California gets more real-time energy trading

ENDEX to replace APX-ENDEX

NYIndex by WSJ tracks influential New Yorkers

Social Media analytics reported by NYSE

The State of Fracking Globally: Who’s Playing Catch-Up on the US
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Power Markets

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Agriculture, Forestry and Metal Markets

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Platts Discontinued Tantalite Ore Assessment
Platts to Discontinue Japan, China Molybdenum Assessments
NCDEX Postpones Launch of Pepper Futures
CME Transitions KCBT to Chicago Trading Floor
Platts Reduces Frequency Assessment of Copper TC/RC

In Depth

The State of Fracking Globally: Who’s Playing Catch-Up on the US

Shale gas has been pitted as one of the main drivers for economic recovery in the US. Earlier this year, during his state of the Union address, President Barack Obama said the American oil and gas boom of recent times had swept the country into a state of optimism. During his speech the President quipped that his “administration will keep cutting red tape and speeding up new oil and gas permits”. Perhaps an indication of what the next four years are likely to entail.
It was the pending offering of social media sentiment statistics by NYSE Technologies and Social Market Analytics that triggered my interest in how energy businesses are handling the current social media craze.

The social media monitoring engine created by NYSE was designed to help traders make better decisions when trading individual stocks, ETFs, indices, and other financial instruments. This new tool measures real-time interactions from social media sources relative to their historical levels and offers customers additional measurements to bolster their market analysis and decision-making processes. Whether it actually works or not, and whether traders actually care about these measurements is yet to be seen. One thing is for sure: traders are agile and are likely to try various tools, applications, information sources – pretty much anything what will help them make timely and sometimes costly decisions.

The giants of social media have been in existence for less than 10 years and have experienced growth to be envied by any business:

- Facebook was started in 2004 and now has over one billion users
- YouTube launched in 2005 and is now available in 54 languages
- Twitter created in 2006 has 200 million users
- Google+, since its start in 2011, has acquired 500 million users

It seems like everybody is on the Facebook, shares news on Twitter and uploads videos on YouTube. Software is being developed to assist businesses with outreach programs, algorithms are being developed to "listen to the web", corporations are building social media component into their business models and strategies, scholars are coming up with sets of measures to assess the effectiveness and benefits of social media to businesses. So where do the energy industry stand in all of this?

The energy industry is arguably one of the most cautious when it comes to changing its approach to business operation processes. From the long view taken by its members (remember, it takes longer than ten years to have a nuclear or large hydro plant reviewed, approved and built), a decade of social media fascination and hype seem somewhat embryonic. Yet, to my surprise, and pleasantly so, the industry is not as archaic as one would have imagined.

It is not surprising that the oil and natural gas giants are masters of the social media game. I never doubted that this would be the case in an industry where reputational management is so important. Then I looked at a less promising group of contenders: utilities. At a very quick glance, utilities have effectively been using various social media outlets to communicate to their customers and employees. So far, Facebook and Twitter are the winners in this. Some utilities even have different pages to serve different customer programs. They inform clients of system setbacks, emergencies, weather changes, and educates them on energy efficiency programs and safety. At the same time, they are soliciting feedback and asking customers to report on outages and emergency situations.

It is clear to see how dynamic two-way communication through social media serves many purposes for utilities: connecting with customers helps to build trust and at the same time to improve operations, not to forget aforementioned reputation management. There are many apparent benefits when compared to conventional (isn’t it amusing to refer to TV and radio this way) communication channels. It is fast: social media are semi-official so postings do not have to go through multiple channels of internal approvals. It is effective: social media avoids formal lingo so that the customers do not have to decipher and filter through many paragraphs of press releases before getting to the very sentence that says it all (if it does at all). It is efficient: social media run on mobile devices as a source of information during storms and hurricanes, when all other communication devices are simply destroyed by the force of nature.

And last, but definitely not least, it’s important to consider are the regulators. The Department of Energy (DOE) is setting the pace for regulators by tweeting several times every day to almost 10k of its followers and communicating through Facebook’s postings and multiple videos on YouTube. FERC is trying to keep up with the DOE – it has a Twitter account with almost 5,000 followers and a Facebook page. They might not be that flashy but they do keep the audience informed of the most recent releases and events. NERC is somewhat lagging behind; I could not find anything on their website.

With regulators playing the game, it is mostly anticipated that everyone in the industry has to be on the same social media page. Whether or not at some point of time we will see analytics and statistics developed and reported for this sector - is certain, for now at least.

