



## **SPIMEX Announces its 2023 Performance Results**

In 2023, SPIMEX has achieved a significant growth in key performance indicators. Turnover in all sections amounted to RUB 1.772 trillion, a 20.8% increase year-on-year.

The number of trading participants and their customers increased to 6,305 (as compared to 5,362 a year before). There was an increase in the volume (in physical terms) traded in refined products (the key market of the Exchange) (+6.4% YoY), crude oil (a 4.1-fold rise) and natural gas (+68.4%).

There has been active development of trading in markets that are new to the Exchange — coal, industrial metals, and agricultural products.

### **The SPIMEX Refined Products Section**

Refined Products Section is the key market for the Exchange. Its performance affects the state of the economy as a whole. In the summer and autumn the Exchange, together with market participants and in close contact with regulators, took a number of steps aimed at stabilization of this segment, ensuring price monitoring and preventing unfair trading practices.

In 2023, the volume of refined products traded on SPIMEX exceeded 31 million metric tonnes, the highest figure in the entire history of the Exchange. It is 6.4% higher than in 2022. The turnover in the Refined Products Section amounted to RUB 1.616 tn (+15.1% YoY).

More than 25% of all key refined products delivered to the Russian domestic market over the year was traded on SPIMEX. In January-November 2023, the relevant share (including LPG used for household needs and as motor fuel) amounted to 26.4%, while in November 2023 it stood at 27.6%. For gasoline, the relevant share was 25% in January-November 2023 and 26.2% in November, for diesel — 27.7% and 29.3%, respectively.

The number of trading participants and their customers registered with the section also continued to grow. At the year-end it was equal to 2,340, as compared to 2,118 a year before.

On 6 October 2023, the Federal Antimonopoly Service of Russia (FAS Russia) and Russian Energy Ministry issued order No. 709/23/868 on raising the minimum volume of refined products to be sold on the exchange. Pursuant to the document the minimum requirements have been raised as follows: up to 15% for gasoline; to 12.5% for diesel; to 11% for jet fuel; to 4% for fuel oil and to 7.5% for LPG. This decision has become an important event in the national commodity market.

### **The SPIMEX Natural Gas Section**

The volume traded over the year in the SPIMEX Natural Gas Section amounted to 9.6 bcm (a 68.4% increase YoY). The turnover in the section amounted to RUB 35.181 bn. The number of participants and their customers in the section is 134.

### **The SPIMEX Timber and Construction Materials Section**

In 2023, 4.908 mcm of timber worth RUB 7.012 bn were sold on the Exchange, a 22.3% increase YoY. The number of trading participants and their customers in the section increased to 3,329.

### **The SPIMEX Crude Oil Section**

The volume traded in the SPIMEX Crude Oil Section amounted to 2.114 MMT worth RUB 91.751 bn, a 4.1-fold rise YoY.

### **The SPIMEX Derivatives Section**

In 2023, the turnover in the SPIMEX Derivatives Section amounted to RUB 15.107 bn (263,990 contracts), a 8.8% rise year-on-year. Of these, RUB 9.504 bn accounted for physically-settled contracts for refined products traded in the domestic market (-1.8%), the number of contracts traded was 5,956 (+19.5%). The volume of physical refined products delivered under such futures to the Russian domestic market stood at 43,657 tonnes. The number of cash-settled futures contracts for refined products traded in 2023 amounted to 258,034 contracts (a 4-fold rise) worth RUB 5.603 bn (a 2.4-fold rise).

### **The SPIMEX Mineral Raw Materials and Chemical Products Section**

The volume traded in the SPIMEX Mineral Raw Materials and Chemical Products Section stood at 114,997 tonnes, which is almost 1.5 times more than a year before, while the turnover amounted to RUB 3.001 bn (+14.9% YoY). The number of participants and their customers in the section is 570.

### **The SPIMEX Agricultural Products and Bioresources Section**

43,060 tonnes of agricultural commodities (white crystalline sugar, skimmed milk powder) worth RUB 2.565 bn were sold in the SPIMEX Agricultural Products and Bioresources Section.

### **The SPIMEX Coal Section**

262,640 tonnes of various grades of coal worth RUB 867.457 mn were sold in the SPIMEX Coal Section. Coal trading was launched on SPIMEX in February 2022 using a new price calculating system that is based on the actual quality of coal. Companies trade coal on the Exchange both pursuant to the relevant joint order issued by FAS Russia and Russian Energy Ministry and without regard thereto.

### **The SPIMEX Metals and Alloys Section**

Trades in the Metals and Alloys Section were launched in October 2023; by the year-end 620 tonnes of A500C grade reinforcement steel worth RUB 39.125 mn were sold.

### **The SPIMEX Carbon Market Section**

A new OTC trading segment — Carbon Credit Trading Segment — has been created by SPIMEX. Subsequently the Exchange approved its Policy for development of trading in commodities with the verified carbon footprint. The Expert Advisory Board on commodities with the verified carbon footprint includes entities with extensive experience in this area.

### **Registration of OTC Transactions in Commodities**

SPIMEX is expanding and improving the procedure for registration of OTC transactions in commodities that are key for Russian economy. In 2023, the list of commodities registered with SPIMEX - that already included crude oil, refined products, natural gas, coal, mineral fertilizers, and timber - was supplemented with white crystalline sugar, and the total number of companies reporting information to the Exchange amounted to 1083.

In 2023, the volume of registered OTC transactions in refined products amounted to 377.8 MMT (+10.2% YoY). Reports are submitted by all key producers and include, inter alia, information on intra-group and export OTC transactions.

