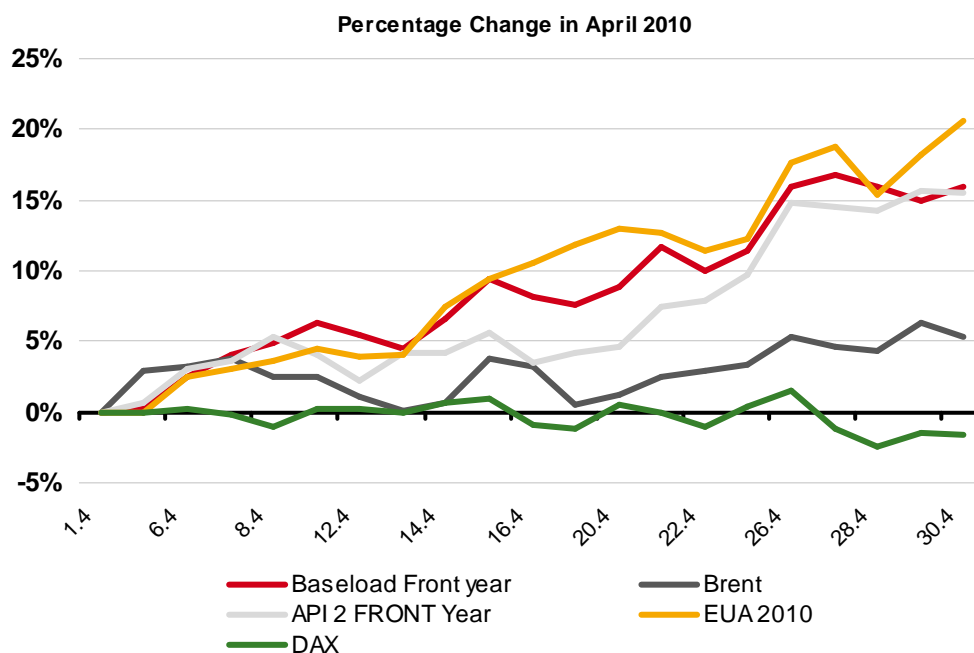
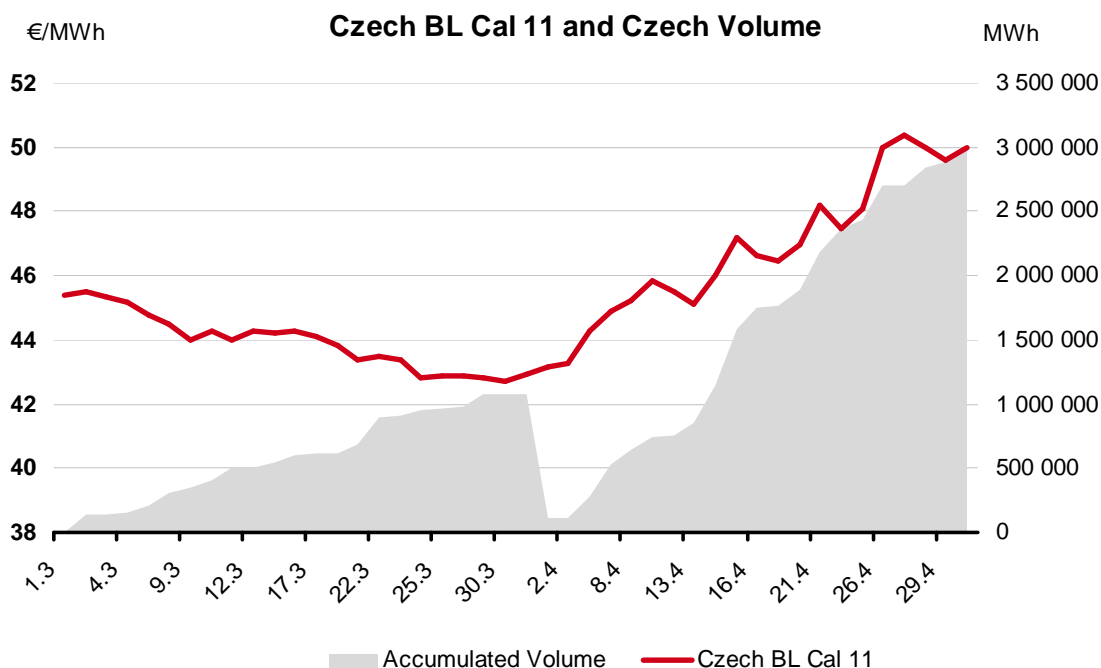


Distinct change of the trend marked the power price development in April. After three months of downtrend and low volatility traders were reluctant to open new positions before Easter holidays. As the holidays past, prices exploded to the upside on heavy volume, erasing almost all of this year's losses with the Czech Cal 11 hitting a high of 50.40 EUR/MWh, a price last seen on 5 January 2010. The support for the increasing trend came first from positive economic news which started to be priced in into the power contracts and the relevant energy commodities, which probably led to end consumer buying. Later in the month, positive sentiment, technical buying on breakouts through resistance levels and stop losses from short positions fueled the up move, as traders specified. Out of the 21 trading days in April only 7 days closed under previous days close, compared with 14 down days out of 23 trading days in March. The bullishness in the Cal 11 spread across the whole curve and effected also front months and day aheads, making the front month rise 7.30 EUR/MWh from 33.15 EUR to 40.45 EUR during April.



Increasing price volatility had a positive effect on the volume traded on the PXE, which closed the month at 3 674 040 MWh traded, the best month since May 2009 and a 171% gain month on month, almost matching the overall Q1 volume (3 803 281 MWh). Czech futures and spot managed to beat the overall Q1 figures (April 2010: 2 984 895 MWh; first quarter 2010: 2 872 439) Slovak futures registered their record month since the contracts were launched in October 2008 with 300 360 MWh being traded. Futures with Hungarian delivery had their best month since September 2009. Czech financial futures accounted for 1 141 515 MWh out of the 2 977 995 MWh totally traded. The higher share of the total on the physical side was mainly due to an increased interest in the baseload Cal 12 contract which currently is not listed on the financial settled futures. Cal 12 accounted for 878 400 MWh, leaving 958 080 MWh to the rest of the physical futures.



PXE's effort to increase liquidity on the Spot Market paid off and led to the highest volume since September 2008 on the Czech and Hungarian Day ahead market. Out of the total 12 600 MWh traded, 5 700 MWh were for delivery in Hungary and 6 900 MWh for delivery in the Czech Republic. The Czech Spot Market Baseload Index average was slightly higher at 39.50 EUR versus an average of 38.21 EUR in March.