Olga Gorstenko
Elia System Operator and TenneT Holding Confirm the Launch of APX

Effective March 1, 2013, APX, the new spot power exchange who recently separated from APX-ENDEX, is now live. The company continues to be run by former CEO of APX-ENDEX, Bert den Ouden, and former Management Board member for APX-ENDEX, James Matthys-Donnadieu. In addition, the share capital is held by the electricity transmission system operators TenneT Holding B.V (70.8%) and Elia System Operator N.V (29.2%).

Although newly separated, APX still remains a leading platform for power spot contracts across Belgium, the Netherlands, and the UK. With increased strategic flexibility, APX aims to further develop these markets and provide participants with high quality trading and clearing solutions. APX will clear all power spot trades executed on the APX platform, as well as build upon the current spot market clearing solution by providing spot trade clearing services to other exchanges. This action will benefit all market participants.

OTE Joins the Price Coupling of Regions Initiative

On March 4, 2013, the project partners of the Price Coupling of Regions (PCR) announced partnership with the Czech Market Operator (OTE) on an initiative to facilitate the pan-European coupling of day-ahead power markets. PCR is the Initiative to develop a single price coupling solution to be used to assess electricity prices across Europe. This is crucial in order to achieve the overall EU target of a harmonized European electricity market aiming to increase liquidity, efficiency and social welfare. The initiative is open to other European Power Exchanges wishing to join as the Power Exchanges involved in the PCR Initiative aim to develop a wider cooperation all over Europe.

PCR is based on three main principles: the use of a single algorithm, robust operation and individual Power Exchange accountability. The PCR system service enables the exchange of anonymous orders and area-to-area transmission capacities among the Power Exchanges to calculate area prices as well as other reference prices and area-to-area cross border-transmission flows for all involved bidding areas.

CAISO and PacifiCorp Aim for a Real-time Energy Market

On February 12, 2013, a Memorandum of Understanding was released by PacifiCorp and the California Independent System Operator Corporation (CAISO) stating the two US grid operators will work towards producing a real-time energy imbalance market (EIM) by October 2014. If plans go ahead, PacifiCorp will engage in a co-optimized real-time energy market handled by ISO. Goals of this project include a strengthening of grid reliability, integration of renewable resources, and keeping costs down for customers. The ISO Board of Governors will meet this month to decide whether they will proceed with negotiations on a formal agreement between the two companies.
CME Adds Cross Continental Fuel Oil Swap Futures

On March 11, 2013, CME listed the following Singapore Fuel Oil 380 cst (Platts) vs European 3.5% Fuel Oil Barges FOB Rdam (Platts) futures on CME Globex. These contracts are listed with, and subject to, the rules and regulations of NYMEX.

<table>
<thead>
<tr>
<th>ICE Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>EVC</td>
<td>Singapore Fuel Oil 380 cst (Platts) vs. European 3.5% Fuel Oil Barges FOB Rdam (Platts) Futures</td>
</tr>
<tr>
<td>SFB</td>
<td>Singapore Fuel Oil 380 cst (Platts) vs. European 3.5% Fuel Oil Barges FOB Rdam (Platts) BALMO Futures</td>
</tr>
</tbody>
</table>

For EVC and SFB contract specifications click here.

CME Launches Butterfly Spreads for Brent Crude Oil Last-Day Financial Futures

Effective March 17, 2013, CME lists butterfly spreads for the Brent Crude Oil Last-Day Financial futures on CME Globex for trading. Six one-month butterfly spreads will be available upon launch. Butterfly spreads consist of three instruments within the same product with equally distributed maturity months.

This contract is listed with and subject to the rules and regulations of NYMEX.

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<thead>
<tr>
<th>ICE Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>BZ</td>
<td>Butterfly Spreads for Brent Crude Oil Last-Day Financial Futures</td>
</tr>
</tbody>
</table>

For contract specifications click here.

Gasunie Launches ENDEX Derivatives and Spot Gas Exchange

On March 1, 2013, Gasunie - a Dutch natural gas infrastructure and transportation company - announced the launch of ENDEX. The launch of ENDEX follows the decision by APX-ENDEX to demerge into a power spot and clearing entity and a derivatives and spot gas entity, announced on September 17, 2012. At the same time, ICE and Gasunie announced an agreement to form a new company based on the derivatives and spot gas business of APX-ENDEX, whereby ICE would acquire a 79.12% share and Gasunie would hold a 20.88% share.

