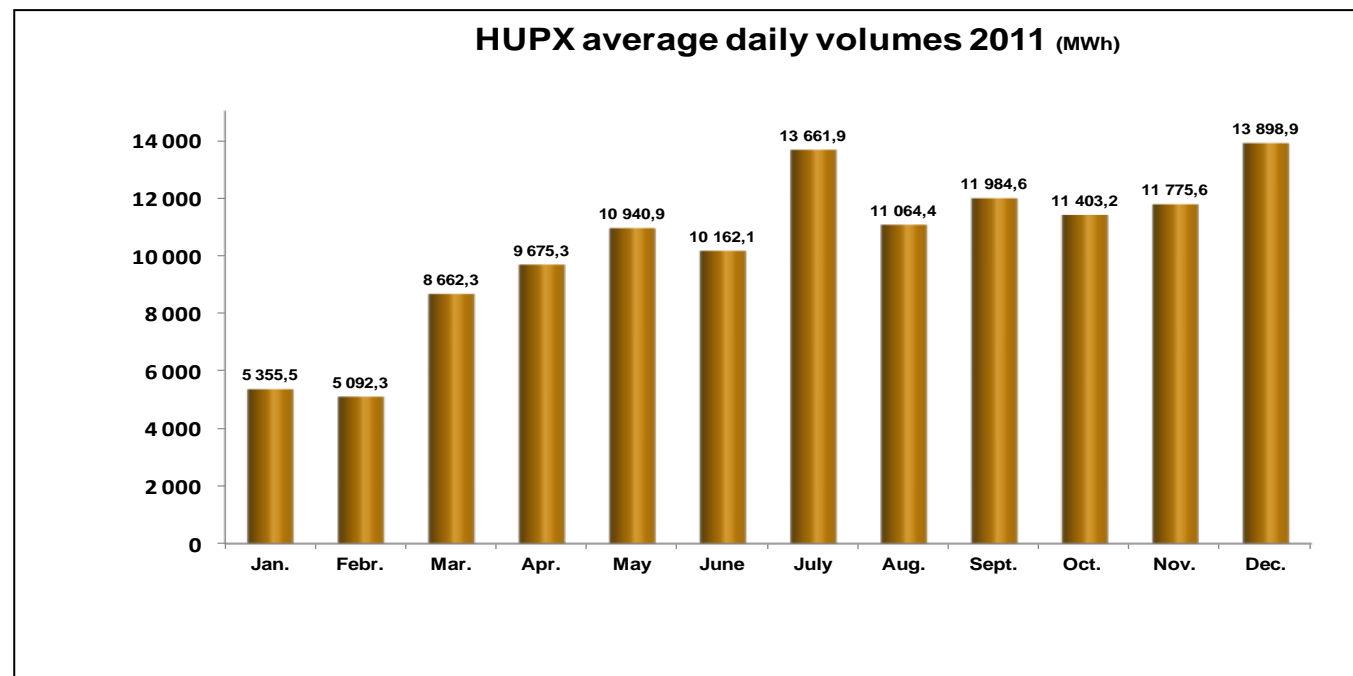
Increase of total traded volumes on HUPX DAM month by month

Monthly volumes		Increase
MWh		
January	166 020,1	
February	142 584,0	-23 436,1
March	268 531,1	125 947,1
April	290 258,9	21 727,8
May	339 168,8	48 909,9
June	315 023,9	-24 144,9
July	423 518,9	108 495,0
August	342 996,1	-80 522,8
September	359 538,8	16 542,7
October	353 498,9	-6 039,9
November	353 266,5	-232,4
December	430 864,5	77 598,0
Average	315 439,2	24 076,8

