Commodities and Energy Market Data in Emerging Economies: Latin America.
Part One: Economics and Trade

GreenX, ICE and EEX act on inclusion of the aviation sector in the EU ETS
Black pepper receives recognition on the public exchange
CSAPR suspension revives the CAIR allowances
NASDAQ OMX’ platform facilitates integration of the Northern European markets
The topic of unstructured data analytics gains more attention with the social media boom and internet search playing a more crucial part in our lives, including our business decisions. Dow Jones has introduced a series of product solutions to help traders, analysts and risk managers to measure sentiments and translate them into trading decisions. This News Analytics represents a new level of unstructured data processing with quantification of the effect of news.

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**In Depth**

**Commodities and Energy Market Data in Emerging Economies: Latin America. Part One: Economics and Trade**
The sheer volume of market data sources and products in developed markets, like Europe and North America, is staggering and growing ever more quickly. Volume and fluidity of data is the challenge of established markets. Understanding market data from emerging markets presents a fundamentally different set of challenges that is no less complex.
I’ve been reading and hearing stories about unstructured data analytics with increasing frequency for a while. This is not surprising as social media boom and internet search play a greater and more crucial role in our lives and business decisions. We have to process a plethora of conceptual units of information, which are coming in different formats, such as e-mails, memos, news feeds, mainstream media, chats, blogs, log files, research papers, spreadsheets, presentations, videos, graphics files, audio clips, etc. There have been many different studies on the topic concluding that 50-80% of the data that enterprises deal with is unstructured; it is becoming a normal part of companies’ operations to use these units of information in Business Intelligence. They study the number of clicks, referring links, keywords, entry pages, exit pages, used search engines, comments, reviews, Social Media discussions, mentions, etc. and try to somehow transform these observations into quantifiable information.

After unstructured data points are captured, they have to be somehow translated into meaningful information that can be stored in data warehouses. Harnessing this information and running it through Business Intelligence tools is a challenge. It is a challenge from a perspective of volume, variety, quality, reliability, and complexity.

There is a constant and growing demand for the ability to measure sentiments and translate this into a knowledgebase for making business decisions. Needless to say, this information can be very important for investors, quantitative analysts, risk managers, and traders when assessing companies or even industries by helping with observations of patterns and anomalies. As the importance of unstructured data is increasing, its analysis is turning into a separate industry of its own. Automation of analysis techniques for unstructured data is gaining more attention. There have been many tools and services developed and offered to the market. However, the most recent business solution, News Analytics, offered by Dow Jones last month, represents a new level of unstructured data processing. This is a series of product solutions targeting traders, analysts and risk managers: essentially everyone who is involved in trading. The offering helps build trading models based on news sentiment. This analytics service based upon sentiment creates custom sentiment models by assessing different asset classes, checking for the sentiments’ relevance, and running semantic analysis. The model output is a literal quantification of the effect of news in real time or coupled with historical news models.

It seems to me that we are probably standing on a brink of something grander, from a perspective of data, of course. Does that mean that all models supporting trading decisions will be revamped at some point? Maybe very soon. Moreover, does it mean that we have to reassess the types of observations and units of measurements we use in our data warehouses to store quantifiable data? Does that mean that sentiments, which can as easily be very subjective, once quantified, will have an overruling power over fundamental analysis? Will we be easier targets for potential scams and manipulation which utilize a targeted buzz on internet. This is not such a challenging task, given the abundance of resources, low cost of implementation and difficulty to prove liability? Or could it be that the whole thing is just a trendy flick to be extinguished by the heavy fire of fundamentalists?

While the future will take care of those doubts and question marks in its own course, let’s have a quick look at what is happening on the markets right here right now.

Over the last month, there have not been many changes from the point of data sources on power markets. Almost traditionally, more products were introduced for two busy markets, PJM and ERCOT by the CME and ICE.

The fossils fuels market place, on the other hand, witnessed an influx of new derivatives developed for oil and petroleum products. The new introductions include futures, spreads, swaps, and options – pretty much a whole set of products offered by commodity exchanges. The CME held the lead in a category of variety of products. ICE had an overwhelming number of new OTC contracts.

Environmental markets also had new developments. Changes were made to the European Union carbon emission reduction rules, as the aviation sector was added to the compliance scheme, creating a splash in the markets. GreenX and ICE launched aviation allowance futures and EEX announced its intent to start trading derivatives on aviation allowances at a later date. GreenX expanded in-delivery months for EU emission options and futures as a response to the growing demand for these contracts.
CME announces that on February 27, 2012, it will start trading four new contracts on NYMEX Trading Floor cleared through CME ClearPort. As of the end of March, the products have not been approved by CFTC.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>PJD</td>
<td>PJM AEP Dayton Hub Peak 50 MW Calendar-Month LMP Swap Option</td>
</tr>
<tr>
<td>PJN</td>
<td>PJM Northern Illinois Hub Peak 50 MW Calendar-Month LMP Swap Option</td>
</tr>
<tr>
<td>PJP</td>
<td>PJM AEP Dayton Hub Peak 50 MW Calendar-Month LMP Option on Calendar Futures Strip</td>
</tr>
<tr>
<td>PJH</td>
<td>PJM Northern Illinois Hub Peak 50 MW Calendar-Month LMP Option on Calendar Futures Strip</td>
</tr>
</tbody>
</table>

PJD and PJN are American-style contracts extending 72 consecutive months with April 2012 being the initial contract month. PJP and PJH are European-style contracts extending 5 nearest calendar years; January 2013 is the initial contract month.

See below an example of another PJM product, PJM Western Hub 50 MW Peak Calendar-Month Real-Time LMP Swap Futures with forecast date March 3, 2012, traded on CME.

ICE introduced several new OTC contracts for power markets in North America. An ERCOT option contract started trading on March 5, 2012. PJM contracts became available for trade on March 19, 2012.

<table>
<thead>
<tr>
<th>ICE Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>ERN</td>
<td>ERCOT N 345KV Hub Peak Monthly Options</td>
</tr>
<tr>
<td>PTB</td>
<td>PJM AECO Zone DA LMP Peak Monthly</td>
</tr>
<tr>
<td>PTD</td>
<td>PJM AECO Zone DA LMP Off-Peak Monthly</td>
</tr>
<tr>
<td>PUB</td>
<td>PJM APS Zone DA LMP Peak Monthly</td>
</tr>
<tr>
<td>PUD</td>
<td>PJM APS Zone DA LMP Off-Peak Monthly</td>
</tr>
<tr>
<td>PXB</td>
<td>PJM DPL Zone DA LMP Peak Monthly</td>
</tr>
<tr>
<td>PXD</td>
<td>PJM DPL Zone DA LMP Off-Peak Monthly</td>
</tr>
<tr>
<td>PZB</td>
<td>PJM PENELEC Zone DA LMP Peak Monthly</td>
</tr>
<tr>
<td>PZD</td>
<td>PJM PENELEC Zone DA LMP Off-Peak Monthly</td>
</tr>
</tbody>
</table>

Intraday cross-border trade on the 700 MW Dutch-Norway NorNed interconnector links the existing Dutch-Belgian intraday market with the existing intraday market operated by Nord Pool Spot in Norway, Denmark, Sweden, Finland, Estonia and Germany. This would allow the market participants to trade across the whole region, which is a significant step towards the European target model of an integrated electricity market. Market integration has significant benefits for the participants; for instance, Dutch consumers could access Norway’s hydropower capacity to help balance the Netherlands’ intermittent wind power output.

ICE Launched New OTC Contracts for ERCOT and PJM

For ERN contract specifications click here
For PTB contract specifications click here
For PTD contract specifications click here
For PUB contract specifications click here
For PUD contract specifications click here
For PXB contract specifications click here
For PXD contract specifications click here
For PZB contract specifications click here
For PZD contract specifications click here

*Graph created with ZEMA*
CME Adds New Barges Swap Futures

On March 12, 2012, the CME started trading RBOB Gasoline vs. Euro-bob Oxy (Argus) NWE Barges Swap Futures. The trading venues are CME ClearPort and NYMEX Trading Floor.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>XER</td>
<td>RBOB vs. Euro-bob in Barrels</td>
</tr>
</tbody>
</table>

The contract is financially settled extending for 24 consecutive months with April 2012 being the initial contract month.

For XER contract specifications please click here.

CME Lists New Fuel Oil Crack Spread Futures

On March 12, 2012, the CME started trading two new 3.5% Fuel Oil (Platts) Spread Futures. The trading venues are CME ClearPort and NYMEX Trading Floor. March 2012 is the initial contract month.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCB</td>
<td>3.5% Fuel Oil (Platts) Barges FOB Rdam Crack Spread BALMO Swap Futures</td>
</tr>
<tr>
<td>FOA</td>
<td>3.5% Fuel Oil (Platts) FOB MED Crack Spread BALMO Swap Futures</td>
</tr>
</tbody>
</table>

For FCB contract specifications please click here.
For FOA contract specifications please click here.