Following the demerger of APX-ENDEX, Gasunie is now the sole shareholder in ENDEX. Based on an agreement in September 2012, Gasunie will continue to work with ICE in respect of obtaining regulatory approvals. ENDEX aims to provide a liquid, transparent and widely accessible continental European trading hub for natural gas and power derivatives, gas balancing markets and gas storage services, including the Title Transfer Facility (TTF) Virtual Trading Point in the Netherlands, the UK On-the-Day Commodity Market (OCM) and the Belgian Zeebrugge Trading Point (ZTP).

It’s a matter of time before ENDEX shows whether it can build on the success of its predecessor, APX-ENDEX, to serve as a major European trading hub for natural gas with technology and clearing solutions for market participants.

Platts Launched New Dubai, WTI Swaps

On March 1, 2013, Platts launched new Dubai and WTI outright crude swap assessments, Brent-Dubai ESS (Exchange of Swaps for Swaps) assessments and Dubai, Brent and WTI crude inter-month time spreads. This completes the suite of Platts coverage of these assessments for the three main pricing regions of Singapore, Houston and London. The assessments will be published to reflect value at 16:30 London time. All time-spreads and Dubai and WTI outright swap assessments will be published to incorporate 36 calendar months, including 12 quarters and 3 years. This is the same granularity shared by Platts 16:30 London time, Brent frontline outright and WTI/Brent differential swap assessments.
Argus Announced the First Australian OTC Coal Deal

On Feb 8, 2013, Argus announced the first API 5-linked over-the-counter (OTC) coal spot deal brokered by Marex Spectron for a 75,000t shipment of NAR 5,500 kcal/kg coal from Newcastle. In May 2012, the API 5 index was launched jointly by Argus and IHS McCloskey Coal, which quickly gained the confidence of the coal trading community as a reliable, independent price assessment.

Australian coal exports have been increasing in 2012 from the last year levels, although coal exports in 2011 were reduced by heavy flooding in Queensland. Argus and IHS McCloskey Coal publish a series of API indexes, which are used to settle close to 90 percent of the world’s internationally traded coal derivatives.

Platts Adds New Locations for North American Gas

Effective March 27, 2013, for the flow date of April 1, Platts added two new locations to its daily and monthly bidweek North American spot-price surveys. This follows a period of market feedback. They are the Transcontinental Gas Pipe Line, Leidy Line receipts and the Tennessee Gas Pipeline, Zone 4-200 leg.


The Transcontinental Gas Pipe Line, Leidy Line receipts (daily and monthly surveys) is described as “deliveries to Transco’s Leidy Line downstream of the Leidy/Wharton storage facilities in Clinton and Potter counties, Pennsylvania, to Transco’s Station 505 in Hunterdon County, New Jersey. This pricing location does not include transactions at the storage-related interconnects with Dominion Transmission, National Fuel Gas Supply, UGI Storage or Tennessee Gas Pipeline.”

The Tennessee Gas Pipeline, Zone 4-200 leg (daily and monthly survey) is described as “deliveries into Tennessee at all points of receipt on the 200 line in the states of Pennsylvania and Ohio, as well as transactions at Tennessee’s Station 219 pool. This location does not include deliveries from Tennessee to other systems in zone 4.”

Platts Proposes CFR Korea Isomer-MX Price Assessment

On May 6, 2013, Platts is seeking feedback on a proposal to launch a daily price assessment for CFR Korea isomer-grade mixed xylenes. The isomer-MX would meet the specifications under ASTM D5211 or ASTM D843. The daily price will reflect cargo sizes of 3,000 to 5,000 mt, with credit terms of 30 days letters of credit for Asian origin and 60 days LC for deepsea origin for deliveries to Daesan, Ulsan, Yeosu and Inchon.

Comments can be sent to pl_asia_petchem@platts.com with a copy to pricegroup@platts.com by March 31, 2013.