OTC transactions in crude oil registered with the Exchange amounted to 483.4 MMT (-1.6% YoY), of which about 200 MMT were exported. This information provides complete coverage of the export market, as it includes contracts of all exporting companies, with the exception of supplies by certain small producers (with production volume less than one million tonnes per year each), supplies under production sharing agreements (PSA) and those contracts, for which provision of information is not mandatory. Data on crude oil exports collected by SPIMEX reflect the actual export revenue of oil companies and constitute a reliable source for formation of the TsSPB indicator introduced on 31 July 2023 into the Russian Tax Code by Federal Law No. 389-FZ.

For coal, the volume of transactions registered amounted to 655.5 MMT (-11.9%), for timber — 58.4 mcm (-27.9%), for natural gas — 4.348 tcm (-19.6%), for sugar — 27 thousand tonnes. Contracts registered on the mineral fertilizers market amounted to 85 MMT (a 2.7-fold rise YoY).

### **Clearing**

The amount of monetary obligations included in the SPIMEX clearing pool under physical contracts made in the Refined Products, Timber and Construction Materials, Crude Oil, Mineral Raw and Chemical Products, Agricultural Products and Bioresources, and Coal Sections totaled RUB 1.692 tn. The number of clearing members as of the end of 2023 was 6,313.

The amount of monetary obligations included in the clearing pool of NFI CCP RDC (JSC) under natural gas physical contracts amounted to RUB 35 bn, the number of clearing members was 109. Monetary obligations included in the clearing pool of NFI CCP RDC (JSC) under trades made in the SPIMEX Derivatives Market amounted to RUB 30.2 bn.

### **OTC trading on TEK-Torg Federal Electronic Trading Platform**

In 2023, the amount of procurement procedures placed on TEK-Torg, a 100% subsidiary of the Exchange, amounted to RUB 4.516 trillion and 465 thousand procurement procedures.

By the end of 2023, the market share of TEK-Torg ETP in the 44-FZ market segment in terms of the number of procurement procedures placed increased from 6.6 to 7.1 percent (+6.9%). Its share by the number of procedures placed by SME under Russian Federal Law 223-FZ in 2023 grew from 4.5 to 5.6% (+24.4%). The figures cited represent shares for open competitive procedures placed in the Unified Information System.

These figures mean that TEK-Torg has achieved the status of a federal electronic trading platform as construed by Russian Government Regulation No. 656.

The year 2023 also witnessed the launch of the TEK-Torg Marketplace. It provides commodities' current offer prices, level of inventories and logistics tariffs, which allows reducing the procurement period down to 30 minutes. In the past year, TEK-Torg ETP entered the TOP-3 in all categories of the annual RAEX Analytics rating.

### **Working on Formation of National Price Indicators for Commodity Markets**

In 2023, a number of laws and regulations were adopted pursuant to which the Exchange's price data and indices will be used for formation of national indicators for key commodities:

- Russian Federal Law No. 389-FZ dated 31 July 2023 amended the Tax Code of the Russian Federation setting a procedure for using the TsSPB price indicator while determining the price level for Russia's Urals crude oil grade;
- Order No. 95 of the Ministry of Energy of Russia dated 22 February 2023 On Approval of the Procedure for Monitoring Prices for Exported Russian Crude Oil. Information on OTC transactions registered with SPIMEX is included in the list of data used in monitoring crude oil prices under this order;
- National and territorial price indices of SPIMEX for refined products were approved by the Exchange Committee of FAS Russia and included by the Bank of Russia in the National System of Financial and Commodity Indicators;

- SPIMEX expert advisory boards on crude oil price indices and refined products price indices have commenced their operations;
- The SPIMEX Index Management Policy and new versions of methodologies used for calculating refined products price indices have entered into force;
- SPIMEX signed an agreement with the FAS Russia and the Federal Customs Service of Russia on information sharing aimed at implementing objectives set by the Russian Government on the formation of transparent price indicators.

### **IT Platform, Analytics and Forecasts**

- SPIMEX and VK Tech have proceeded with a project to create a new Electronic Trading System and Clearing System to be used in the SPIMEX Derivatives Market.
- Preparations for the launch of a new domestic information and analytical platform SPX have begun.
- SPIMEX has launched a service for providing access to forecast data.

***Igor Artemiev, SPIMEX CEO:** “In 2023, the Exchange has been successfully developing in all its core business areas. As a result, we were able to achieve outstanding financial results, record trading volumes in the refined products market, solid progress in the markets of natural gas, timber, fertilizers, coal, metals, and other commodities. Throughout the year, the technological base of SPIMEX was strengthened and preparations were made for the launch of the SPX information and analytical platform. SPIMEX price indicators were included in the regulatory framework of the Russian government agencies. It is worth noting well-coordinated work of the SPIMEX Group — the SPIMEX exchange, NFI CCP RDC (JSC) clearing organization and TEK-Torg federal electronic trading platform. In the coming year, new, ambitious tasks await us, most notably, tasks related to formation of national price indicators for key commodities”.*

**The Saint Petersburg International Mercantile Exchange (SPIMEX)** is Russia’s largest commodity exchange offering a wide range of products traded both in its Commodities Section (refined oil products, crude oil, natural gas, LPG, timber and construction materials, fertilizers) and in its Derivatives Section. The Exchange’s key task is to operate a transparent, fair and efficient price formation mechanism for Russian commodities. SPIMEX was founded in 2008.