See below an example of another Oil Crack Spread contract already traded on CME:

CME Launches Five Petroleum Swap Futures

On March 12, 2012, the CME launched new petroleum swap futures built on Platts’ and Argus’ data. These contracts are listed with NYMEX and subject to its rules and regulations which allow transactions to be submitted through CME ClearPort and pursuant to the provisions of Exchange Rule 538.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>DBB</td>
<td>Dated Brent (Platts) BALMO Swap Futures</td>
</tr>
<tr>
<td>FCB</td>
<td>1% Fuel Oil (Platts) Cargoes CIF MED BALMO Swap Futures</td>
</tr>
<tr>
<td>FOM</td>
<td>1% Fuel Oil (Platts) Cargoes FOB MED BALMO Swap Futures</td>
</tr>
<tr>
<td>MEN</td>
<td>Mini European Naphtha (Platts) BALMO Swap Futures</td>
</tr>
<tr>
<td>MEO</td>
<td>Mini Gasoline Euro-bob Oxy (Argus) NWE Barges Swap Futures</td>
</tr>
</tbody>
</table>

For DBB contract specifications please click here.
For FCB contract specifications please click here.
For FOM contract specifications please click here.
For MEN contract specifications please click here.
For MEO contract specifications please click here.

Two examples of European Naphtha futures already traded on CME are shown in the graph below.

Data Source - CME*

Argus Launches Russian Netbacks Report

On February 15, 2012, Argus launched the Argus Russian Netbacks report, providing a detailed daily calculation of Russian crude and products netbacks, which are international market prices that exclude transportation and other costs of exporting. Russia is a major global producer of crude and products, and a large part of its output is exported. For this reason, domestic market prices are often calculated at parity with alternative export values. This pricing method is used by buyers, sellers and market regulators in Russia. Even though Argus has been publishing Russian netback values since the mid-1990s, now it has consolidated this information and presents detailed netback calculations for most export routes actively used by Russian crude producers and refiners. The calculations reflect the actual exports costs for supply routes used by each producer over the last 13 months. Argus publishes netback indexes for Russian crude, gasoline, naphtha, diesel, jet-kerosene and fuel oil accompanied by domestic market taxes. Argus uses its own assessments of market freight and loading costs for crude and products on export routes.

For more information please click here.

CME Lists Butterfly Spreads on Energy Futures

Effective March 26, 2012, Butterfly Spreads on energy futures are launched on CME Globex. Butterfly spreads consists of three instruments within the same product category with equally distributed maturity months. These futures are listed with, and subject to, the rules and regulations of NYMEX.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>LH</td>
<td>New York Harbor (ULSD) Futures</td>
</tr>
<tr>
<td>RB</td>
<td>RBOB Gasoline Futures</td>
</tr>
<tr>
<td>HO</td>
<td>New York Harbor No. 2 Heating Oil Futures</td>
</tr>
</tbody>
</table>

Data Source - CME*
CME: Listing of New Gasoline Crack Spread Swap Futures

On March 12, the CME started trading new Gasoline Crack Spread. The trading venues are CME ClearPort and NYMEX Trading Floor. The new product is listed with, and subject to, the rules and regulations of NYMEX. The contracts are listed for 36 consecutive months.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>GKS</td>
<td>Gasoline 10 ppm (Platts) FOB MED Crack Spread Futures</td>
</tr>
</tbody>
</table>

For GKS contract specifications please click here.

CME Lists European Naphtha (Platts) Cargoes cif NWE Average Price Option Contract

CME announced that effective February 27, 2012, it trades a European Naphtha (Platts) Cargoes CIF NWE Average Price Option contract. This new contract is listed with, and subject to, the rules and regulations of NYMEX. The trading venues are Open Outcry trading on the NYMEX trading floor and CME ClearPort. The option is a European style, financially settled, listed for 12 consecutive months with March 2012 being the first listed contract. As of the end of March, 2012, the contracts have not been approved by CFTC.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>NWE</td>
<td>European Naphtha (Platts) Cargoes CIF NWE Average Price Option</td>
</tr>
</tbody>
</table>

For NWE contract specifications please click here.

CME Adds New Singapore Fuel Oil BALMO Spread

Effective for trade February 27, 2012, the CME added Singapore Fuel Oil 180 cst vs. 380 cst Spread (Platts) BALMO Swap Futures. The trading venues are CME ClearPort and Open Outcry. These contracts are financially settled and listed with, and subject to, the rules and regulations of NYMEX (Rulebook Chapter: 1192).

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>MSD</td>
<td>Singapore Fuel Oil 180 cst vs. 380 cst Spread (Platts) BALMO Swap Futures</td>
</tr>
</tbody>
</table>

For MSD contract specifications please click here.

ICE Launches New OTC Contracts

Effective March 5, 2012, ICE started offering new cleared OTC contracts for natural gas liquids, North American natural gas, crude and refined petroleum products. ICE Clear Europe enables the efficient development of new products to support the risk management needs of member firms and customers in ICE’s global energy futures and OTC markets.

<table>
<thead>
<tr>
<th>ICE Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>LLP-LLMT</td>
<td>Argus Far East Propane Index Balmo Swap</td>
</tr>
<tr>
<td>LMU-LNY</td>
<td>Argus Propane CIF ARA Large Cargo Balmo Swap</td>
</tr>
<tr>
<td>HMD</td>
<td>Henry Fixed Price for Gas Daily Option</td>
</tr>
<tr>
<td>HMX</td>
<td>Fixed Price for Penultimate Henry Hub, 6-Month CSO Options</td>
</tr>
<tr>
<td>HOL</td>
<td>NYH Heating Oil 2:30 PM ET Settlement vs. Platts 3:15 PM ET 2nd Month Spread Futures Assessment</td>
</tr>
<tr>
<td>RBL</td>
<td>NYH RBOB 2:30 PM ET Settlement vs. Platts 3:15 PM ET 2nd Month Spread Futures Assessment</td>
</tr>
</tbody>
</table>

For all contracts specifications please click here.

(1) These contracts reference Platts Inside FERC’s Gas Market Report.
(2) This contract references Intelligence Press’s NGI.
(3) This contract references Platts U.S. Marketscan.
(4) These contracts reference Platts European Marketscan.

*Graph created with ZEMA.
NGX Adds Three U.S. Physical Locations

On February 22, 2012, Natural Gas Exchange Inc. (NGX) announced that it had added three new natural gas hubs in the United States. Physical clearing is now available at the Ruby Malin, Transco Station 30 and TETCO M1-30 trading points. Ruby Malin is located on the California/Oregon border and is on the Ruby Pipeline, which runs through Wyoming, Utah, Nevada and Oregon. Transco Station 30 is located in south central Texas and is on the Texas Eastern Transmission Pipeline. TETCO M1-30 is located in Mississippi and Alabama and is positioned on the Transcontinental Gas Pipeline.

Platts Introduces Biofuels Real-Time Alert Service

Effective June 1, 2012, Platts launches a new real-time alert service to the global biofuels industry (PBF). It focuses on the global fuel ethanol, biodiesel, ETBE, MTBE and Renewable Identification Number (RIN) markets and offers up-to-minute pricing information, spot price and ethanol swap assessments and commentaries of these markets.

Additionally, it will offer news and in-depth analysis of the biofuels markets and some of the related industries, such as agriculture, highlight plant operating pages and record inventory and production data. PBF will be available on alert platform Platts on the Net and through other Platts vendor providers.

CBOE Launches Futures and Options on Crude Oil ETF Volatility Index

Effective March 26, 2012, CBOE begins trading Crude Oil ETF Volatility Index security futures (OV), as well as options on the OVX Index starting April 10. OVX Index is based on listed options prices of the United States Oil Fund, LP (USO) and allows traders to hedge volatility risk associated with crude oil futures prices.

The OVX Index is derived from applying CBOE's VIX methodology to the prices of CBOE-listed options on USO. For more information on calculation of VIX Index see page 13 (current issue, article in FX section "CBOE Launches Futures and Options on Crude Oil ETF Volatility Index")

CBOE and CFE volatility index products series already include CBOE Emerging Markets ETF Volatility Index security futures (VXEM) launched on January 9, 2012, CBOE Emerging Marketing ETF Volatility Index security futures (VXEEM) launched on January 31, 2012, CBOE Brazil ETF Volatility Index security futures (VXEW) launched on February 21, 2012, on CFE and CBOE Brazil ETF Volatility Index options (VXEWZ) launched on March 6, 2012, on CBOE.

Barclays Capital serves as the Lead Market Maker for OVX security futures traded on CFE, and Group One Trading serves as the Designated Primary Market Maker for OVX options traded on CBOE.

Platts Adds Assessments for Ultra-Low Sulfur Diesel, Jet Fuel and Other Netbacks for Russian Refineries

Effective March 22, 2012, Platts expands its assessments by adding jet fuel and Ultra-Low Sulfur Diesel (USLD) netback price, along with series of netback prices for three more Russian refineries. USLD will be calculated and published for the Yaroslavl, Nizhny Novgorod and Kirishi refineries via Primorsk derived from USLD ARA barges, jet fuel netback for the Moscow refinery via Ventspils derived from jet fuel ARA barges.

The new netbacks reflect value for fuel oil, gasoil and gasoline at the Kirishi refinery in the Northwest Federal District, the group of Ufa refineries in the Privolzhsky Federal District and the Omsk refinery in the Siberian Federal District of Russia. Based on the European and Asian refined product assessments, Platts currently publishes gasoil, gasoline and fuel oil netbacks for Moscow, Yaroslavl, Nizhniy Novgorod, Syzran, Komsomolsk and Khabarovsk refineries.

Furthermore, Platts adds gasoil netback for the Nizhny Novgorod refinery via Vysotsk derived from Eurobob ARA barges and gasoil netback for the Syzran refinery via Ventspils derived from Gasoil 0.1 ARA barges.

