



**Natural Gas
commodity exchange
market developments in
Russia**



SPIMEX

Saint-Petersburg International
Mercantile Exchange

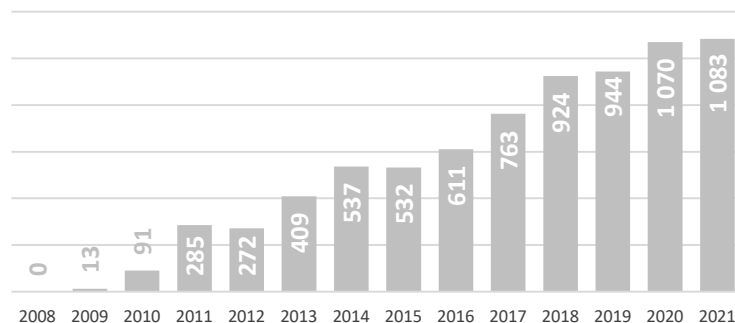
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**LAUNCHED under
the PRESIDENT'S and the RUSSIAN FEDERAL
GOVERNMENT'S DECISION**

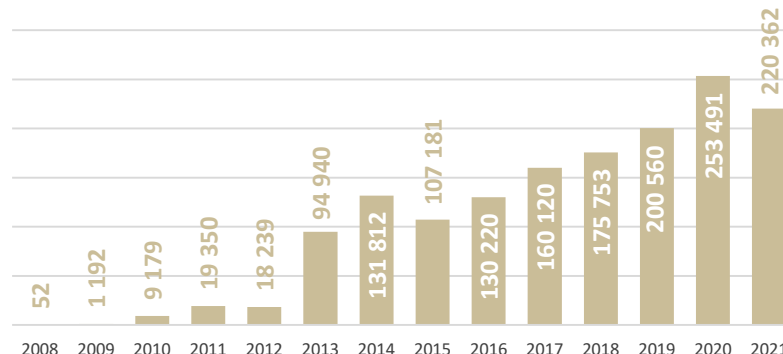
SHAREHOLDERS



VOLUME TRADED bn, RUB



NUMBER OF CONTRACTS



