

Quarterly report from Market Surveillance

This report includes the period from 1 April to 30 June 2022.

Updates from Market Surveillance

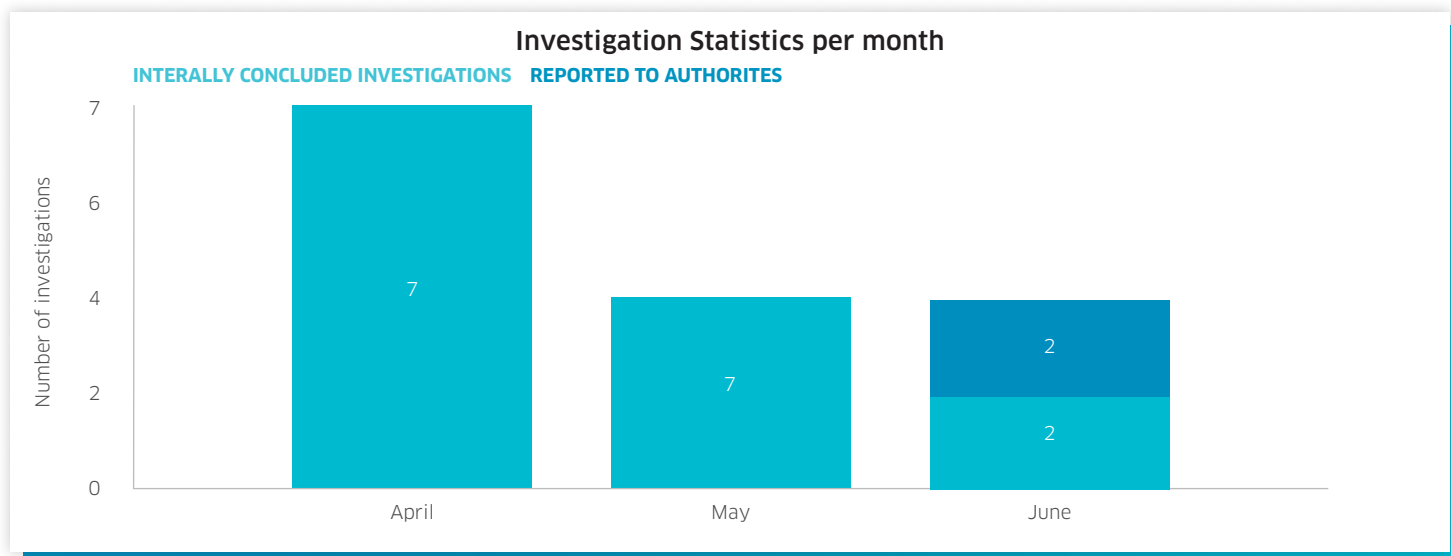
The upward moving pressure on European energy prices continued in the second quarter of 2022, with for example ENOFUTBLQ3-22 increasing from around 70 EUR going into the period to being delivered at 168.50 EUR on 30 June. Market Surveillance has during this period continued its focus on the demanding market conditions and the observed price development, herein whether this is related to acts of market manipulation. r.

Investigation summary

For all incidents and relevant events that Market Surveillance investigate, we look at the incident both in isolation and in a greater perspective. In general, we assess the following components:

- Activity of relevant market participant(s) before and after the incident
- Activity of relevant market participant(s) in other correlated products before and after the incident
- Changes in price formation before and after the incident
- Activity of other market participants
- Market participant(s) position in relevant contracts
- Previous activity and knowledge about market participant(s)

Through analysis, automated alerts and incoming Market Surveillance has investigated and reported relevant cases to the relevant authorities, as presented in the figure below:



Selection of concluded investigations

Below is a description of some of the concluded incidents:

- Market Surveillance conducted in the time period covering April to June ten investigations related to cross order book activities. The investigations related to activities conducted by nine different members covering both activates solely in Nasdaq’s order book and activities cross other block brokers and trading venues. Findings in one investigation was forwarded to the Norwegian FSA and are commented in more detail in the first paragraph in the chapter below. Any potential market abuse was dismissed in the nine other activities, mainly because of two reasons: 1) Different independent clients located behind the same exchange member with no indications of collusion between the respective clients, or 2) unable to find with required level of probability that the activity had price/volume effect.