The netback prices will be published on Platts Global Alert, in the Platts price assessment database and in recently launched Platts Russian Marketscan. Full details and methodology of netback calculations are available here.

CME Delists Some Contract Days and Contract Weeks for Brent CFD (Platts) Spread Contracts

Effective February 3, 2012, NYMEX delisted several contract days currently listed for Brent CFD (Platts) vs. Brent Front Month (Platts) Swap Futures (commodity code 1C; Chapter 319) and several contract weeks for Brent CFD (Platts) vs. Brent Front Month (Platts) Weekly Swap Futures (commodity code CFA; chapter 1144).

**Contract “1C”**

The contract days below were delisted effective close of business February 3, 2012
- February 2012 calendar month: contract days 1 through 17, 20 through 24, and 27 through 29
- March 2012 calendar month: contract days 8 and 9, 12 through 16, 19 through 23, and 26 through 30
- April 2012 calendar month: contract days 10 through 13, 16 through 20, 23 through 27 and 30 (April 6 and April 9 are UK Bank Holidays and therefore were not originally listed)

**Contract “CFA”**

The contract weeks below were delisted effective close of business February 3, 2012
- February 2012 calendar month: 1 week - February 13 through 17
- March 2012 calendar month: 2 weeks - March 5 through 9 and March 12 through 16
- April 2012 calendar month: 1 week - April 10 through 13 (April 9 is a UK Bank Holiday and therefore was not originally listed as part of the weekly contract)
Plains to Boost Cushing Oil Deliveries with the New Pipeline

On February 7, 2012, Plains All American announced that it will build a new crude oil pipeline from booming U.S. shale oil fields to the largest U.S. oil hub at Cushing, Oklahoma. This pipeline would be capable of boosting Cushing deliveries by 175,000 barrels per day. The new line is expected to start up in the mid-2013, according to the Houston-based company. Crude pumped through the pipeline will be produced by SandRidge Energy, a major acreage holder in the up-and-coming Mississippian Lime shale play. Altogether, the new pipeline system will run 170 miles from near Alva, Oklahoma to Cushing, the delivery hub for the NYMEX benchmark WTI crude contract.

CME Expands Heating Oil Last Day Financial Futures

Effective March 11, 2012, the exchange expanded the listing of contract months for Heating Oil Last Day Financial futures for trade date March 12, 2012. These contracts are listed with, and subject to, the rules and regulations of NYMEX pursuant to the provisions of Exchange Rule 829. The trading venues are NYMEX trading floor and CME ClearPort; the expanded listing is through April 2013, discontinued thereafter.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>23</td>
<td>Heating Oil Last Day Futures</td>
</tr>
</tbody>
</table>

Platts Changes Gasoline RVP for San Francisco, Los Angeles and Chicago

Effective March 15, Platts San Francisco conventional unleaded gasoline 87, premium unleaded 91, as well as Platts Los Angeles conventional unleaded gasoline 84 and premium unleaded 91 will reflect 9 RVP addressing the seasonal adjustment required by the Kinder Morgan pipeline system.

Similarly, Platts conventional unleaded, premium unleaded, RBOB, and PBOB gasoline assessments for the Chicago market will reflect 9 RVP due to the seasonal shift in vapor pressure specifications.

Argus Introduces Daily Pricing for Mideast Gulf and Indian Ocean Oil Products

On February 6, 2012, Argus started a daily price update for the Argus Mideast Gulf and Indian Ocean Products (AMGIOOP) report, which has been providing a range of product assessments and in-depth analysis of the naphtha, gasoline, jet fuel, gasoil and fuel oil markets in the Mideast Gulf and Indian Ocean on a weekly basis since March 2011. The move to daily from weekly prices, in response to subscriber requests, will better reflect an actively traded daily spot market.

Argus Launches an Additional Fob Newcastle Price Assessment for Thermal Coal

On February 3, 2012, Argus introduced a weekly fob Newcastle 5,500 kcal/kg NAR (net as received) within 90 days assessment in the Argus Coal Daily International report. The new assessment is an addition to the existing fob Newcastle 6,000 kcal/kg NAR within 90 days assessment. The new assessment was launched in response to industry feedback that shows clear demand for a new price reference, owing to the substantial trading volume of 5,500 kcal/kg NAR coal from Newcastle, Australia, to northeast Asia - China in particular. The Newcastle 5,500 kcal/kg assessment will be based on the well-known and trusted Argus and API methodology, using a combination of confirmed transactions and market views from a broad spectrum of the market, including producers, consumers, such as power plants and cement producers, and traders.

Platts: Singapore 380 CST to Reflect 3.5% Sulfur

Platts plans to amend the sulfur content reflected in its 380 CST, high sulfur fuel oil Singapore cargo assessments starting from July 1, 2012. The maximum specified allowable sulfur will be decreased to 3.5% maximum standards, lower from the present ceiling of 4% sulfur maximum standard.

CME Expands Contract Month Listing for NY ULSD (Argus) vs. Heating Oil Spread Swap

Effective March 11, 2012, the exchange expanded the listing of contract month for NY ULSD (Argus) vs. Heating Oil Swap futures contract for trade date March 12, 2012. The contract is listed for trading on the NYMEX trading floor, and for submission for clearing through CME ClearPort. The expanded listing is through March 2013, discontinued thereafter.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7Y</td>
<td>NY ULSD (Argus) vs. Heating Oil Spread Swap Futures</td>
</tr>
</tbody>
</table>

For 7Y contract specifications please click here.
CME Adds Copper Calendar Swap Futures

Effective March 12, 2012, CME trades new Copper Calendar Swap Futures. The contract is listed with, and subject to, the rules and regulations of COMEX.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>HGS</td>
<td>Copper Calendar Swap Futures</td>
</tr>
</tbody>
</table>

This is another addition to copper derivatives offered by CME, such as Futures (HG), Options (HX), and E-Mini Copper Futures (QC). Copper Calendar Swap Futures contract extends 23 consecutive months for which a COMEX Copper Futures (HG), its underlying product, is listed.

CME Adds Copper Average Price Options

Effective March 12, 2012, CME trades European style Copper Average Price Options. The contract is listed with, and subject to, the rules and regulations of COMEX.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAP</td>
<td>Copper Average Price Option</td>
</tr>
</tbody>
</table>

NYSE Euronext Lists Two New Certificates on Silver and Copper

On February 27, 2012, NYSE Euronext (NYX) Lisbon listed five certificates issued by Millennium BSP, one of the largest private banks in Portugal. In addition to gold, wheat and WIG20, two new certificates of copper and silver were introduced. The move is meant to enhance the portfolio offering to the Euronext customers in Portugal, allowing them to access securities which offer wider diversified strategies for their investments.

NYSE Liffe U.S. Launches Options on Mini Gold and Mini Silver Futures Contracts

On February 27, 2012, the U.S. Futures Exchange of NYSE Euronext announced that it successfully launched options on its mini-sized gold and mini-sized silver futures contracts. The new 33.2 oz. mini gold and 1,000 oz. mini silver futures contracts, are designed to meet growing customer demand to trade and invest in the precious metals market, provide traders with flexibility by offering multiple trading strategies, enhanced risk management capabilities and added depth and liquidity to the underlying mini gold and mini silver futures market. NYSE Liffe U.S. precious metals contracts are traded in U.S. dollars and physically settled in New York or Delaware.

Xetra Launches DB Metals & Energy Booster ETC (EUR)

On February 3, 2012, a new exchange traded commodity issued by db ETC Index plc has become available on Xetra. All db ETCs are backed by physically deposited gold bars.

<table>
<thead>
<tr>
<th>ETC name: db Metals &amp; Energy Booster ETC (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset class: Commodities</td>
</tr>
<tr>
<td>ISIN: DE000A1NY0U7</td>
</tr>
<tr>
<td>Total expense ratio: 0.45 percent</td>
</tr>
</tbody>
</table>

The new db ETC tracks the performance of the db Metals and Energy Booster Euro Unhedged Index, comprised of 13 commodities from the precious and industrial metals and energy sectors.

CME Launches MGEX-CBOT Wheat Intercommodity Spread Options

On March 26, 2012, the CME started trading MGEX-CBOT Wheat Intercommodity spread options. MGEX-CBOT Wheat Intercommodity spread option reflects the spread between Hard Red Spring Wheat futures listed on Minneapolis Grain Exchange (MGX) of a specified month, and Soft Red Winter Wheat futures listed on the Chicago Board of Trade (CBOT) of a specified month. The benefits of the new instrument include:

- An established, liquid wheat futures market
- Tight bid-ask spreads
- A robust wheat options market, for even more flexibility in hedging and trading strategies
- Availability of Wheat Calendar Spread Options (CSOs) for a more efficient roll strategy
- Spreading opportunities with other CBOT grain and oilseed markets
- Access to Minneapolis (MGEX) and Kansas City (KCBOT) Wheat via CME Globex electronic platform
CME: European Wood Pellets cif NWE (Argus) Calendar Swap

Effective for trade February 27, 2012, CME Clearing Europe (CMECE) began clearing European Wood Pellets cif NEW (Argus) Calendar Swap futures. The new biofuel products are cash settled, available for 12 consecutive months and conform to the structure and practices of CMECE, Commodity Module Chapter Number: 414.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>WPCE</td>
<td>European Wood Pellets cif NWE (Argus) Calendar Swap</td>
</tr>
</tbody>
</table>

For contract specifications please click [here](#).