3150+

TRADING
PARTICIPANTS



VOLUME
TRADED

2000+

TRADING
INSTRUMENTS

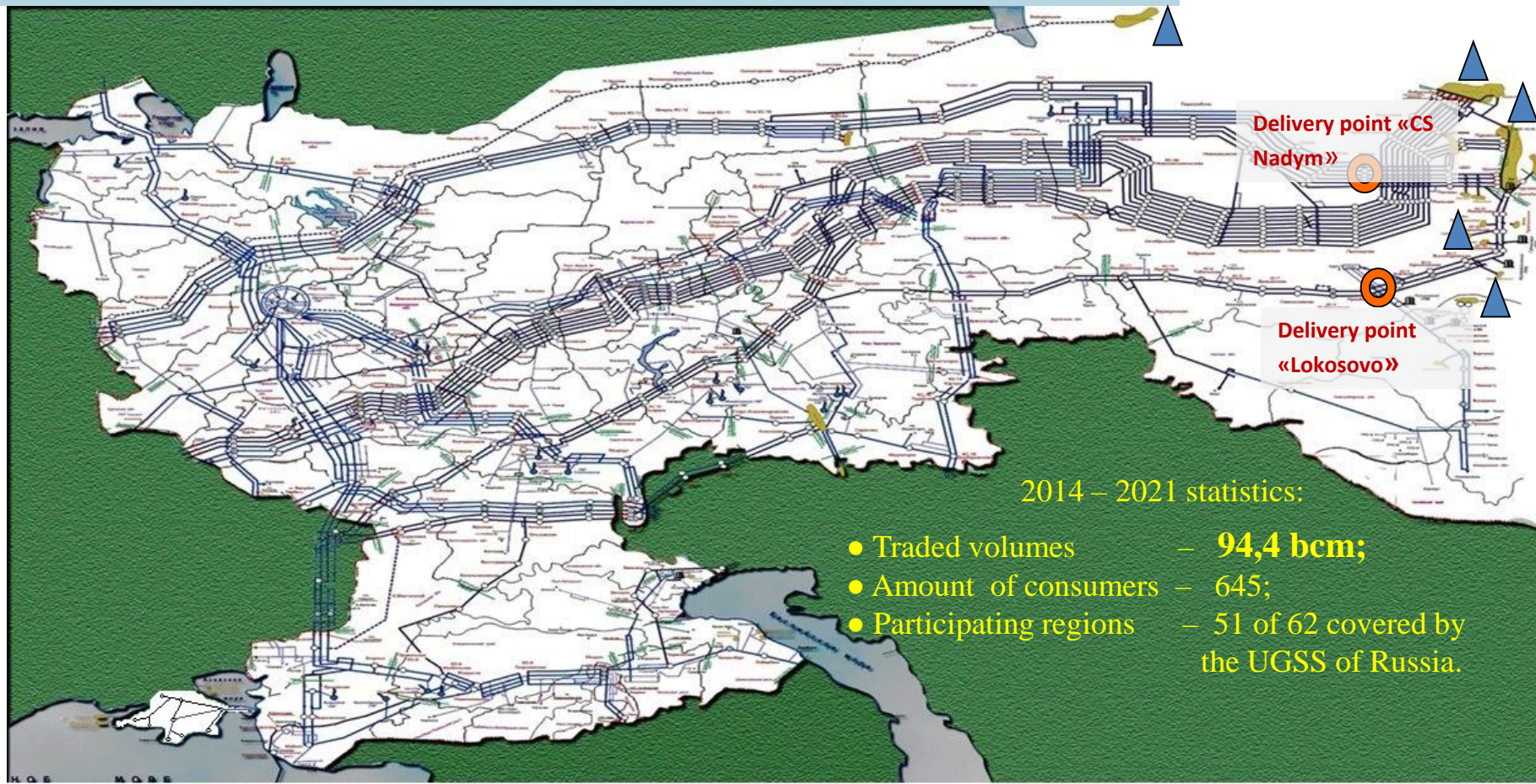
98%

SHARE OF SPIMEX IN ALL EXCHANGE-TRADED
REFINED PRODUCTS IN RUSSIA

Market	2020	2021
REFINED PRODUCTS	23.2+ mmt	19.7+ mmt
CRUDE OIL	2+ mmt	2+ mmt
NATURAL GAS	16+ bcm	5+ bcm
TIMBER	2.3+ mcm	2.3+ mcm
DERIVATIVES	44+ ths. contracts	165+ ths. contracts
FERTILIZERS	100+ ths. Mt	760+ ths. Mt

