



1Q 2023 Performance Results of SPIMEX: new asset classes traded and focus on commodity price indicators

The Saint Petersburg International Mercantile Exchange (SPIMEX) has announced its performance results for the first calendar quarter of 2023.

As of the end of the 1Q 2023 the number of trading participants and their customers was equal to 5,603 (as compared to 4,053 a year earlier). Over January-March this year the volume traded in refined products (+5.7% year-on-year), crude oil (+673.6%) and natural gas (+97.6%). The overall 1Q 2023 turnover of SPIMEX amounted to RUB 308.182 bn, a 10.6% decrease year-on-year.

Scaling of trades to new asset classes in the domestic commodity market continues — the first deals in thermal coal with prices adjusted for quality were made in February. In addition, the Exchange launched a new information service — provision of consolidated forecasts.

The number of OTC contracts registered for refined products increased by 10.8% YoY, for natural gas — by 178.3%, and for coal — by 5.6%. Information on OTC transactions registered with SPIMEX is included in the list of data used in monitoring prices for the Russian crude oil supplied for export, procedure for which was approved by Order No. 95 of the Russian Ministry of Energy dated 22 February 2023.

The SPIMEX Refined Products Section

Growth continues in the key SPIMEX Refined Products section, where the volume traded amounted to 6.713 million tonnes (MMT) rising 5.7% YoY, while the turnover in the section amounted to RUB 280.440 bn (-13.3% YoY).

Over one fourth of all refined products delivered to the Russian domestic market is traded on SPIMEX. In January-February 2023, the relevant share (including LPG used for household needs and as motor fuel) amounted to 25.1%, in February it was 26.5%. For gasoline, the relevant share was equal to 24.2% in January-February 2023 and 25.3% in February, for diesel fuel — 26.7% and 28.2%, respectively.

The number of registered trading participants in the section and their customers also continued to grow. As of 31 March 2023, it reached 2,156, as compared to 2,015 a year before.

The volume of diesel traded on the Exchange increased by 4.2% to 3.173 MMT. The volume traded in residual fuel oil grew 17.4% to 0.437 MMT. The volume traded in petrochemicals grew 2.5 times to 76,000 tonnes.

The volume of Regular-92 gasoline traded showed a 5.7% decrease (to 1.328 MMT), the volume traded in Premium-95 gasoline grew by 0.6% (up to 0.776 MMT), jet fuel sales amounted to 0.338 MMT (a 44.5% increase). Trades in liquefied petroleum gases (LPG) amounted to 0.524 MMT, increasing by 25.1% YoY.

The SPIMEX Natural Gas Section

The volume traded in the SPIMEX Natural Gas Section amounted to 2.059 bcm (a 97.6% increase YoY). The turnover in the section amounted to RUB 8.092 bn. In particular, Month Ahead contracts amounted to 1.101 bcm, while Day Ahead and Day Off contracts — to 0.953 bcm. The number of participants and their customers in the Section is 134.

The SPIMEX Timber and Construction Materials Section

In 1Q 2023, 1.154 mcm of timber worth RUB 1.285 bn were sold on the Exchange, a 22.2% decrease YoY. The number of trading participants and their customers in the SPIMEX Timber and Construction Materials Section increased more than 2-fold to 2,806. The Krasnoyarsk Krai, the Udmurt Republic and the Tver Oblast became leaders in terms of the physical volumes traded in the first three months of the year with 474.7, 104.5 and 102.2 thous. cubic meters, respectively.

The SPIMEX Crude Oil Section

The volume traded in the SPIMEX Crude Oil Section amounted to 571,300 tonnes worth RUB 14.849 bn, a 7.7 times rise YoY.

The SPIMEX Derivatives Section

In 1Q 2023, the turnover in the SPIMEX Derivatives Section amounted to RUB 3.252 bn (32,955 contracts), a 56.4% decrease year-on-year. Of these, 889 contracts worth RUB 1.817 bn were physically-settled contracts for refined products traded in the domestic market (-56.5%). The volume of refined products physically delivered under such futures contracts to Russian buyers stood at 5,780 tonnes. The number of cash-settled futures contracts for refined products traded in 1Q 2023 amounted to 32,066 contracts worth RUB 1.435 bn (+2.9%).

The SPIMEX Mineral Raw Materials and Chemical Products Section

The volume traded in the SPIMEX Mineral Raw Materials and Chemical Products Section stood at 9,592 tonnes, a 66.3% decrease YoY, while the turnover amounted to RUB 235.145 mn (-78.9% YoY). The number of participants and their customers in the section is 572. Decrease in the volume of trades in mineral fertilizers on the Exchange was due to the fact that prices for mineral fertilizers are currently regulated by the Russian state.

The SPIMEX Agricultural Products and Bioresources Section

500 tonnes white crystalline sugar worth RUB 27 mn were sold in the SPIMEX Agricultural Products and Bioresources Section.

The SPIMEX Coal Section

1,680 tonnes D grade thermal coal worth RUB 3.024 mn were sold in the SPIMEX Coal Section.

The SPIMEX Carbon Market Section

A new revision of the Rules for Admission to Organized Trading of SPIMEX that provides for setting of a new Carbon Market Section came into effect. The new segment for trading in carbon credits that has been created on the SPIMEX OTC Platforms is currently being tested. The launch of the segment is scheduled for 2Q 2023.

Registration of OTC transactions in commodities

Registration of over-the-counter transactions with SPIMEX in the key commodities for the domestic economy continues to grow. All key producing companies that report, *inter alia*, intra-group and export contracts participate in the registration.

In 1Q 2023, the volume of OTC transactions in refined products registered amounted to RUB 92.8 MMT (+10.8% YoY).

Of these, the contracts registered for gasolines amounted to 27.4 MMT (+14.3%), for diesel fuel — 41.4 MMT (+12%) and for jet fuel — 3.99 MMT (-3.2%).

Volume of registered OTC transactions in crude oil amounted to 106.1 MMT (a 9.8% decrease YoY), including 56.4 MMT (-21.2%) and 362.7 million barrels (+8%).

For coal, this figure grew by 5.6% YoY to 189 MMT.

OTC timber transactions registered amounted to 13.2 mcm, a 57.9% decrease YoY, in natural gas — 2.256 tcm (+178.3%). Contracts registered on the mineral fertilizers market amounted to 17.98 MMT.

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 296.8 bn. The number of clearing members as of the end of 1Q 2023 was 5,294.

The amount of monetary obligations included in the clearing pool of NFI CCP RDC (JSC) under natural gas physical contracts amounted to RUB 8.1 bn, the number of clearing members was 111. Monetary obligations included in the clearing pool of NFI CCP RDC (JSC) under trades made in the SPIMEX Derivatives Market amounted to RUB 6.5 bn.

TEK-Torg Federal Electronic Platform

In 1Q 2023, the volume of procurement procedures placed on TEK-Torg, a 100% subsidiary of the Exchange, amounted to RUB 744.3 bn (+14% YoY). The number of procedures placed on this platform stood at 119,360 — a 17% rise YoY. As of today 883,000 suppliers and more than 7,000 organizers work on the platform.

TEK-Torg launched a new service — Unified Personal Account (UPA). The service was implemented as part of the ETP technological modernization project in order to create a single point of access to the sections and services of the electronic platform.

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.