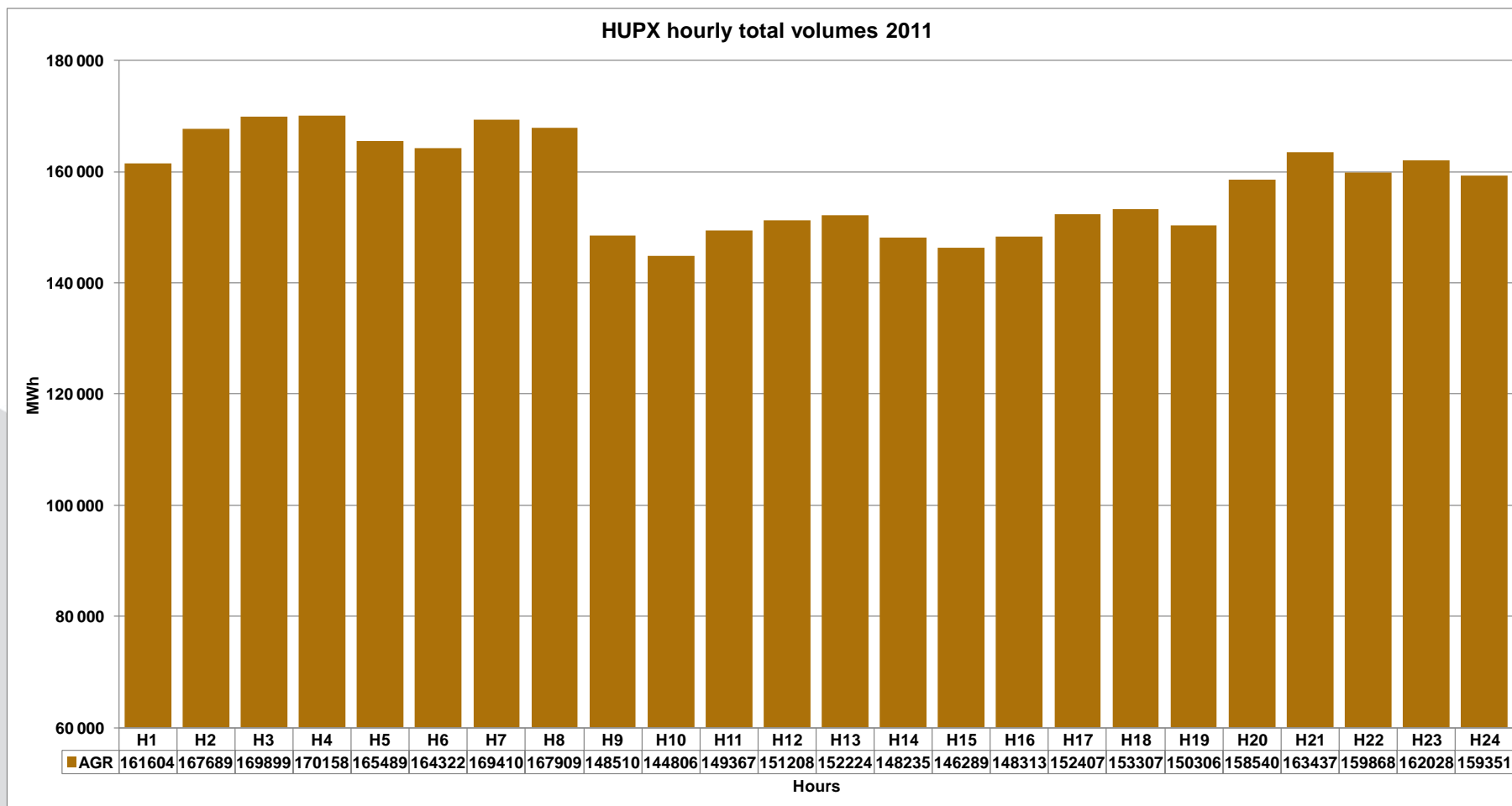


Increase of total average daily traded volumes on HUPX DAM month by month in 2011