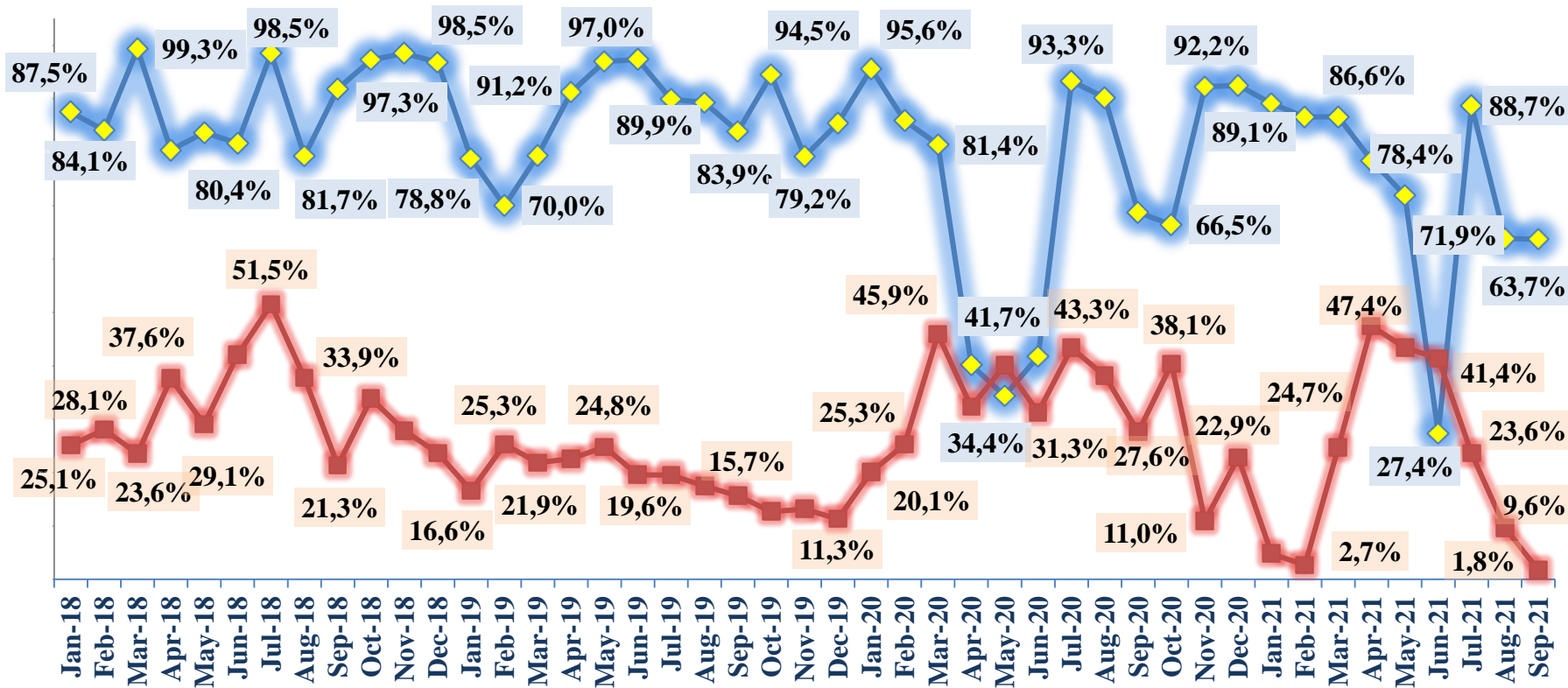
- **Executive Order of the President No. 618 of 21 December 2017 “On State Competition Policy Guidelines”.** Development of exchange trading is defined as one of the “fundamental principles of the state policy on development of competition”.
- **Decree of the Government of Russia No. 1697-r of 16 August 2018** “Road Map for developing competition in the sectors of the economy of the Russian Federation and transition of certain spheres of natural monopolies to the state of a competitive market in 2018-2020”.
- **“Plan of measures for systematic development of organized trading in commodity markets, formation of market prices for the key commodity groups, and involvement of business entities in exchange trading”** approved by resolution of the First Deputy Prime Minister of Russia A.G. Siluanov No. 4589p-P13 of 27 May 2019.
- **Decree of the Government of Russia No. 2424-r of 02.09.2021** “Road Map for developing competition in the Russian Federation for 2021-2025”

