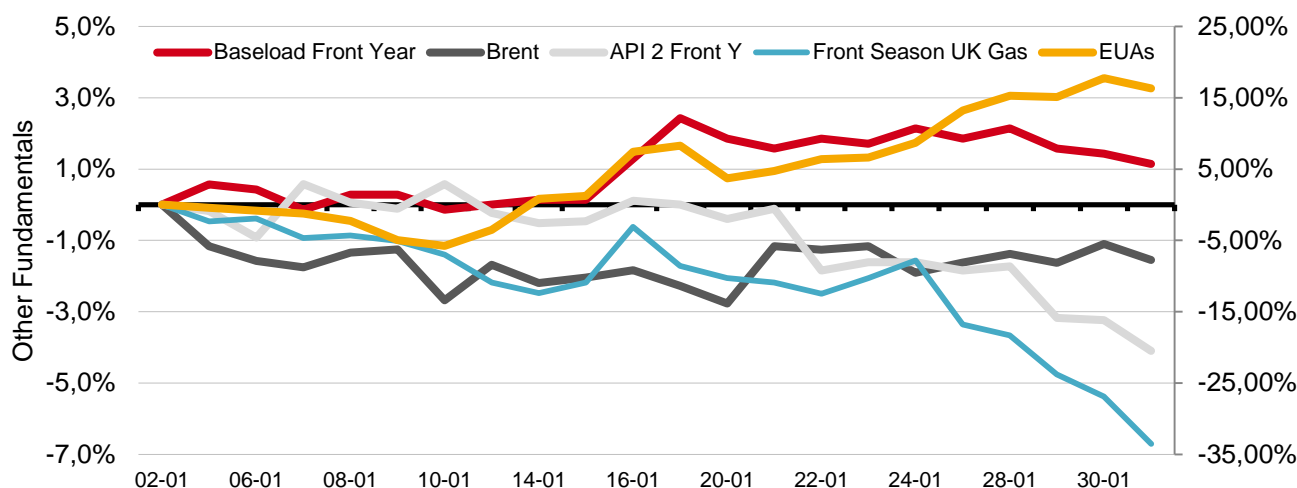
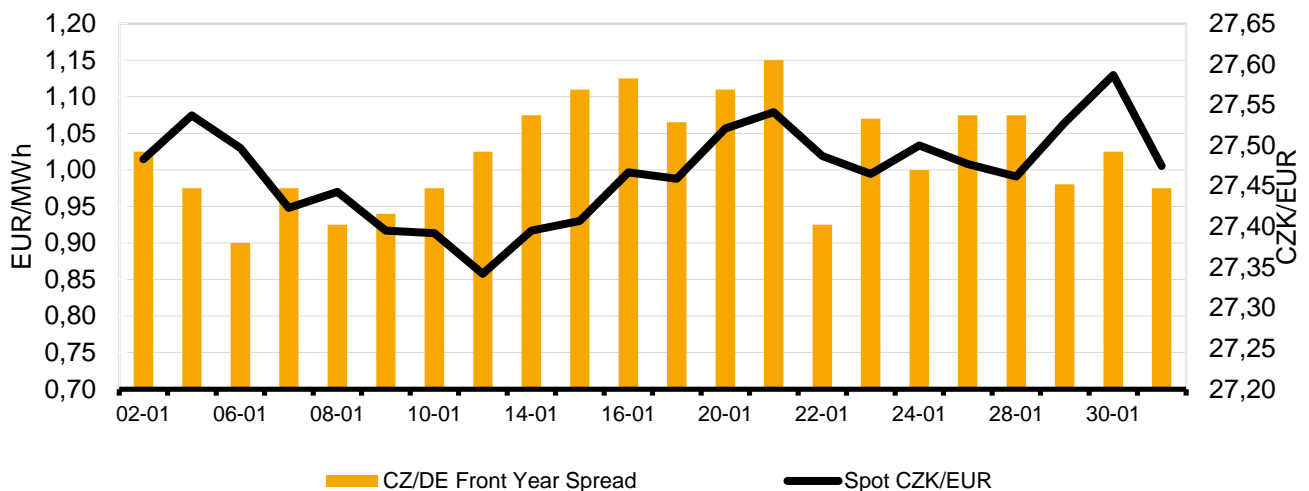


