

Workshop Market Monitoring

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Goals

- Nord Pool market surveillance has an important role in establishing and maintaining market confidence and integrity by having a strong and visible presence in the market.
- Market surveillance continuously monitors the trading activities and price formation in the physical and derivatives markets and conducts investigations of possible breaches of laws and regulations.

Regime

Market surveillance conducts investigations of possible:

- Market manipulation in physical or derivatives markets, or both combined
- Insider trading in physical and/or derivatives markets
- Breach on transparency rules (information that has price impact, EU rules- Annex to Regulation on Congestion management - 100 MW, all members have access to equal level of information = non discriminatory information)
- Misuse on dominant market position (national law)

Knowledge

- To large extent not transparent price formation and reporting (bilateral trading in Europe)
- Important to grasp the overall physical and financial trading activity as large physical players may be in a position to leverage this position in derivatives trading
- Important that Market surveillance is close to the trading activity of participants and is in good cooperation with regulatory authorities (physical and financial)