

Powerful contracts – Phelix® derivatives

Eurex Exchange's commodity offering includes derivatives on German/Austrian power. The contracts based on Phelix®, the Physical Electricity Index, are offered in cooperation with the European Energy Exchange (EEX) and have developed into the benchmark for European power markets. In 2010, exchange-traded average daily volume in the Phelix® futures amounted to approximately 4.5 TWh. Eurex Exchange offers you direct access to this established and further growing liquid product range:

- Phelix Base® Futures (week, month, quarter, year)
- Phelix Peak® Futures (week, month, quarter, year)
- Phelix Off-Peak® Futures (month, quarter, year)
- Options on Phelix Base® Futures (month, quarter, year)

Eurex trading members can use their existing Eurex infrastructure including clearing relations to trade and clear Phelix® futures and options. To further reduce entry barriers Eurex Exchange waives the annual fee of EUR 12,500 for all Eurex members that will trade Phelix® products through their respective Eurex infrastructure for the year 2011.

Phelix® derivatives are cash-settled financial derivatives contracts, referring to the corresponding EEX physical electricity indexes for German/Austrian power:

- Phelix Day Base®
- Phelix Day Peak®
- Phelix Off-Peak®

All indexes are calculated on a daily basis and represent the average price for base load, peak load and off-peak electricity traded on the EPEX Spot SE market.

Index characteristics

Base and peak characterize the load type for the delivery or procurement of electricity with a constant output over 24 hours of each day of the delivery period respectively a constant load over 12 hours from 08:00 until 20:00 CET on every working day (Monday to Friday) during a delivery period. Off-Peak is characterized by the following load profile: Monday to Friday 00:00–08:00 and 20:00–24:00 and Saturday to Sunday 00:00–24:00.

Trading the contract

By connecting to the spot market via Phelix®, these products enable you to hedge against fluctuations in physical power prices. Due to price correlation between power, and other energy products like gas, coal and emissions, you can also use Phelix® derivatives to enhance your energy trading strategies.

EurexOTC services – Block Trade facility

Members are able to enter bilaterally agreed transactions via Eurex's OTC trade entry facilities. Registered trades are automatically cleared like regular exchange transactions, thereby mitigating counterparty and credit risk. The Block Trade facility is fully electronic and there are no size restrictions on block trades in EEX/Eurex cooperation products.

Product specifications – Phelix® derivatives

Contracts	Phelix Base® Futures Phelix (Off-)Peak® Futures	Options on Phelix Base® Futures
Products and product IDs	Phelix Base® Week Futures (F1B1/B2/B3/B4/B5) Phelix Base® Month Futures (F1BM) Phelix Base® Quarter Futures (F1BQ) Phelix Base® Year Futures (F1BY) Phelix Peak® Week Futures (F1P1/P2/P3/P4/P5) Phelix Peak® Month Futures (F1PM) Phelix Peak® Quarter Futures (F1PQ) Phelix Peak® Year Futures (F1PY) Phelix Off-Peak® Month Futures (F1OM) Phelix Off-Peak® Quarter Futures (F1OQ) Phelix Off-Peak® Year Futures (F1OY)	Options on Phelix Base® Month Futures (O1BM) Options on Phelix Base® Quarter Futures (O1BQ) Options on Phelix Base® Year Futures (O1BY)
Underlying	Phelix Day Base®/Phelix Day Peak®	1 Phelix Base® Futures contract
Contract volume/ contract size	Calculated from the factors of the number of delivery days in the delivery period and the quantity of electricity to be delivered daily.	1 Phelix Base® Futures contract
Settlement	Cash settlement based on the Final Settlement Price on the settlement day following the Last Trading Day.	The exercise of an option results in the creation of a corresponding position in the Phelix Base® Futures for the option buyer as well as the seller to whom the exercise is assigned.
Price Quotation and Minimum Price Change	In points, with two decimal places, equivalent to a value of EUR 0.01 per MWh.	In points, with three decimal places, equivalent to a value of EUR 0.001 per MWh.
Delivery period	Phelix Base® & Peak® Week Futures: The current and the next four weeks Phelix Base® & (Off-) Peak® Month Futures: The current and the next nine successive months Phelix Base® & (Off-) Peak® Quarter Futures: The next eleven successive full quarters Phelix Base® & (Off-) Peak® Year Futures: The next six successive full years	Options on Phelix Base® Month Futures: The next five successive delivery months Options on Phelix Base® Quarter Futures: The next six successive delivery quarters Options on Phelix Base® Year Futures: The next twelve successive delivery quarters
Last Trading Day	Phelix Base® Week Futures: The Friday of the current delivery week Phelix Peak® Week Futures: The Thursday of the current delivery week Phelix Base® & (Off-) Peak® Month Futures: The exchange day preceding the last delivery day of the next delivery period Phelix Base® & (Off-) Peak® Quarter and Year Futures: The third exchange day preceding the beginning of the next delivery period	Options on Phelix Base® Month Futures: For the delivery month of January the third Thursday in the preceding December. Options on Phelix Base® Quarter Futures: For the delivery period of the first quarter the third Thursday in the preceding December. Options on Phelix Base® Year Futures: For the delivery month of December the second Thursday in December. All other delivery months: Four exchange days prior to the first calendar day of the delivery month.
Exercise		European-style; an option can only be exercised on the Last Trading Day of the respective option series between 08:55 CET and 15:00 CET by means of an entry into the EEX system.
Trading hours	08:00–18:00 CET (12:00 on the Last Trading Day)/08:00–18:00 CET (Block Trade)	

Your contacts at Eurex

Product Development

Peter Donalies T +49-69-211-152 69

Peter.Donalies@eurexchange.com

Sales

Barbara Bisegna T +44-20-78 62-72 12

Barbara.Bisegna@eurexchange.com

Visit us at www.eurexchange.com

Order Number: E1E-017-0311

ARBN Number: Eurex Frankfurt AG ARBN 100 999 764

Neither Eurex Frankfurt AG (Eurex), nor its servants nor agents, is responsible for any errors or omissions contained in this publication which is published for information only and shall not constitute an investment advice. Any information herein is not intended for solicitation purposes but only for the use of general information. Eurex offers services directly to members of the Eurex market. Those wishing to trade in any products available on the Eurex market or to offer and sell any such products to others should consider both their legal and regulatory position in the relevant jurisdiction and the risks associated with such products before doing so.

Phelix®, Phelix Base® and Phelix Peak® are registered trademarks of European Energy Exchange (EEX) AG.