ICAP Enters Australian Agricultural and Soft Commodities Broking Market

On February 6, 2012, the world’s premier voice and electronic interdealer ICAP announced that it is entering the Australian agricultural and soft commodities market. Being an active broker of agricultural and soft commodities in North America, South America and Europe, ICAP provides execution services in both OTC and exchange-listed markets. ICAP will broker OTC and exchange-traded agricultural products in Australia which expand its global footprint and depth of market and client coverage in emerging markets with great potentials.

LME Launches Live Forward Price Curve

Effective February 06, 2012, the London Metal Exchange (LME) publishes live forward prices for all metals traded in the last Ring session of the day (the afternoon “Kerb”, starting from 16.15). The forward curve is displayed on a daily basis by LME licensed data vendors and on the electronic wallboard in the Ring dealing area. The prices for the forward curve are amended and displayed, as they change during the Kerb session.

The refinement adds more transparency to the procedures used to establish the Closing Prices, which is determined by the LME Quotations Committee with regard to the Kerb, as well as trades, bids, and offers transacted throughout the day.

SMX Launches First Agricultural Product SMPEPPER

Effective February 10, 2012, SMX’s first agricultural product, based on Black Pepper, is available for trading. It is also the World’s first global black pepper futures contract. The trading calendar of SMPEPPER contracts is below:

<table>
<thead>
<tr>
<th>SMX Symbol</th>
<th>Contract Start Date</th>
<th>Contract End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMPEPPER</td>
<td>10-February-2012</td>
<td>20-March-2012</td>
</tr>
<tr>
<td></td>
<td>10-February-2012</td>
<td>17-April-2012</td>
</tr>
<tr>
<td></td>
<td>10-February-2012</td>
<td>21-May-2012</td>
</tr>
<tr>
<td></td>
<td>10-February-2012</td>
<td>19-June-2012</td>
</tr>
<tr>
<td></td>
<td>21-March-2012</td>
<td>18-July-2012</td>
</tr>
<tr>
<td></td>
<td>18-April-2012</td>
<td>21-August-2012</td>
</tr>
</tbody>
</table>

For contract specifications please click [here](#).
CME: Implied Functionality for GreenX InterCommodity Spreads

Effective March 11, 2012, CME enabled implied functionality for two GreenX intercommodity spreads for trade date March 12, 2012. These contracts are listed with, and subject to, the rules and regulations of GreenX. All transactions are cleared through CME Clearing. Below are the spreads:

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRE</td>
<td>In Delivery Month Certified Emission Reduction (CER) Futures Contract vs. In Delivery Month European Union Allowance (EUA) Futures</td>
</tr>
<tr>
<td>CPL</td>
<td>Certified Emission Reduction Plus (CERplusSM) Futures vs. In Delivery Month European Union Allowance (EUA) Futures</td>
</tr>
</tbody>
</table>

GreenX Launches EU Aviation Allowance Futures

Effective April 2, 2012, the GreenX European Union Aviation Allowance (EUAA) Futures contract will be traded on Green Exchange via CME Globex and CME ClearPort. The contract will serve as a compliance and risk management tool for the aviation sector, included in the EU emissions trading products: European Union Allowances and Certified Emission Reductions. One EUAA represents an entitlement for airline companies, which are included within the EU Emissions Trading Scheme (EU-ETS) from 2012, to emit one ton of carbon dioxide equivalent gas.

The contract is listed with, and subject to, the rules and regulations of GreenX. The contract has been developed in close consultation with market participants and will contain the following key specifications:

- Contract size: 1,000 European Union Aviation Allowances
- Contracts will be listed on a rolling quarterly expiration cycle in addition to annual December contracts listed through 2020
- Inter-commodity spread trading will be available between EUAA Futures and IDM EUA Futures

ICE Launches EU Aviation Allowance Futures

Effective February 27, 2012, ICE Futures Europe started trading futures contracts on European Union Aviation Allowances (EUAs). One EUA is an entitlement for airline companies, which are included within the EU-ETS from 2012, to emit one ton of CO2 equivalent gas. The initial contract month is December 2012, with subsequent December and quarterly contracts listed out to 2020. There will also be two front contract months, so that there are always three prompt contract months to trade including the quarterly contract.

<table>
<thead>
<tr>
<th>ICE Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUA</td>
<td>ECX EUA Futures</td>
</tr>
</tbody>
</table>

This contract is an addition to the ICE Futures Europe set of offerings for trading CO2 emissions, such as ICE EU Allowances (EUAs), ICE Certified Emission Reductions (CERs) and the world's first ICE Emissions Reductions Units (ERUs).

EEX Launches EU Aviation Allowance Derivatives

Effective the second quarter of the year, EEX launches the Derivatives Market for European Aviation Allowances (EUAA), which are EU emission allowances used by airline companies for compliance purposes. The Spot Market will be established by mid-2012. Both steps will further contribute to the development of EU-ETS, which has already integrated the biggest industry of energy suppliers.

Since the beginning of 2012, all airlines flying to and from Europe are required to cover their carbon emissions with emission allowances. The framework of EU-ETS allows aircraft operators to submit both EUAA and regular EU emission allowances or certified emission reductions.

EEX to Carry Out Third Emission Allowance Auction for Lithuania

On March 15, 2012, the European Energy Exchange (EEX) auctioned 850,000 EU emission allowances (EUAs) on the EEX Spot Market, the third primary market auction for Lithuania. To this point, 1.7 million EUA have been auctioned off, as a part of the extension agreement between the Lithuanian Ministry of the Environment and EEX.

Additionally, EEX has been running the primary market auctions for Germany since 2010 and for Netherlands in 2011 and 2012. EEX has also been chosen as a co-operation exchange for the NER300 program of the European Investment Bank.

AgriCharts Brings Advanced Interactive Weather to Agribusiness Websites

On March 1, 2012, AgriCharts, the agricultural division of Barchart.com, Inc., partnered with Weather Decisions Technologies (WDT), a global leader in state-of-the-art weather services, to offer weather mapping solutions to clients of AgriCharts. The new interactive weather maps can be viewed from a global level all the way down to a farm level with local high resolution. WDT’s iMap delivers an interactive weather solution that can be immediately integrated to clients of AgriCharts, allowing their website visitors a direct access to the latest, interactive weather service from the site. This would transfer AgriCharts’ client websites into decision-making tools for hundreds of agribusiness and thousands of farmers. Below is a list of AgriCharts’ iMap interactive weather features:

- Zoom in and out, even to the farm level (from World to Street Level views)
- Integrated with Google Maps for Terrain, Satellite, and Road Map views
- ClickCast – click anywhere and receive current conditions and forecast
- Launch into Full Screen Mode with a single click
- Radar and satellite overlays (including Local High Resolution)
- Current conditions overlay
- Rainfall overlays
- Flood index overlay
- Winter weather overlays
- Severe weather overlays
- Global weather (current conditions and forecasts)
- Search with your mouse or by address, zip code or city
- Save your exact location by clicking anywhere on the map
- Add custom markers/pins
- Adjust transparency levels
- Custom default view (by location and type of overlays)
- Custom map sizes
CrIS, The New Satellite Instrument For Weather Forecasts, Is Now At Service

Effective end of March, 2012, the Cross-track Infrared Sounder (CrIS), a powerful new instrument designed to provide more refined information about Earth’s atmosphere and, subsequently, improve weather and climate forecasts, is active and sending its first data back to Earth. The instrument, along with the other four aboard Suomi National Polar-Orbiting Partnership satellite (NPP), has been undergoing extensive commissioning since its launch on October 28, 2011, by NASA. Upon its completion, the NOAA will operate Suomi NPP, process and distribute the data on a global scale.

CrIS uses a wide spectrum of colours to produce high-resolution, three-dimensional temperature, atmospheric pressure, and moisture profiles. For instance, orange colors represent very warm sea surface temperatures, while magenta represents not only very cold temperatures, but also high-altitude cloud tops. This type of imagery will be used in NOAA’s weather prediction computer models to forecast severe weather days in advance and understand weather phenomena, such as El Niño. To see an example click here.

The Suomi NPP serves as a link between NOAA’s Polar Operational Environmental Satellite (POES) and NASA’s Earth Observing System satellites and the next-generation Joint Polar Satellite System which NOAA will operate.

GreenX Expands In Delivery Months for EU Allowance Options

Effective March 26, 2012, five December maturities in GreenX In Delivery Month European Union Allowance options started trading on Green Exchange and available via CME Globex. These five contracts are listed with, and subject to, the rules and regulations of GreenX. All transactions will be cleared through CME ClearPort. These contracts are of European-style. The added maturities are the following:

- December 2016
- December 2017
- December 2018
- December 2019
- December 2020

<table>
<thead>
<tr>
<th>CME Globex</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>EAX</td>
<td>In Delivery Month European Union Allowance Options</td>
</tr>
</tbody>
</table>

For EAX contract specifications please click here

Platts to Add December 2014 CER Assessment

Effective March 27, 2012, Platts plans to add a daily price assessment for December 2014 delivery United Nations Certified Emission Reductions. The daily assessments for secondary CERs in 2014 would add to Platts’ already existing CER assessments for December 2012 and 2013 delivery. Platts launches the new assessment as market liquidity has matured enough to support a daily assessment for the December 2014 contract. The assessments would be in euros a metric ton and adherent to the EU ETS as per the terms of the European Commission’s Linking Directive.

The assessment will be disseminated in Platts’ European Power Daily publication and on European Power Alert, page EP481.