Cases reported to Authorities

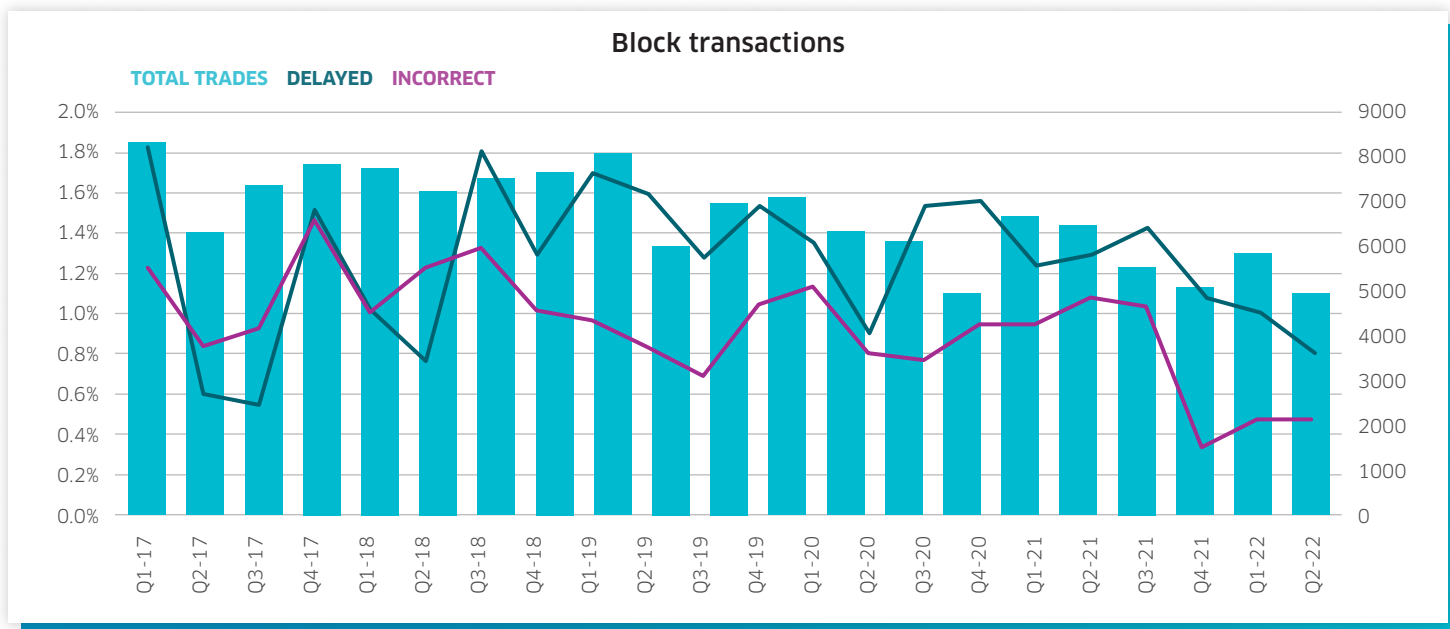
The following incidents were reported to relevant authorities:

- On 1 June a market participant contacted Market Surveillance regarding potential spoofing activity in German power futures. The market participant suspected that large bid volumes were placed on screen at Nasdaq only to achieve a higher selling price at another exchange. Market Surveillance contacted the surveillance department of the other exchange and later received anonymous order and trade data of a specific time period. Market Surveillance then consolidated this data with trading activity at Nasdaq and could not rule out the possibility that orders were placed at Nasdaq only to influence bidding prices at the other exchange. Findings were therefore forwarded to the Norwegian FSA.
- During this period a market message was published stating availability at a power unit in Denmark from the beginning of April. This message was updated in the beginning of June, stating that the unit was unavailable to the market for five months starting from 1 May. Market Surveillance notified ACER and DUR of this incident.

Reporting of block trades

The percentage of delays in reporting of block trades was 0.80 % in the second quarter of 2022, this is down from 1.02 % in the first quarter of 2022.

The percentage of erroneous reported block trades was 0.48% in the first quarter of 2022, this is equal to the erroneous percentage in the first quarter of 2022.



*Block Trades with Contract Time within Exchange Opening Hours, or 15 minutes or less before the start of Exchange Opening Hours, reported later than 15 minutes after their Contract Time are defined as delayed.