Power curve prices were flat in the first part of the month, due to little trading activity on the markets after Christmas holiday break. The situation had improved on the markets in the second part of January, supported by rise in EUAs. Behind this rise was the optimism that the European Commission will make speedy progress in its plan to cut supply of EUAs in the market. Near the end of the month prices came under pressure coming from weaker Oil, Coal and Gas prices. The Czech baseload Cal 15 hit its lowest point on 7th and 10th of January at 34.95 EUR and its highest point on the 24th and 28th of the month at 35.75 EUR. The contract closed 40 cents above where it had entered the month. A similar situation was seen in the Slovak equivalent, while the Hungarian contracts had a much more bullish trend, closing 0.65 EUR above where it had entered the month. During January the spread between German/Czech contracts extended compared to the previous month, while the spread between the Czech/Slovak remained relatively stable. The German/Hungarian spread on the front year continued to extend, rising in the second part of the month. The price of front month contract decreased rapidly throughout the month due to a change in the weather outlook. Weather models showed a mild February. Spot power prices were mixed in January. The first few days of the month saw the German, Czech and Slovak spot power prices influenced by high wind power and unseasonably warm temperatures, while more demand and limited imports due to less cross border capacity kept Hungarian spot price. The rest of the month was influenced mainly by colder weather with renewables also playing more of a role on some days. The Slovak baseload price of the month in delivery finished 3.03 EUR below the last price in December for the January Future product. The Hungarian baseload price of the month in delivery finished 9.53 EUR below the last price in December for the January Future product. The Czech and Slovak spot markets were decoupled only 1 day, while the Hungarian spot market was coupled just 6 days in the month. Overall the Czech Hungarian spot spread came to over 6.69 EUR for the month, around 9.11 EUR lower compared to previous month.

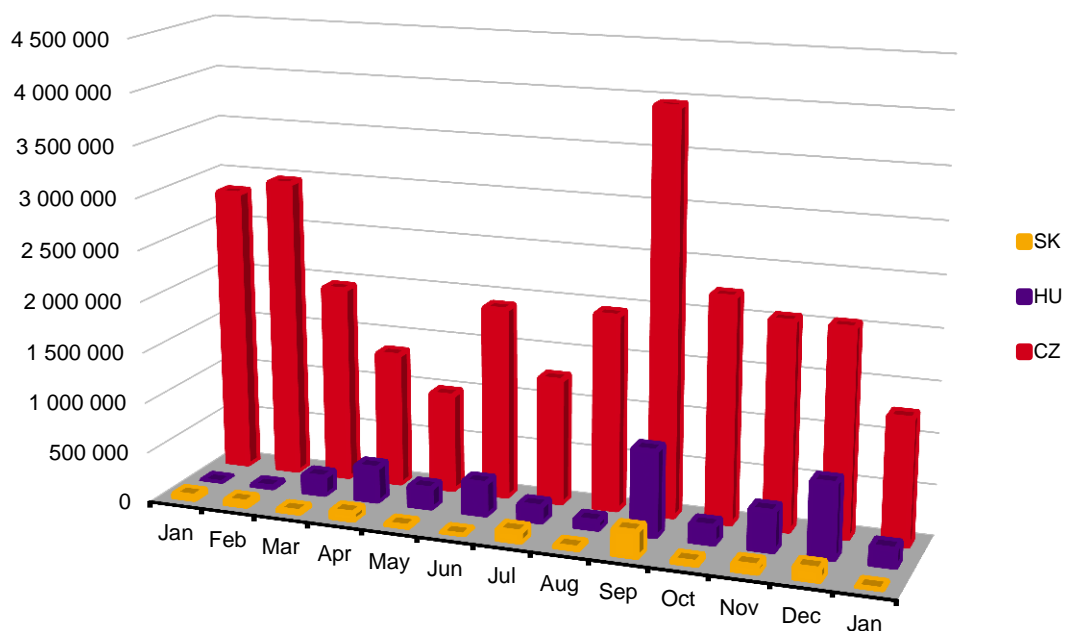


German - Czech CAL 15 baseload spread averaged at 1.02 EUR/MWh up from 0.94 EUR/MWh. The spread on the Hungarian – German CAL 15 baseload averaged at 7.12 EUR/MWh premium up from 6.06 EUR/MWh.



Volumes in January decreased 50.61 % month on month. The total volume traded on PXE was 1 425 400 MWh. Slovak power trading amounted for 10 080 MWh (down from 124 070 MWh) out of the total, while Czech power trading stood for 1 234 289 MWh (down from 2 029 741 MWh). On the Hungarian market, 181 031 MWh were traded (down from 732 335 MWh).

Total volume by market - last twelve months (MWh)

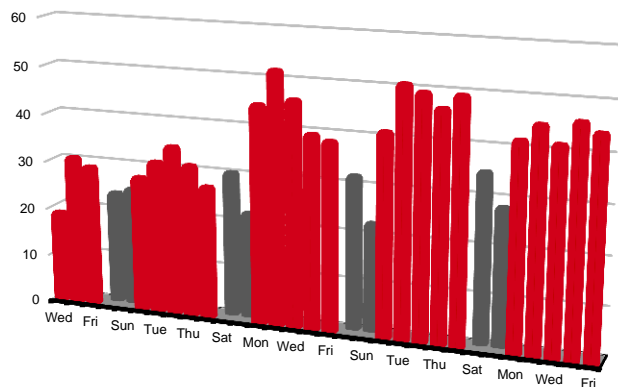


The OTE Spot Index averaged at 36.03 EUR (up from 36.01 EUR/MWh) for the base and 44.50 EUR (down from 45.89 EUR) for the peak. The Hungarian spot price averaged at 42.72 EUR (down from 51.82 EUR/MWh) for the base and 53.33 EUR (down from 65.03 EUR) for the peak.

Market Comment

January 2014

Czech Spot Market Index Baseload (EUR/MWh)



Hungary Spot Market Index Baseload (EUR/MWh)