GreenX Expands In Delivery Months for EU Allowance Futures

Effective February 27, 2012, new December maturities of GreenX In Delivery Month European Union Allowance options started trading on Green Exchange, and is also available via CME Globex. These contracts are listed with, and subject to, the rules and regulations of GreenX. All transactions will be cleared through CME ClearPort. The added maturities are the following:

- December 2012
- December 2013
- December 2014
- December 2015
- December 2016
- December 2017
- December 2018
- December 2019
- December 2020

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>EAF</td>
<td>In Delivery Month European Union Allowance Futures</td>
</tr>
</tbody>
</table>

For EAF contract specifications please click here

Platts Continues CAIR Allowance Assessments

Platts continues to publish daily assessments for Sulfur Dioxide (SO2) and Nitrogen Oxides (NOx) emission allowances under Environmental Protection Agency’s CAIR since court action suspended implementation of the replacing Cross-State Air Pollution Rule (CSAPR) until further notice. They are currently published in Megawatt Daily, Coal Trader and Coal Outlook, on Platts Electricity Alert and in Platts Market Data.

The latest development on the case happened on March 1, 2012, when the EPA filed its brief on the grounds of the legal challenges to the CSAPR. For more details on the case and its progress click here.
FX, Interest Rates, Credit and Equity Indexes

CME: New S&P Real-time Indexes

Effective March 12, 2012, CME listed the new indexes detailed below. The indexes will be transmitted every 15 seconds.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
<th>Currency Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPX101</td>
<td>S&amp;P CNX Nifty Futures Excess Return Index</td>
<td>USD</td>
</tr>
<tr>
<td>SPX102</td>
<td>S&amp;P 400 Daily Risk Control 15% Index TR</td>
<td>USD</td>
</tr>
<tr>
<td>DEF101</td>
<td>Defined US Dividend Index</td>
<td>USD</td>
</tr>
<tr>
<td>DEF102</td>
<td>Defined International Dividend Index</td>
<td>USD</td>
</tr>
<tr>
<td>DEF103</td>
<td>Defined Emerging Markets Dividend Index</td>
<td>USD</td>
</tr>
<tr>
<td>SPIDXAT</td>
<td>S&amp;P/ASX Australian Fixed Interest Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT1</td>
<td>S&amp;P/ASX Australian Fixed Interest 1-5 Year Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT5</td>
<td>S&amp;P/ASX Australian Fixed Interest 5-10 Year Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT10</td>
<td>S&amp;P/ASX Australian Fixed Interest 10-15 Year Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT20</td>
<td>S&amp;P/ASX Government Bond Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT2</td>
<td>S&amp;P/ASX Commonwealth Government Bond Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT3</td>
<td>S&amp;P/ASX State Government Bond Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXATPT</td>
<td>S&amp;P/ASX Corporate Bond Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT1T</td>
<td>S&amp;P/ASX Australian Fixed Interest AAA Rating Band Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT2T</td>
<td>S&amp;P/ASX Australian Fixed Interest AA Rating Band Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT3T</td>
<td>S&amp;P/ASX Australian Fixed Interest A Rating Band Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT4T</td>
<td>S&amp;P/ASX Australian Fixed Interest BBB Rating Band Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT5T</td>
<td>S&amp;P/ASX Corporate Bond AA Rating Band Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT6T</td>
<td>S&amp;P/ASX Corporate Bond A Rating Band Index TR</td>
<td>AUD</td>
</tr>
<tr>
<td>SPIDXAT7T</td>
<td>S&amp;P/ASX Corporate Bond BBB Rating Band Index TR</td>
<td>AUD</td>
</tr>
</tbody>
</table>

Tradition-ICAP Launches Vol-Fix

Effective February 27, 2012, Tradition-ICAP launched its new daily Volatility Fixing Services Vol-Fix. The service provides an independent and reliable market data reference point to help create a fully tradable asset class for trading volatility for the first time. The fixing rate will be published every day at 4pm London time and will be calculated using prices and deals between 3.50pm and 4pm on the Volbroker platform. The rate will be published on Bloomberg (VFIX), Reuters (VFIX), and the Tradition-ICAP websites www.tradition-icap.com and www.volfixing.com.

The service started with the most liquid tenors, such as EURUSD, and will eventually cover other highly liquid currency pairs, such as USDJPY, EURJPY, GBPUSD, EURCHF, USD CAD, AUDUSD, along with most liquid emerging market pairs.

For more information on the service please click here

CBOE Introduces “VIX of VIX” Benchmark Index to Measure Volatility of the VIX Index Itself

Effective March 14, 2012, the Chicago Board Options Exchange (CBOE) begins publishing values for the CBOE “VIX of VIX” Index (VIVIX) to track the volatility of the CBOE Volatility Index (the VIX Index). VIVIX reflects the market’s consensus of expected volatility of the 30-day forward prices, similar to CBOE’s VIX Index reflecting the risk premium in S&P 500 Index options (SPXX) prices.

VIVIX is derived from the price of a portfolio of out-of-money VIX option puts and calls, similarly to how the VIX Index is calculated. This index is one of the twelve volatility indexes which have been added by CBOE since early 2011, as well as one volatility strategy index.

For more details, including the white paper please click here

CBOE Launches SPXpm “Super LEAPS” Options on its C2 Options Exchange

Effective March 1, 2012, the Chicago Board Options Exchange (CBOE) launches SPXpm Super Long-term Equity AnticiPation Securities (LEAPS), initially available for SPXpm options, which are C2’s all-electronic, p.m.-settled version of CBOE’s S&P 500 Index options contract (SPX). The Super LEAPS extend expirations to as long as five years, which is more than the standard LEAPS options, launched by CBOE in 1990, which currently limit expirations to up to three years. Initially, C2 lists expirations for December 2012, 2013, 2014, 2015 and 2016.

SPXpm Super LEAPS are meant for insurance companies, pension funds and other institutions that currently hedge their longer-dated equity index exposures in the over-the-counter (OTC) market, who also want the pricing transparency afforded by exchange-traded index options. This transparency will allow access for customers to publicly-available bids, offers and the latest market prices.

For details on SPXpm options please click here

BRICS Exchanges Cross-List Benchmark Equity Index Derivatives

Effective March 30, 2012 the members of BRICS Exchanges Alliance, including BM&FBOVESPA (Brazil), Open Joint Stock Company MICEX-RTS (Russia), BSE Limited (India), Hong Kong Exchanges and Clearing Limited (China), and JSE Limited (South Africa), begin cross-listing benchmark equity index derivatives on each other trading platforms. This mutual cross-listing is a first phase of a formation of the BRICS alliance, announced on October 12, 2011 at a World Federation Exchanges’ conference in Johannesburg, South Africa. The following derivatives will be initially cross-listed and offered in the local currency and local trading hours of each of the exchanges:

• Brazil’s IBovespa futures;
• Russia’s MICEX Index futures;
• India’s Sensex Index futures;
• Hong Kong’s Hang Seng Index futures and Hang Seng China Enterprises Index futures;
• South Africa’s FTSE/JSE Top40 futures.

The second phase of this alliance is planned to include the development of new equity index related products representing the BRICS economies for cross-listing of derivatives and cash market product offerings. The third phase may involve product development and cooperation in additional asset classes and services.

For contract specifications please click here

First RMB ETF to Debut at HKEx

On February 14, 2012, Hong Kong Exchanges and Clearing Limited (HKEx) welcomed the pending listing of the first Exchange Traded Fund (ETF) to be traded in RMB on the Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of HKEx. The first RMB product type to list on the Exchange was debt securities in October 2010, followed by a Real Estate Investment Trust (REIT) listing in April 2011. To date, 14 RMB debt securities and one RMB REIT have been listed on the exchange.

For more information please click here
NYSE Liffe Expands the Range of Dutch Products

NYSE Liffe, the European derivatives market of NYSE Euronext (NYX), announced its plan to deliver futures and options on the AMX-Index, the index for mid-size Dutch companies. AMX-Index futures are launched on March 28, 2012 followed by trade in AMX-Index options on April, 10, 2012. The introduction of AMX-Index futures and options outlines a notable expansion of NYSE Liffe’s operation of products within the Amsterdam market. Being one of the mid-cap indexes in Europe, AMX-Index has risen to just over €27 billion in the total value of shares traded in 2011. Cees Vermaas, CEO of NYSE Euronext Amsterdam, vows that the company is committed to provide an environment where medium-sized companies can develop into the large caps of the future. According to Vermaas, the introduction of futures and options on the AMX-Index would have a positive influence on the liquidity of the mid-cap securities.

In 2011, a total of 150 million index futures and options were traded on NYSE Liffe with AEX-Index representing a quarter of all the trades and also accounting for half of the index option volume on NYSE Liffe.

ASX, RP Data and Rismark International Introduce Daily Home Value Index

Effective March 1, 2012, the RP Data-Rismark Daily Home Value Index was launched by Australian Securities Exchange (ASX) in conjunction with RP Data and Rismark International. The index replaces the current monthly RP Data-Rismark Home Value index and is the first commercially available residential index to track value movements across the market portfolio of all dwellings.

The new index utilizes methodology that uses an analysis of the attributes of properties that are being transacted when calculating the value of the index. Attributes include factors, such as the number of bedrooms and bathrooms, the land area and the geographic context of the property.