CME Delists Singapore Gasoil Contracts

Effective January 2, 2013, NYMEX delisted back contract months for three Singapore Gasoil contracts. This means the last listed contract month for these contracts is December 2012. The exchange announced that it is self-certifying the delisting of these contracts upon termination of trading on December 31, 2012 and removal of contract language from the Exchange rulebook. These products were listed on CME ClearPort® and the NYMEX trading floor.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>SZF</td>
<td>Singapore Gasoil 0.05% Sulfur (Platts Futures)</td>
</tr>
<tr>
<td>SZL</td>
<td>Singapore Gasoil 0.05% Sulfur (Platts BALMO Futures)</td>
</tr>
<tr>
<td>SZZ</td>
<td>Singapore Gasoil 0.05% Sulfur (Platts) Futures vs. Singapore Gasoil (Platts) Futures</td>
</tr>
</tbody>
</table>
Platts Ceased Publishing API Data

Effective March 1, 2013, Platts ceased publishing data from the American Petroleum Institute, affecting the following Platts third party market data categories:

<table>
<thead>
<tr>
<th>MDC</th>
<th>Previous Description</th>
<th>New Description</th>
</tr>
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<tbody>
<tr>
<td>AF</td>
<td>EIA/API PADD 4</td>
<td>EIA PADD 4</td>
</tr>
<tr>
<td>AH</td>
<td>EIA/API PADD 3</td>
<td>EIA PADD 3</td>
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<tr>
<td>AI</td>
<td>EIA/API PADD 5</td>
<td>EIA PADD 5</td>
</tr>
<tr>
<td>AO</td>
<td>EIA/API PADD 1</td>
<td>EIA PADD 1</td>
</tr>
<tr>
<td>AS</td>
<td>EIA/API US/Reg Totals</td>
<td>EIA US/Reg Totals</td>
</tr>
<tr>
<td>AT</td>
<td>EIA/API PADD 2</td>
<td>EIA PADD 2</td>
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<th>Page</th>
<th>Description</th>
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<td>Weekly DOE/API Comparison</td>
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<td>Distillate and Resid Imports</td>
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<td>Mogas &amp; Resids</td>
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<td>87</td>
<td>Middle Distillate Output</td>
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<tr>
<td>88</td>
<td>Input, Utiliz./Resid Product</td>
</tr>
<tr>
<td>89</td>
<td>Mogas Output Net of Inputs</td>
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<td>95</td>
<td>Jet Kero stocks</td>
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<td>Distillate stocks</td>
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<td>Gasoline &amp; Components</td>
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<td>98</td>
<td>Crude &amp; Product Totals</td>
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<tr>
<td>99</td>
<td>API Quick Summary</td>
</tr>
</tbody>
</table>

The following Platts publications will remove all API data tables and charts:

- Oilgram Price report
- US Marketscan
- Platts Oilgram News
- LPGaswire

Platts to Cease CFR Japan SM Assessment

On February 5, 2013, Platts proposed to cease its spot weekly assessment of styrene monomer basis CFR Japan (PHABZ00), which is currently published on the Platts Petrochemicals Alert (PCA) service line, Asian Petrochemicalscan and Platts database.

Comments on this proposal can be sent to pl_asis_petchem@platts.com with a copy to procegroup@platts.com by June 30, 2013.

Platts to Discontinue Assessment of FOB Japan Butadiene

Platts is requesting industry feedback by August 5, 2013, on its proposal to cease its weekly Asian butadiene spot price assessment basis FOB Japan (PHAKD00). The proposal is currently published on Platts Petrochemicals Alert (PCA) service line, Asian Petrochemicalscan, Platts Olefinscan and Platts database.

Comments can be sent to pl_asia_petchem@platts.com with a copy to pricegroup@platts.com.

Platts to Launch Escalators for Oseberg and Ekofisk June Brent BFOE

On February 18, 2013, Platts proposed to introduce a set of price escalators reflecting quality premiums for Oseberg and Ekofisk crude oils in its North Sea Dated Brent, cash Brent (BFOE) for cargoes loading from June 2013 onwards. Buyers would pay escalators to sellers for nomination and delivery of Oseberg and Ekofisk into a physical BFOE transaction. To establish the escalators for Oseberg and Ekofisk, the net price differences between these normally premium grades and the most competitive grade of crude among Brent, Forties, Oseberg and Ekofisk during the full month prior to the announcement is observed. Published escalators for Oseberg and Ekofisk will be 50% of the observed premiums for those two crudes to the most competitive BFOE crude oil. If the observed price difference between the grades is less than 50 cents/barrel, no price escalator will be announced.

A mid- and year-end review of escalators is being considered by Platts to publicly examine and address application issues. Assessment processes for Dated Brent and related instruments would also be considered for escalators, while Brent or Forties would remain escalator-free.
Platts to Align NWE Benzene Forward Curve Month Roll

Effective February 8, 2013, Platts is inviting feedback on a proposal to align the timing of month roll in the NWE benzene CIF ARA forward physical curve with that of the NEW M1/M2 benzene spot assessments. The timing of monthly roll for the CIF ARA forward physical curve would therefore be moved forward from the first calendar day of each month to the fifth UK working day prior to the first UK working day of the first contractual month.