2014 – 2021: Natural Gas Exchange trading evolution





Gazprom Group share in trading volumes

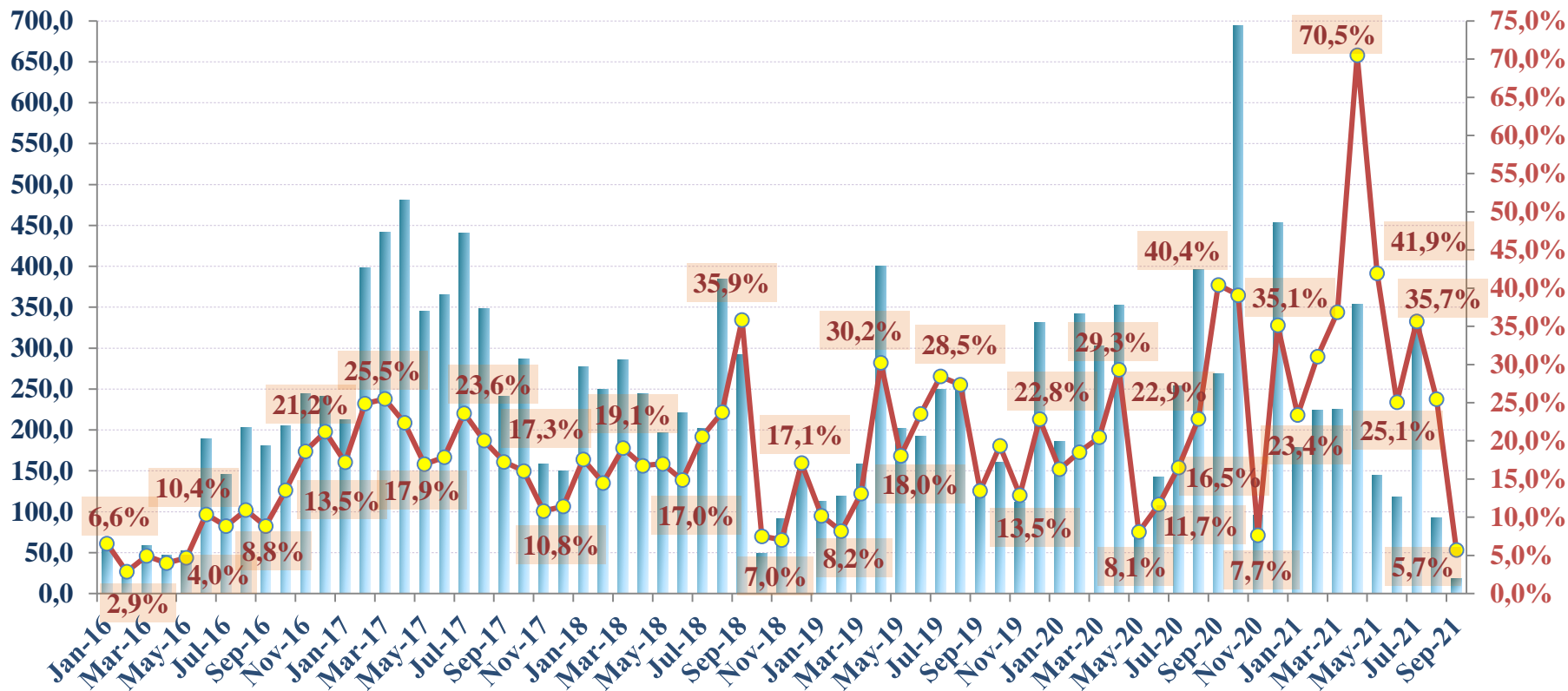


- Gazprom as a seller

- Gazprom as a buyer (Regional affiliate companies)

