



**WEATHER MARKET SHOWS ROBUST 35% INCREASE IN TRADES FOR 2007-2008**  
**Market reach is expanding into India, Latin America, Southeast Asia**

Miami, FL, JUNE 4, 2008 – The weather risk market experienced robust growth for 2007-2008, with the number of contracts traded increasing 35% compared to the previous year, according to the Weather Risk Management Association (WRMA).

The total number of contracts traded – futures and over-the-counter derivatives – totaled 985,000 for 2007-2008, compared to 730,000 contracts in 2006-2007. Notional value of the contracts rose 76 percent to \$32-billion in 2007-2008, up from \$19-billion in 2006-2007.

The latest survey results were announced by PricewaterhouseCoopers LLP (PwC) during WRMA's Annual Meeting held June 2-4, 2008 at The Shore Club in Miami, Florida, which celebrated the Association's 10<sup>th</sup> Anniversary.

The weather risk market is growing rapidly in terms of geography and diversity of participants. In India, Latin America and Southeast Asia, the weather market is expanding as companies seek to offset weather risks to agriculture and other sectors. Several Indian companies have joined WRMA and the Association is setting up a regional committee to serve those new members.

The industry also is seeing more diversity of participants with insurance companies, banks, hedge funds and end-users active in the market. As evidence of a healthy increase in the volume of end-user transactions, the survey shows that the proportion of trades reported between WRMA members and non-members rose to 90 percent for 2007-2008.

“The activity we've seen this year is indicative of a strongly growing market,” says Martin Malinow, CEO of Galileo Weather Risk Management and the newly elected president of WRMA. “We have spent the last 10 years creating foundations for growth and we can now begin to reap the rewards,” Malinow says.

“As WRMA celebrates its 10<sup>th</sup> anniversary of serving the weather risk management industry, we're pleased to see its reach expanding across the globe,” says Gearóid Lane, managing director of British Gas New Energy and outgoing President of WRMA.

The WRMA/PwC survey gathers important data for the industry such as the notional value of the contracts, contract types and regional breakdowns. The survey runs from April 1 through March 31 of the following year, in order to capture the complete winter and summer seasons. WRMA engages PricewaterhouseCoopers LLP to conduct this annual survey to ensure that an independent third party collects and tabulates the data.

**About the Weather Risk Management Association**

Founded in 1999 by some of the leading companies in the industry, the Weather Risk Management Association (WRMA) is an international trade organization dedicated to promoting the industry, both to those within it and to end-users. The industry began in 1997, offering companies the opportunity to control their financial exposure to weather conditions. As a part of its mission, WRMA initiates surveys of the industry, advocates the standardization of contracts and other documentation used for transactions and sponsors forums and conferences around the world for members to meet and discuss a range of topics, such as international markets, data collection issues, and tax and legal matters.

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