



PRESS RELEASE

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HEDGESTREET REPORTS IMPRESSIVE INAUGURAL YEAR WITH NEARLY 1 MILLION CONTRACTS TRADED AND SETTLED

Energy and Commodities Contracts Among Most Actively Traded Hedgelets®

SAN MATEO, CA, January 10, 2006 – HedgeStreet.com, the nation's first person-to-person, government-designated online marketplace, announced today that exchange-wide volume* for its first year of trading totaled 954,494 contracts called Hedgelets.

More than one-third of HedgeStreet's volume (341,342) came from trading in energy products, including crude oil, natural gas and gas-at-the-pump. Commodities, including gold and silver, accounted for 29 percent of HedgeStreet's volume (280,146), and Hedgelets based on four major currency exchange rates totaled 235,400 contracts.

Real estate Hedgelets, including innovative contracts on housing prices in six major American cities, tallied more than 37,800 contracts since introduction at midyear. Overall, HedgeStreet's volume more than doubled in the second half of the year over the first six months.

"The steady growth since our phased-in launch in early 2005 is validation that ordinary retail investors are embracing HedgeStreet's low-cost, transparent markets," said John Nafeh, Founder and Chairman of HedgeStreet. "We are confident this trend will continue as more traders recognize the value of the unique financial products and manageable contract sizes offered on our government-regulated exchange."

HedgeStreet's contracts sizes are \$10, compared to tens of thousands of dollars on traditional futures exchanges; new members may open an account for only \$100, and HedgeStreet members trade directly with other members rather than through a broker, Nafeh noted.

September and October were the most active months at HedgeStreet with volume totaling 417,971 Hedgelets — 9,720 per day. A significant portion of this volume was attributable to volatility in the energy markets in the wake of Hurricane Katrina: 170,938 energy contracts (including crude oil, natural gas and gasoline Hedgelets); 139,702 commodities contracts (including gold and silver), and 73,600 currency contracts.

**Note: HedgeStreet reports "trading volume" by number of Hedgelets traded, i.e. 1 buy + 1 sell = 1 trade. HedgeStreet also includes "settlement volume," which is the number of Hedgelets settled at the expiration of each contract. "Trading Volume" and "Settlement Volume" are combined to calculate "exchange-wide volume." HedgeStreet offers a number of Hedgelet contracts that settle on a daily or weekly basis (as well as monthly or quarterly). Because of the short duration of many of its contracts and the market structure, HedgeStreet includes "settlement volume".*

About HedgeStreet

HedgeStreet Inc. is the only U.S. designated market that lets online investors trade innovative financial instruments based on economic events. A designated contract market (DCM) and a registered derivatives clearing organization (DCO), HedgeStreet is subject to regulatory oversight by the Commodity Futures Trading Commission (CFTC). For more information, visit www.hedgestreet.com.

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