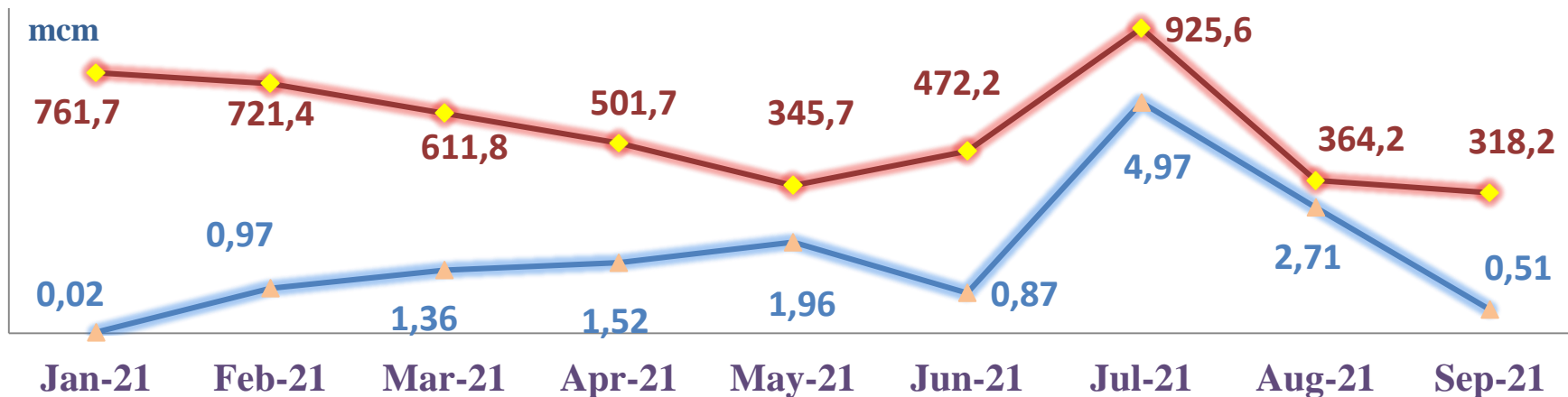


2016 - 2021: Day-ahead volumes share

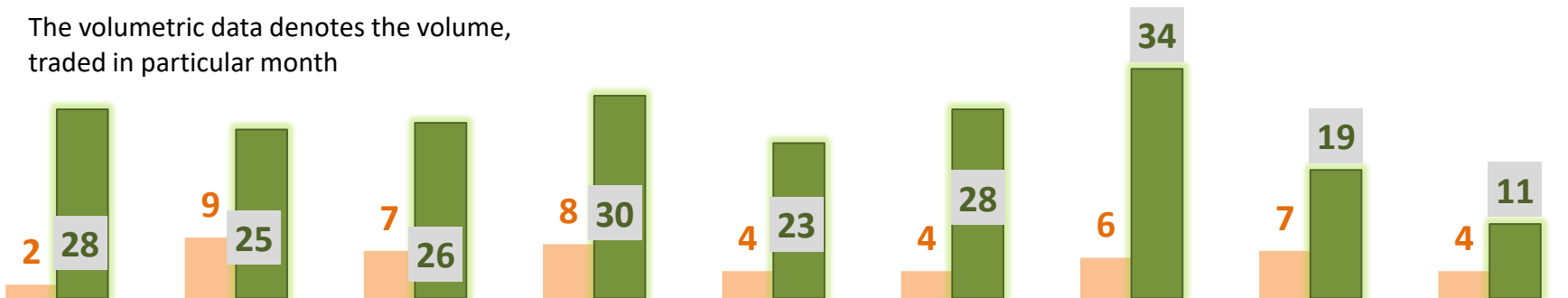


Day-ahead trading volume, mcm

Share, % of d/a volumes in total traded volume in a given month



The volumetric data denotes the volume, traded in particular month

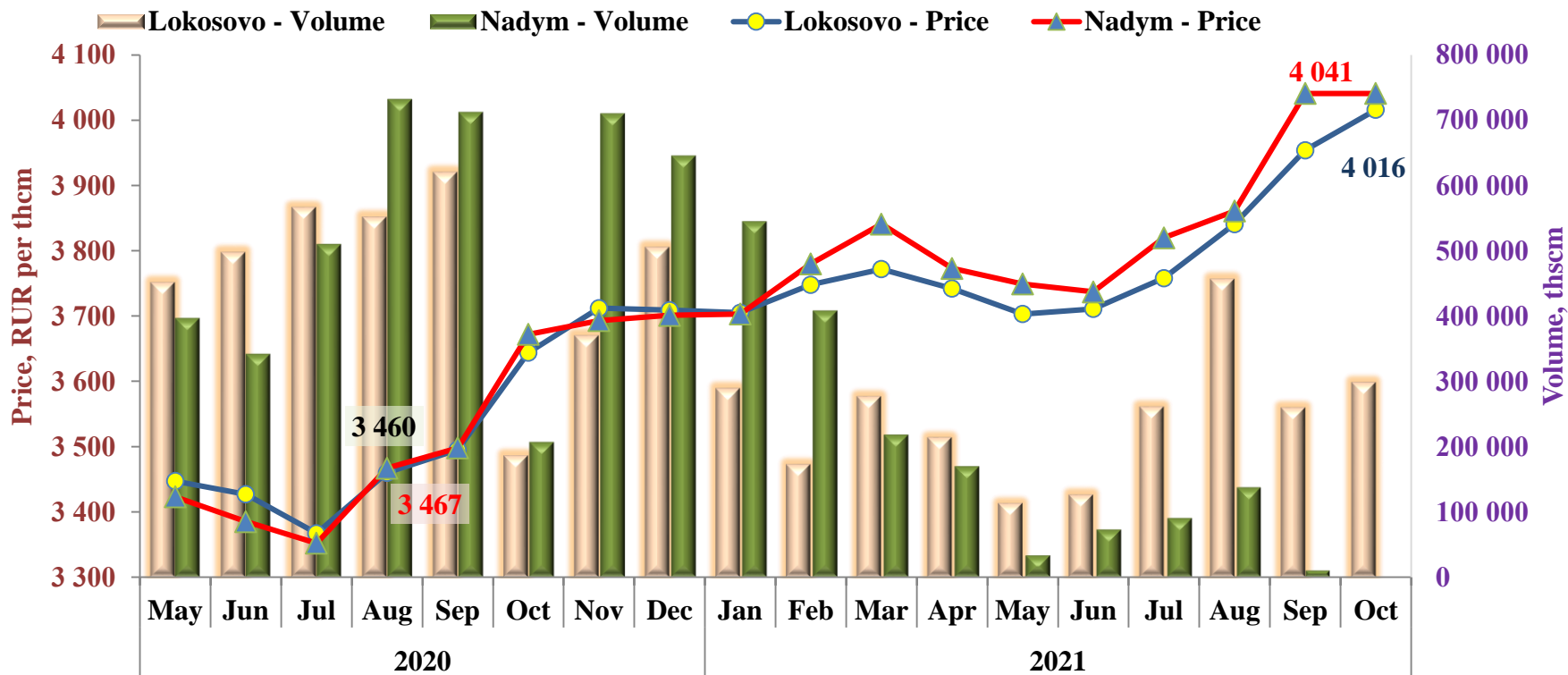




CHARACTERISTICS	2018Y	2019Y	2020Y	Jan-Sep 2020Y	Jan-Sep 2021Y	+/-
Traded volume (month and day ahead, mcm)	15 134,3	12 874,5	16 047,0	11 734,75	5 022,51	- 6 712,24
Volumes sold by Gazprom	13 425,4	11 013,0	12 161,5	8 638,47	3 860,73	- 4 777,74
Volumes sold by Independent Producers	1 708,9	1 861,5	3 885,5	3 096,28	1 146,70	- 1 949,58
Balancing trade volume	-	-	-	-	15,08	15,08
Amount of Trading Participants/sellers	86/5	76/5	76/5	71/5	57/4	-14
Amount of Final Customers	316	237	259	244	170	-74
Amount of Regions	42	38	38	37	37	0



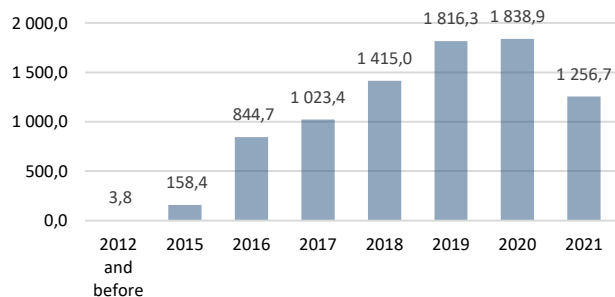
Natural gas volume traded & price at balancing points