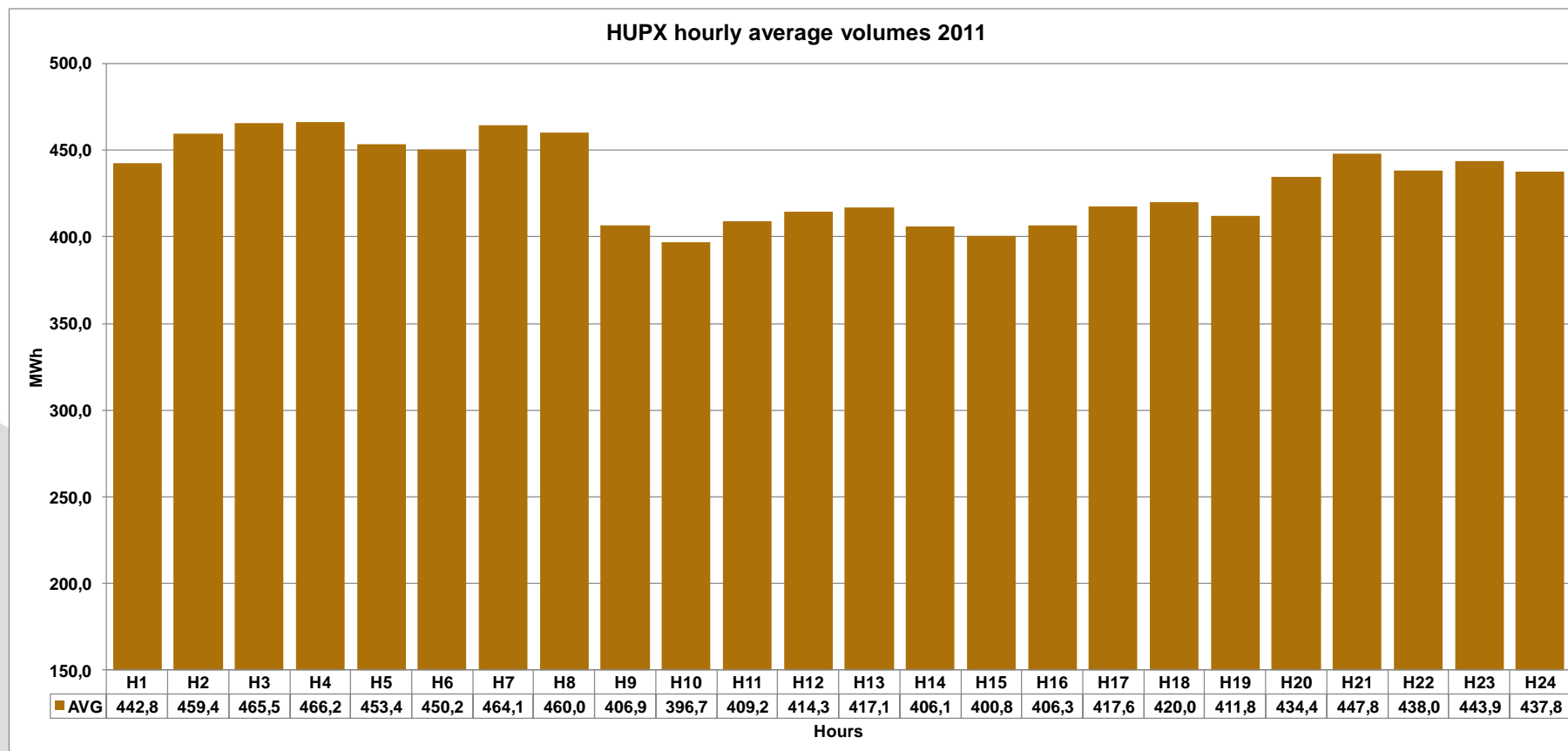
Average daily volumes		Increase
MWh		
Jan.	5 355,5	
Febr.	5 092,3	-263,2
Mar.	8 662,3	3570,0
Apr.	9 675,3	1013,0
May	10 940,9	1265,6
June	10 500,8	-440,1
July	13 661,9	3161,1
Aug.	11 064,4	-2597,5
Sept.	11 984,6	920,2
Oct.	11 403,2	-581,4
Nov.	11 775,6	372,4
Dec.	13 898,9	2123,3
Average	10 370,6	776,7