Some of the benefits of RP Data-Rismark Daily Home Value index include:

- **Timeliness** - updated daily to reflect the latest available property market information
- **Granularity** - opens up ‘intra-month’ index movement insights for the first time
- **Low volatility** - measured annual volatility remains comparable, between the monthly adjacent period hedonic index and the daily imputation hedonic index
- **Controls for compositional bias** - the index is not affected by different buyer segments that are active or inactive
- **Covers the overall market** - all dwellings are included in the measurement not just those that have transacted
- **Non revisionary** - providing greater certainty about actual market conditions
- **Peer reviewed** - independently audited by both EWS (methodology) and KPMG (process)
- **Designed to be tradable** - tracks an investment in a true portfolio of properties

The RP Data-Rismark Daily Home Value index also tracks rental market conditions by estimating rental income and yield movements. The estimates are calculated as if all properties in the population were rented without any market dilution effects. Subsequently, a hedonic rental formula is extracted from properties advertised for rent using the attributes of these properties and the asking rent. It is then applied to assign rental income for properties not being rented.

The daily index data for major capital city dwelling markets will be updated daily at the ASX (www.asx.com.au) and RP Data (www.rpdata.com) websites.

Dividend Futures on EURO STOXX and STOXX Europe 600 Sector Indexes

On March 2, 2012, the Eurex Exchanges and the Eurex Clearing AG introduced Dividend Futures on EURO STOXX and STOXX Europe 600 Sector Indexes. Below is a list of the products available for trading at the Eurex Exchanges:

<table>
<thead>
<tr>
<th>Underlying Index</th>
<th>Eurex Product</th>
<th>Eurex Code</th>
<th>ISIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>EURO STOXX Banks Index Dividend Futures</td>
<td>FEID</td>
<td>EUREX200001111</td>
<td>CH0143299847</td>
</tr>
<tr>
<td>EURO STOXX Insurer Index Dividend Futures</td>
<td>FSID</td>
<td>EUREX200001321</td>
<td>CH0143299771</td>
</tr>
<tr>
<td>EURO STOXX Telecoms Index Dividend Futures</td>
<td>FSTD</td>
<td>EUREX200001531</td>
<td>CH0143299873</td>
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An Index Futures Contract is a futures contract on a specific stock index. Thus, stock indices are available for trading at the Eurex Exchanges, but the publication of the enclosed institutions shall determine the composition, weighting and calculation.

New ComStage ETF launched on Xetra

On February 7, 2012, an additional equity index fund issued by ComStage ETF was made tradable.

ETF name: ComStage ETF MSCI Emerging Markets Leveraged 2x Daily TRN

Asset Class: equity index ETF

ISIN: LU0675401409

Total Expense Ratio: 0.75 percent

Distribution Policy: non-distributing

Benchmark: MSCI Emerging Markets Leveraged 2x Daily Net Index

For the first time, investors are able to participate in the performance of the MSCI Emerging Markets Index with a double leverage. The new equity index is weighted according to free float market capitalization. It aims to track the performance of the equity markets in all emerging market countries based on total return with net dividends reinvested, employing a double leverage. Alongside free float market capitalization, stocks are selected on the basis of further criteria such as minimum capitalization, liquidity, trading history and accessibility for foreign investors.

For more information please click [here](#)
CME, BM & FBOVESPA and S&P Indices Announce Cross-Listing of Global Benchmark Equity Index, Commodity and Energy Futures

On March 6, 2012, the CME Group and BM&FBOVESPA (BVMF) announced a cross-listing and cross-licensing agreement. The agreement involves S&P 500 Index and Bovespa Index (IBOVESPA) futures. Additionally, BVMF licenses CME Group’s Chicago Board of Trade (CBOT) Mini-sized Soybean futures, and NYMEX Light Sweet Crude Oil (WTI) futures settlement prices, which will allow to license additional products in the future.

BVMF launches the CBOT listed Mini-sized Soybean futures in the 2nd quarter of 2012; the NYMEX listed Light Sweet Crude Oil (WTI) futures will be launched in the 3rd quarter of 2012. Furthermore, BOVESPA, the main indicator of the Brazilian stock market's average performance, will be listed and cleared through CME Clearing as U.S. dollar denominated IBOVESPA futures and will be settled in Brazilian currency.

Under the cross-listing arrangements, each exchange is expected to launch its respective equity index futures in the second half of 2012.

NASDAQ OMX Nordic Creates All-Asset And Cross-Market Technology Platform

On March 6, 2012, it was announced that NASDAQ OMX Nordic, through the launch of commodities on the Genium INET platform, has created an all-asset, cross-market technology platform. Based on NASDAQ OMX’s world-leading INET technology, Genium INET is a comprehensive multi-asset trading and clearing system covering all asset classes (stocks, bonds, equities, and fixed income derivatives) from eight markets in Sweden, Finland, Denmark, Norway, Iceland, Lithuania, Latvia and Estonia.

Commodities, the final asset class to be migrated onto the Genium INET platform, commenced being traded on March 5, 2012.

For more information please click here

NYSE Technologies Selects Q9 to Further Extend its SFTI Global Trading Network to Canada

On February 2, 2012, Q9 Networks announced that it had been selected by NYSE Technologies to host a Secure Financial Transaction Infrastructure (SFTI) access centre. The agreement will extend the SFTI backbone into Q9’s Toronto data centre, enabling Canadian customers to directly access services over the global capital markets network. With this new installation, financial services customers within the Q9 data centre will be able to cross-connect into a suite of low-latency trading services available on SFTI. Customers outside of the facility will also be able to receive SFTI services by connecting into the Q9 access centre.

For more information please click here

CME Group and Bank of China Announce Strategic Cooperation

On March 1, 2012, CME Group and Bank of China signed a Memorandum of Understanding (MOU) to collaborate in a long-term business relationship that is supposed to harness the strengths of both organizations and provide mutual benefits as both parties grow their respective presence in global markets. The agreement allows settling commodity trades in yuan, which would ultimately expand the use of the Chinese currency outside China’s borders. Also, the non-binding MOU establishes grounds between both companies for sharing information which cover education, training and marketing. MOU focuses on future business opportunities while facilitating cross-border trading in commodities futures and options, subject to the regulations.

CME Group, the leading exchange by trading volumes, in February 2012 reported average daily volume of 12.8 million contracts. Even though its main competitor, IntercontinentalExchange Inc., had daily volume of 1.7 million reported for the same time period, the CME is looking for opportunities to benefit from cooperation with leading financial institutions, like the Bank of China with its subsidiaries.

On the other hand, China has been eager to expand the role of its currency to an international level. Certainly, expanding trade settlements in renminbi would be a notable step in that direction.

The partnership between the CME Group and the Bank of China took place in a cooperative atmosphere with bells and whistles. Even though this strategic move would put the renminbi against the depreciating dollar, the business opportunities are undeniable and exciting at the moment. This may become more than just a strategic move motivated by business incentives; rather, a move which directly relates to the national interests of the US and China with consequences beyond the two companies. These are exciting yet fragile times: micro economic benefits and opportunities intertwined with the macro concerns and threats. Certainly, time will only show whether this partnership gets affected by China’s ever-increasing economic clout.

NYSE Euronext Signs First Contract to Manage Three China Securities Indices

On February 8, 2012, NYSE Euronext announced that it had agreed with China Securities Index Co. to manage the calculation of three of CSI’s indices: Overseas China Internet Index, Overseas China Consumer Discretionary Index and Overseas China Consumer Staples Index. Leveraging Euronext’s operational and listed products expertise, this new initiative represents a significant milestone for the global index services of NYSE Euronext to further expand its index offerings in the Asian region meeting the growing demand to track the performance in Chinese companies. CSI will use the global index services of NYSE Euronext for the maintenance, calculation and distribution of its index values and data for the Overseas China Internet Index, Overseas China Consumer Discretionary Index and Overseas China Consumer Staples Index.
EOX Holdings Announces Additions of Vice President and Director of Market Research

EOX Holdings, a wholly owned subsidiary of OTC Global Holdings (OTCGH), announced today the addition of Mike Nemer as vice president and Tom Pawlcki as director of market research.

Working in Houston, Nemer will leverage his 30 years of energy experience to form an Introducing Brokers desk and help identify efficiencies and opportunities within the OTCGH's brokerage group ranging from the wholesale, futures and the retail sectors. In addition, he will help the company recognize and pursue new business opportunities.

Prior to joining the company, Nemer worked as the vice president/general manager for TFS Energy for six years. In addition, he has worked as a president/partner at Amerex Natural Gas, Ltd./Amerex USA, as a director of derivative marketing at EOTT Energy Corp and as a marketing manager at Petroleum, Trading and Transportation. Nemer is a graduate from the University of Kansas.

Pawlcki, who will work in Chicago, will use his experience in analysis to develop an energy research product focused on finding opportunities and creating trading strategies in the over-the-counter, futures and options markets. Distributed across OTCGH's trading firms and via a website, the product aims to grow the availability of quality information and analysis available to clients through the company's broking/trading platform, EOXLive. Before joining the EOX Holdings team, he spent nearly two decades as a research analyst including, most recently, five years as an energy and precious metals analyst at MF Global. In addition, Pawlcki worked for nearly 12 years as a financial futures technical analyst at REFCO, analyzing Treasury bond, stock index, and currency futures markets from both technical and fundamental perspectives, after spending a brief stint as runner on CBOT Bond Floor for the company. Pawlcki is a graduate from the University of Illinois at Chicago.

EOXLive is well-known in the commodities sector for its ability to combine the convenience of electronic trading with voice broking's unique ability to provide market color and create bespoke transactions.