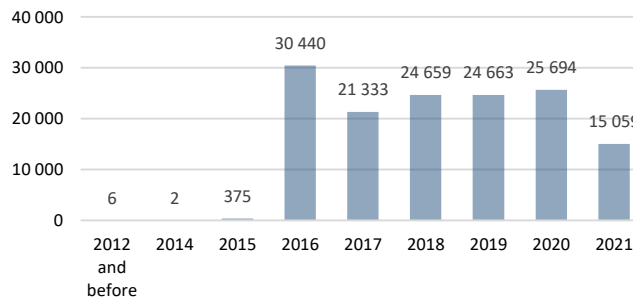
The volumetric data denotes the traded volume, supplied in particular month

*Total for all types of instruments

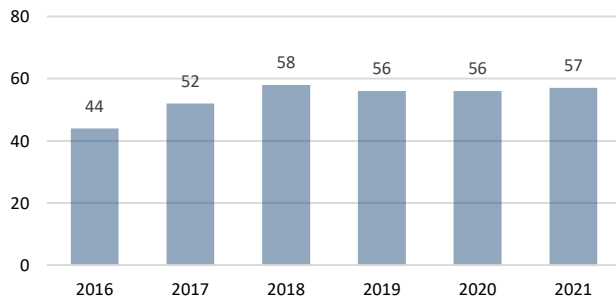
VOLUME, bln. m³



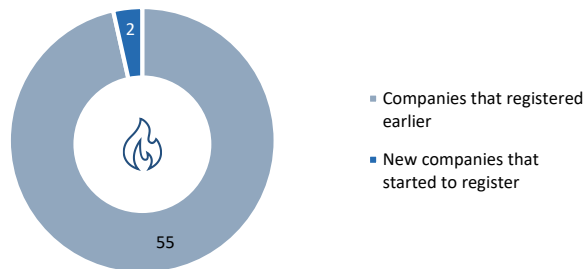
COMMODITY POSITIONS



ACTIVE COMPANIES



STRUCTURE OF PARTICIPANTS in 2021

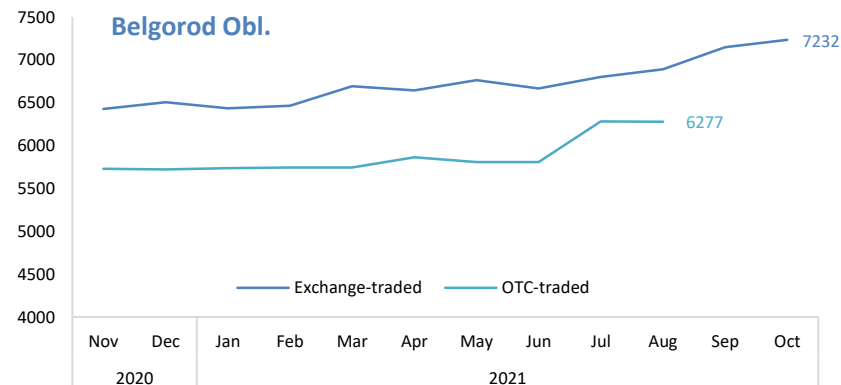
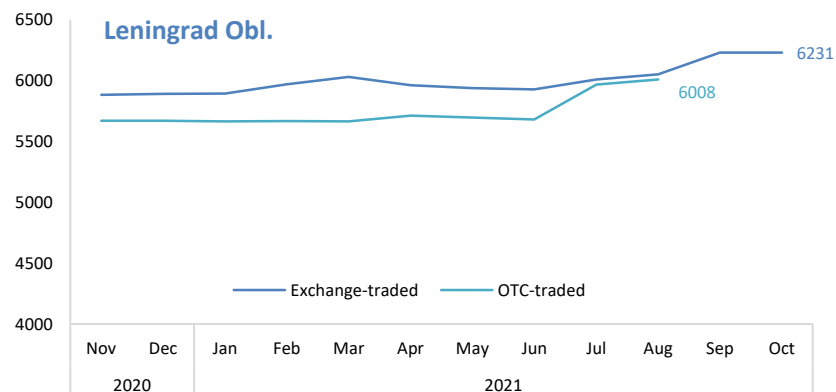
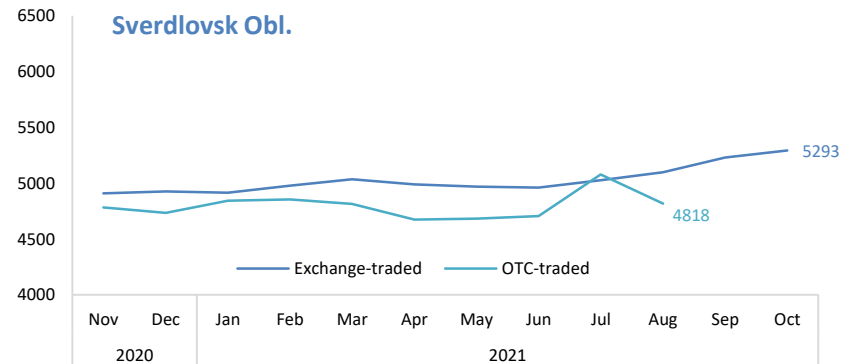
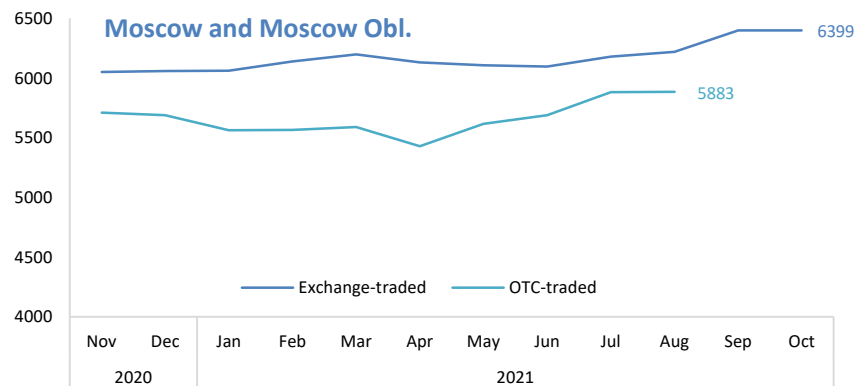


Data for all years are indicated as of
31 August 2021



SPIMEX Natural Gas Indices

Regional Indices



(Decree of the Government of Russia No. 2424-r of 02.09.2021)

The essential goals were confirmed:

- natural gas exchange traded volume increasing to 10% of the total volume, supplied to the Russian market
- natural gas exchange sellers amount – not less than to 5 companies

Russian Government Directive №1063

of 18.08.2019

- Increase of the Gazprom exchange-dedicated volumes to 25 bcm
- Federal Antimonopoly service has been empowered to check and recommend current selling volumes of Gazprom



Priority Tasks:

1. Organizing of the Commercial balancing procedures for under-delivered and over-consumed gas volumes;
2. Increasing exchange trade liquidity by attracting additional volumes and new gas suppliers by starting new regional hubs;
3. Extension of the hedging horizons by launching deliverable gas futures;
4. Application of the exchange trading model for the upcoming EAEU Common Gas Market.



Need to Improve the gas market technology to ensure the launch of the new projects



- ✓ Combining the traditional gas metering approach with the special “trade accounts” with the Commodity Supply Operator – Gazprom Group subsidiary company.
- ✓ Implementation of the prospective GTS capacity disclosure information system to ensure efficient operation of the forward exchange market.
- ✓ Implementation of the “Entry-Exit” transportation tariff system, virtual hubs creation.



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**Thank you for your
attention !**