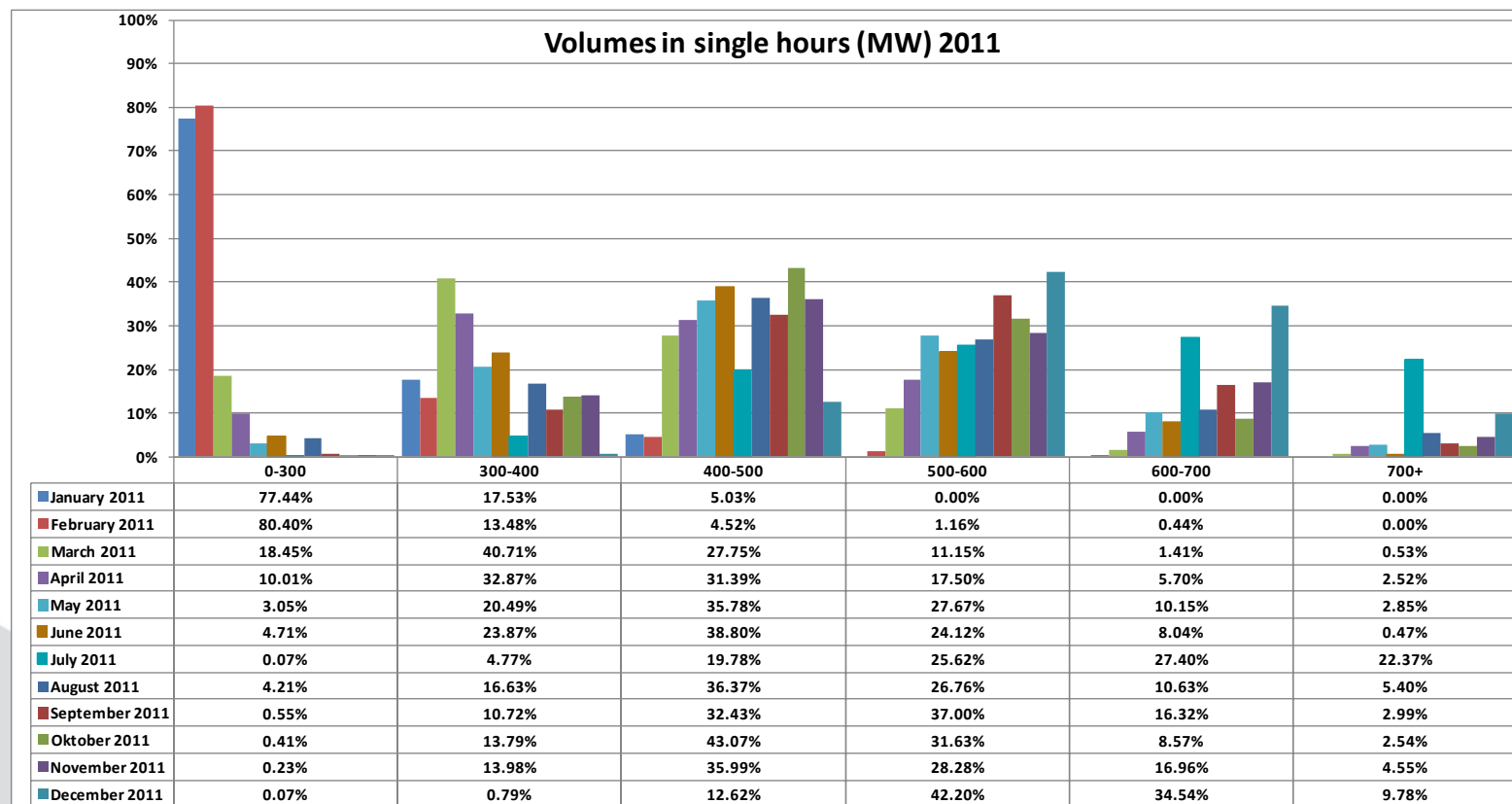


Hourly total volumes on HUPX (Delivery Day: 01.01.2011-31.12.2011)



Hourly average volumes on HUPX (Delivery Day: 01.01.2011-31.12.2011)





Note:

The bar chart shows the traded volumes in single hours in the examined period. (01.01.2011.-01.01.2011.) We categorized the results according to the traded volume of each hour. The distribution between the categories moved to the direction of higher volumes. This trend was already shown by the last monthly results. The monthly reports and this yearly chart shows an increasing liquidity on the HUPX Day-Ahead Market due to the higher traded volumes in each hour. We expect that this trend will continue, which based on the thriving number of admitted members.