"EOX Holdings has expanded significantly in the last year due to an increased focus on data offerings and continued improvements to EOXLive," said Javier Loya, chairman and chief executive officer of OTCGH. "Mike and Tom provide much needed skills which help in both areas, further strengthening our position as a leading provider of comprehensive market data while also ensuring OTC Global Holdings' platform will be compliant with Dodd-Frank when it goes into effect."

For more information about EOX Live, visit www.eoxlive.com.

About OTC Global Holdings

Formed in 2007, OTC Global Holdings is headquartered in Houston and New York, with additional offices in Chicago, Jersey City, London and Louisville. It is a leading independent interdealer broker in over the counter commodities and the largest liquidity provider to CME ClearPort and ICE Clear U.S. Through its subsidiaries the company holds a dominant market share in the U.S. and Canadian natural gas markets, the U.S. power markets, crude oil and crude oil options, crude oil product and crude oil product options, agricultural and soft commodities, as well as structured weather and emission derivatives. The company serves more than 250 institutional clients, including 45 members of the Fortune 500, and transacts at over 150 different commodity delivery points. To learn more about the company, please visit www.otcg.com or go to http://bit.ly/OTCYouTube.

Argus Expands US Emissions Market Coverage

Argus has recently launched new renewable energy certificate and Alberta CO2 offset price assessments as part of Argus Air Daily's comprehensive environmental markets coverage.

Expanded coverage includes:

- Texas compliance renewable energy certificates (daily)
  - The new Texas compliance REC assessment will provide a price point for one of the most actively traded compliance REC markets.

- Pennsylvania Tier I renewable energy certificates (daily)
  - The Pennsylvania Tier I REC assessment will add to Argus’ suite of PJM REC assessments to provide more complete coverage of the PJM market.

- National Green-e wind voluntary renewable energy certificates: half-year 1 and half-year 2 (daily)
  - The National Green-e voluntary wind REC assessment reflects pricing for RECs that are typically used to fulfill utilities’ obligations under their green power purchasing programs.

- Alberta CO2 renewable energy offsets and agricultural tillage offsets (weekly)
  - The Alberta CO2 offset assessments will provide large emitters in Alberta with a price point to use in compliance planning and round out Argus’ North American greenhouse gas allowance and offset coverage.

If you are not a current subscriber to Argus Air Daily, request your complimentary trial.

www.argusmedia.com

MDA Expands its International Historical Data and Extends Wind Forecasting Services into Europe

MDA EarthSat Weather offers a variety of data and reports used throughout the energy, agriculture, and weather markets. In addition to providing the basic data products used by traders worldwide throughout these industries (historic, ongoing, and forecast temperatures, precipitation, etc.), EarthSat goes beyond the numbers to provide unique datasets tailored for traders in each industry. New product offerings now include:

Wind Forecasting Services expand into Europe

- MDA EarthSat has added United Kingdom wind production to the list of US and Canadian regions supported in its wind forecasting system. Expansion into other European countries will continue through the Spring. These products offer a significant improvement over the publically available products issued by ISOs with mean absolute errors for the day-ahead forecast ranging from as low as 5% of production in areas of flatter terrain to just above 10% in areas where mountain winds make the forecast especially challenging. In addition to the UK, hindcasts and forecasts are available for the ERCOT, MISO, BPA, IESO, PJM, CAISO, and AESO regions in North America. Information is available at the region level, as well as sub-region and farm levels.

Back to Summary
Expansion of International Historical Data

- MDA EarthSat has combined the precision of local station data with the spatial and temporal coverage of grid-based data to produce a 30-year simulated dataset for over 6,000 stations worldwide. This dataset uses actual data from 2000-2011 to calibrate the simulations and create the continuous dataset from 1981-present. Comparisons between the actual and simulated data show 95% or greater temperature correlations for the majority of stations, making the data suitable for all uses requiring accurate historical data. These data will be available as stand-alone datasets, or part of MDA EarthSat's web-based tool to view actual and historic weather-data in a spatial manner and to compare individual days, weeks, or months to long-term normals.

ZEMA Update

Data Source Watch

At ZEMA, we maintain an extensive catalogue of data sources, and our ability to expand this catalogue to ensure our data solutions continues to set the industry standard.

Data Source Watch provides examples of new data sources and new reports that have been added to pre-existing data sources. Monitor these lists to stay up-to-date on the ZEMA data sources and reports available to our customers. The following sources were added in the first quarter of 2012:

New Data Sources

BBA
Added early 2012, BBA (British Bankers’ Association) provides both Current and Historical Libor Rates.

ConocoPhillips
Crude Oil Price report was added in January, 2012,

Imperial Oil
Crude Oil Price is the first data report collected by ZEMA from this oil giant.

DTN ProphetX
DTN ProphetX is a subscription source for energy trading, providing an array of data solutions and analytics. ZEMA offers effective collection mechanisms for some of this data source’s major feeds. In March 2012, ProphetX Get Daily History (NYMEX) and ProphetX Get Daily History (ICEFE) were added to the suite.

Gassco
Gassco is a leading transporter of gas in Europe. It is responsible for the transport of gas from the Norwegian continental shelf. Flows throughout this system can be captured in ZEMA in real time.

MAVIR
MAVIR is a Hungarian energy company and operator of the Hungarian electricity system. Collected are Daily Auction Prices, as well as Downward and Upward Balances.

National Grid
Account Usage Data

New Data Reports for Existing Sources

AESO
Six Days Ahead Wind Power Forecast and Actual Forecast were added in February. The forecast uses global weather data to indicate the amount of wind power that will be available to the Alberta grid.

Amerex
Power PJM Zonal Indices were added in January 2012.

APX
BritNed is an undersea power interconnector between Massvlakte (Rotterdam) and the Isle of Grain in Thames. Power UK Day Ahead Market and Power UK BritNed were added during February. Also added was Gas UK – OCM Results, for gas traded at the NBP (National Balancing Point).

Argus
New data reports from the data provider include FC Electricity Heat Rate, FC Electricity, and FC Natural Gas.

BMRS
TIBCORV End Of Day was added in January, 2012

CAISO MRTU
Now collected from CAISO MRTU are a series of Market Power Mitigation reports including:

- MPM Reference Bus (Hour Ahead Scheduling Process)
- MPM Intertie Constraint Shadow Prices (Hour Ahead Scheduling Process)
- Demand Forecast Daily
- MPM Real Time Locational Marginal Prices
- MPM Day Ahead Locational Marginal Prices
- MPM Reference Bus (Day Ahead Market)
- MPM Intertie Constraint Shadow Prices (Day Ahead Market)
- MPM Nomogram Branch Shadow Prices (Day Ahead Market)
- Contingency Dispatch Resource Schedules
- MPM Nomogram Branch Competitive Paths (Day Ahead Market)
- MPM Intertie Constraint Competitive Paths (Day Ahead Market)
- MPM Nomogram Branch Shadow Prices (Hour Ahead Scheduling Process)

CMAI
North America Aromatics Weekly report was added in January, 2012

EOX Live
Power Curve is a new addition to the reports of this data provider.

Enerdata
CGPR Monthly and CGPR Daily Market Summary were added in February, 2012.

NGX
ZEMA now collects CS Index Price Details for this Canadian natural gas exchange

OPIS
10 AM Rack and 10 AM Rack Biodiesel are OPIS Contract Averages that represent a snapshot of all supplier postings at approximately 10 AM EST.

PJM
Another data report, eDataFeed Constraint, is being collected effective January, 2012, for the busiest transmission operator.

Shell Canada
Daily Crude Oil Price is another addition to the data reports from this oil corporation.

TransCanada
Newly collected data for the TransCanada energy infrastructure network consists of Fuel Ratios, IT Bid Tolls and Approved Interim Tolls.
ZEMA Expands its Renewables Portfolio to Meet Growing Demand

Renewable generation is now a significant factor in many of the most important global energy markets. This has driven an increase in the diversity of renewables data that ZEMA offers; a demand driven by the greater importance, as well as risk, posed by this unpredictable generation capacity. This importance was driven home when Germany announced that it is planning to invest $263 billion dollars in offshore wind farms to replace the generation lost by shutting down its nuclear facilities. The implications of this will reach far beyond the borders of Germany, and looks like a balancing act between Russian gas, Northern European wind and French nuclear power. Not an easy balance to be sure, and one that will certainly put a strain on the management capabilities of many European utilities.

Germany is not the only major economy to make a serious investment in renewables. The countries with the largest investment in renewables technology in 2011 were the U.S. at $48 billion, and China at $45 billion. In fact, between 2004 and 2011, over one trillion dollars was invested in clean energy, globally. While this has certainly made the generation profile cleaner, it has added to the complexity of both the infrastructure and the information that must be managed. For this reason, ZEMA, as an energy and commodity market data management system, plays an integral and growing role in many companies. Its ability to automate the management and analysis of disparate internal and market data, and the ease with which it is able to integrate with other systems, makes it an obvious choice for companies struggling to manage this growing complexity—either manually, or with in-house systems.

The story does not end with wind, as solar power, though only a small percentage of the overall generation capacity, will play a significant role in several important markets, particularly in California. How “The Big Three” will manage this half day generation and still meet their mandated renewable energy limits of 30% remains to be seen, but there is a tool that can help them.

For more information about ZEMA and how it can help your company manage energy and commodity market data, please visit our website at www.ze.com.

