

## **IDEX, BORSA ITALIANA'S POWER DERIVATIVES MARKET, SIGNS AGREEMENT WITH GME**

Borsa Italiana signed with GME – Gestore del Mercato Elettrico – the licence for the commercial use of the PUN – National Single Price for the purchase of electric energy – for the trading of power futures contracts. The PUN will be required in order to calculate the settlement price for power derivatives.

Power futures contracts will start trading on IDEX, the new segment of Borsa Italiana's derivatives market (IDEM), later this year.

The structure of IDEX products, which will be cash settled, is designed to attract financial operators and increase the market liquidity. Liquidity could also be further increased by the presence of market makers.

The first instruments to be traded will be futures baseload<sup>1</sup> with a monthly, quarterly and yearly delivery period.

IDEX will give access to all members already authorised to trade on IDEM. In addition, for the first time, entities other than banks and investment firms will be admitted to trading provided they participate in a EU electricity market and trade on their own account only.

Massimo Capuano, CEO of Borsa Italiana, commented: "This agreement will give us the opportunity to broaden further our range of products, giving the Italian industry the possibility to manage the electricity risk price on a regulated market with the benefit of a central counterparty. Furthermore, the introduction of IDEX will offer operators a transparent forward electricity price and final users a benefit in terms of pricing".

---

<sup>1</sup> *Baseload*: 24 hours per day supply

Sergio Agosta, CEO of Gestore del Mercato Elettrico, commented: "The agreement represents an important answer to the search by Italian industry for security and reduction in the costs related to trading. Thanks to the cooperation between GME and Borsa Italiana, operators in the sector will be able to manage more efficiently the electricity risk price by trading derivatives contracts that will be able to satisfy different needs of financial coverage".

Milan, 16 July 2008

**Media contact :**

Luca Grassis: +39 02 72426212