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GDF Suez launches energy trading arm

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- * GDF Suez to launch energy trading arm on May 2
- * Vies for top three position in Europe
- * GDF Suez is world's biggest gas and power company

PARIS, April 28 (Reuters) - Gas and power group GDF Suez said it will launch a new trading arm next week, which it hopes can take on energy trading giants such as Barclays, Goldman Sachs, EDF Trading and E.ON.

GDF Suez Trading, a wholly-owned subsidiary born from the merger of its Gaselys and Electrabel Trading units, will have a capital of 1 billion euros (\$1.48 billion), employ 400 staff in Paris and Brussels.

The regulated entity will trade gas, power, coal, oil products and CO2 certificates, and handle total volumes of around 1,700 terawatt-hour per year -- which represent more than three times France's annual electricity consumption.

"GDF Suez Trading will be the brigehead of GDF Suez on the markets, with big ambitions as markets continue their development despite hiccups," GDF Suez Deputy Chief Executive Jean-Francois Cirelli told reporters.

Gas prices in the market have plunged in the past couple of years as a boom in U.S. shale gas production and a mushrooming of gas liquefaction projects led to a global glut just as the economic crisis capped demand.

Last month, prices spiked on prospects that leading LNG buyer Japan would need more fuel to make up for nuclear power plants shut by the March 11 tsunami. But fears about a supply shortage in Europe did not materialise, pushing prices down.

GDF Suez Trading aims to become a leading player in the European energy trading market, the unit's head Pierre Chareyre said, adding it would later expand its activities to Asia, where it already has an office in Singapore, and in the United States.

The unit will have around 400 clients and counterparties, and trade mainly for GDF Suez's needs to hedge its parent company's business against price swings.

It will also trade for big European energy-intensive industrial groups, and for financial clients.

Chareyre declined to estimate the new trading unit's expected annual turnover. By comparison, Gaselys, which was smaller with a capital of around 300 million euros, posted a net banking income of 146 million euros in 2010, Chareyre said.

Gaselys was a venture between GDF Suez and French bank Societe Generale. GDF Suez bought out SocGen's 49 percent stake in September 2010 for an undisclosed amount but French media have valued the holding at 300 million euros. (\$1=.6740 euros) (Reporting by Marie Maitre)