Argus Media and ZE PowerGroup Host a Complimentary Webinar on Gas and Power Curves

Argus Media and ZE are excited to invite you to a joint webinar taking place on April 16, 2012 8:00am - 9:30am (PST), 11:00am-12:30pm (EST). Argus Media and ZE have extensive experience in North American Power Markets. Our shared understanding of market principles allows us to develop products that are uniquely tailored to the power markets. We have been deeply involved in supporting clients since the first competitive power market opened in 1996.

The new power, natural gas and heat rate forward and volatility curves provide market participants with critical data that can support trade, risk and end of day processes. These curves can be automatically populated in ZEMA and are immediately accessible for analysis and timely availability to ETRM systems. ZEMA acts as the permanent repository for the curves and all other mission critical market data.

The webinar will feature a detailed review of the Argus curve products and demonstrate the functionality of ZEMA. The faculty includes Al Pollard, VP Risk Management Products, Argus Media; Ganze Hayden, Forward Curves Analyst, Argus Media; Aiman El-Ramly, Chief Strategy Officer, ZE; and Waleed El-Ramly, Chief Operating Officer, ZE.

**Agenda**

- Market Update
- Energy and Commodity Convergence
- Argus Forward Curve Products
  - Electricity Forward Curves
  - Natural Gas Forward Curves
  - Heat Rate Forward Curves
  - Correlation Curves
- Curve Specifications and Development Methodology
- Applications of Forward Curves
- ZEMA as a Data Aggregation Tool
- Methods for Data Analysis
- Business Process Automation Using ZEMA
- Using ZEMA for Curve Visualization and Construction
- Building Complex Curves
- Integration with ETRM Systems

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For more product information please visit: www.ze.com
Commodities and Energy Market Data in Emerging Economies: Latin America.

By Olga Gorstenko and Yi-Jeng Huang

The sheer volume of market data sources and products in developed markets, like Europe and North America, is staggering and growing ever more quickly. Market participants have to constantly monitor changes from a bewildering array of products offered by public exchanges, private data providers, brokers, and government agencies. Volume and fluidity of data is the challenge of established markets. Understanding market data from emerging markets presents a fundamentally different set of challenges that is no less complex.

Emerging economies usually undergo painful and winding market building processes. These emerging markets would then presumably, attract risk-tolerant investors looking for diversified investments, lower production costs, as well as the “first-mover advantage”. To attract these savvy international investors, countries hosting new marketplaces must establish political and economic stability and support this foundation with well-defined regulatory systems. In the next two issues, we will take a closer look at the emerging markets of Latin America.

Latin America’s GDP growth remained at about 5% during the first half of 2011. By comparison, US GDP remained below 2% during the same timeframe. The main contributors to this growth are the so-called LA5, namely Brazil, Chile, Colombia, Peru and Uruguay. The GDP growth was driven by rising exports from these five financially integrated commodity exporters. Central America also looked strong, fueled by domestic demand and increased agricultural exports. In contrast, growth for the tourism dependent (and increasingly debt-ridden) Caribbean remained anemic.

Looking forward into 2012, the IMF forecasts the overall GDP growth in LA to be around 4% under the baseline scenario. Under this scenario, Europe is expected to contain sovereign debt problems and Asia will continue to prop up commodity prices with its dynamic growth. The IMF admits that downside risks include a further deepening of the crisis in the Eurozone, which would disrupt global credit markets, depress global trade, and heavily depress the demand for commodities.

Historically, the region has been dependent on commodity exports; this remains true today. The composition of commodities traded however, has changed significantly over the last 40 years. Agricultural products decreased in importance giving the floor to metals and energy products.

Selected Latin American Countries: Contribution to GDP Growth¹

Looking forward into 2012, the IMF forecasts the overall GDP growth in LA to be around 4% under the baseline scenario. Under this scenario, Europe is expected to contain sovereign debt problems and Asia will continue to prop up commodity prices with its dynamic growth. The IMF admits that downside risks include a further deepening of the crisis in the Eurozone, which would disrupt global credit markets, depress global trade, and heavily depress the demand for commodities.

Figure 1: Seasonally adjusted annual (and PPP-GDP weighted averages) of Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico, Paraguay and Peru.³

Figure 2: South American Commodity Markets – Import/Export⁶

Figure 3: Mexico and Central America Commodity Markets – Import/Export⁶

³ http://www.bea.gov/newsreleases/glance.htm
⁴ IMF Regional Economic Outlook, Western Hemisphere, p. 17
⁶ IMF Regional Economic Outlook, Western Hemisphere, page 50.
Commodities and Energy Market Data in Emerging Economies: Latin America.

The analysis of the region by country showed that more developed local economies have been moving away from exporting agricultural products with net commodity exports comprising a significantly smaller portion of GDP, in comparison with less developed countries.

Mexico

As Mexico’s economy diversified over time, its net energy exports decreased from 50% in the 80s to 15% in 2010 comprising 4% of GDP in the 80s and 1% in 2010.

Brazil

Brazil, one of the most developed regional economies, has not been relying much on exporting commodities with net exports not ever reaching 5% of GDP. The dependence on agriculture has been replaced with higher exports of metals and energy. Having recently made vast oil discoveries, Brazil is expected to become a global major oil producer and exporter in the nearest future.

Chile

Chile has remained a metal net exporter over the last fifty years with metal accounting for about 80% of total exports of goods and services. Chile has been demonstrating a higher degree of commodity dependence, with metals amounting to 20% of GDP in 2010.

Colombia

Colombia has shifted its focus over the last five decades from being a net agricultural exporter in 1970–80 to being a net exporter of energy in 1990-2010 with the share of energy exports increased from less than 5% to 50% over the same timeframe.

Net agricultural exports declined from being 5% of GDP to less than 1% while net energy exports gushed from 1% to 8% over the same period.
Similar to Chile, Peru has retained metals as its core export category throughout the period under study. Metals have consistently been retaining a large share of exports accounting, on average, for about 40% of total exports of goods.

Uruguay has been consistently and increasingly relying on exports over the last 50 years. Animal and agriculture exports dominate and are increasing.

The analysis of trading activities shows that South American nations maintain a net exporter status with energy and metals increasing their importance relative to agriculture. This trend gives these countries a competitive edge as the constantly growing global demand for energy puts energy producing countries in a better competitive space. Central America, on the other hand, has seen a reduction in exports and an increase in energy imports.

Another indicator of expanding economies is an explosion in the market capitalization of the companies listed on stock exchanges over the last five years. Below is the graph showing average market capitalization of companies listed in Latin America stock exchanges (TSX added as comparison since Canada is an advanced economy dependent on commodity exports).

After year 2002, companies listed on Latin America stock exchanges grew rapidly. These firms are fewer in number compared with Canada, but have greater average capitalization. A large proportion of them are tied to the commodities export business. The market shocks of 2008 and subsequent commodity price drops affected stock exchanges significantly; Brazil’s BM&FBOVESPA experienced the largest drop in value. Yet, by 2010, companies listed on Latin American exchanges had surged in market cap, with Brazilian companies dwarfing their Canadian counterparts listed on the TSX.

Latin American countries have been growing consistently with their GDP’s and stock exchanges surging over the last decade. Being net exporters and shifting their focus towards energy products and metals makes them more competitive globally and slowly drives them (especially Brazil) into the circle of the world nations that have geopolitical influence. On the other hand, remaining dependent upon commodity exports makes them particularly vulnerable to price shocks, especially in the event of a global economic crisis. This was demonstrated in 2008-2009 when financial turmoil wiped out global demand for goods and effectively slashed exports forcing the Latin American GDP into the negative territory. However, this was an extraordinary event. Overall, the region has been on a rise supported by a vast base of natural resources and technological advances.

This, however, does not mean that an open market is easy to build or emulate. In the next issue, we will discuss the measures that nations’ regulatory authorities have put in place to support a competitive marketplace, the realization of these measures and the actual growth in the volume of commodity and energy market products.
Complimentary Lunch & Learn | April 10, 2012 | Houston, TX

Data Management for Energy and Commodities: Challenges for Enterprise Systems

Our complimentary Lunch and Learn in Houston, Texas is filling fast! We encourage you to register today as space is limited. This event will be held at the Champions Pavilion at Minute Maid Park from 9:00 a.m. to 6:15 p.m. and will focus on:

- Understanding the Data Universe
- Market Approaches to Forward Curve Development
- ETRM Systems Integration
- Developments in North American Energy Markets
- Curve Construction and Automation
- Case Studies

Following the workshop, participants are invited to join us for the Houston Astros' 50th Anniversary baseball game. We will also be hosting a golf scramble at 8:00 a.m. the next morning, April 11, at Hermann Park Golf Course.

To register follow the link or call 1-866-944-1469 (toll-free)

Sponsored by:

About ZE PowerGroup Inc
ZE is an experienced software and strategic consulting firm that combines energy industry expertise with advanced software development capability. The company possesses deep industry knowledge and comprehensive operational experience. ZE is the developer of ZEMA Suite, a sophisticated Enterprise Data Management and Analysis solution built to meet the specific challenges of energy and commodity market participants.

About ZEMA
ZEMA is an enterprise data management suite designed for collecting data and performing complex analysis. ZEMA replaces fragmented data collection and analysis processes with a sophisticated, unified and automated data management system. Each ZEMA component can perform as an independent product; this means greater flexibility when integrating ZEMA into your organization. ZEMA is consistently ranked #1 for preferred system, #1 for ease of system integration, and #1 for customer service. ZEMA is easy to use and backed by our support team around the clock.

Disclaimer
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