Comments and queries can be sent to petchem@platts.com with a copy to pricegroup@platts.com by March 6, 2013.

Platts to Update CFR China SM Assessment Delivery Ports

Platts is proposing to exclude the ports of Nanjing, Shanghai and Zhenjiang from its CFR China styrene monomer assessment, based on preliminary market feedback suggesting these ports are seldom selected as delivery locations effective May 6, 2013. The current assessment includes deliveries to seven ports in total. The other four ports are Jiangyin, Nantong, Ningbo, Zhangjiagang.

Comments can be sent to pl_asia_petchem@platts.com with a copy to pricegroup@platts.com by March 31, 2013.

CME Expands Brent Last Day Financial Futures TAS Contract Months

Effective March 17, 2013, NYMEX expands the list of Trade At Settlement (TAS) contract months for its Brent Last Day Financial Futures for the next trade date. The contract is listed for trading on CME Globex and for clearing on CME ClearPort. NYMEX will extend the listing of TAS to the second and third contract months for Brent Last Day Financial Futures.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>BZT</td>
<td>Brent Last Day Financial Futures at Settlement</td>
</tr>
</tbody>
</table>
Platts Publishes Contract Price Premiums for Iron Ore Lump

Effective March 15, 2013, Platts started to publish lump contract price premiums for Australian lump, which have been agreed by suppliers and Chinese steelmakers. Updated every quarter and representing the most commonly traded brands, the lump premium will be published on a dollar/dry metric ton unit basis. Platts published lump premiums will reflect their understanding of what most Chinese mills have agreed to and will exclude premiums that are settled under known, special circumstances. The contract price premium will be published in a range and will appear in the Platts SBB Steel Markets Daily, on Platts Metals Alert and in the Platts SBB Steel Price Analyzer. It will replace the SBB Hamersley Pilbara Bld Lump 63.5% Fe Jap Aus Exp FOB W Aus Port (SB01111) assessment in the Platts SBB Steel Price Analyzer.

SMX Launches E-Silver Futures

On March 7, 2013, Singapore Mercantile Exchange (SMX) launched the precious metals futures contract “SMX E-Silver”. With this new contract, market participants can hedge their exposure based on one of the most liquid precious metals futures markets globally. Additionally, the market participants are able to spread Margin benefits between the SMX E-Silver futures and the existing SMX Silver futures leading to considerable savings in their collateral cost.

Trading shall be conducted in March, May, July, September and December with five contracts being listed for trading at any time. The contract will be available for trading across multiple time zones, allowing participants in Asia, Europe and the US to trade the contract during their respective trading hours.

CME Launches Implied Inter-Exchange MGEX-KCBT Spread

On March 11, 2013, CME listed Implied Inter-Exchange MGEX-KCBT Wheat Futures Spread for trading on the CME Globex platform. This product is disseminated on MDP channel 201.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>MWEKE</td>
<td>Implied Inter-Exchange MGEX-KCBT Futures Spread</td>
</tr>
</tbody>
</table>

MGEX Announces Single-Click Spread Functionality

On February 25, 2013, MGEX announced a new single-click trading functionality between its Hard Red Spring Wheat (HRSW) and the Kansas City Board of Trade (KCBT) Hard Red Winter Wheat (HRWW). Market participants will now have the secure and convenient ability of single-click spread trading between the MGEX and KCBT wheat contracts. This new function became available on March 10, 2013.

Platts Discontinued Tantalite Ore Assessment

On February 12, 2013, Platts decided to discontinue its weekly price assessment for US spot tantalite ore (MMAGY00) after seeking industry feedback. Effective February 21, the price assessment is no longer published in Platts Metals Daily and on Platts Metals Alert. Effective February 25, it is no longer published in Metals Week.

Platts to Discontinue Japan, China Molybdenum Assessments

Effective April 30, 2013, Platts is proposing to cease conducting two regional, weekly price assessments for molybdenum oxide: moly oxide on a CIF Japan basis and moly oxide FOB China, which are published in Platts Metals Alert pages 418 and 417 respectively. Neither of the assessments have symbols nor are they being published in Platts Metal Daily or being databased. The reason for the discontinuation is to avoid a possible duplication or conflict with the global daily Molybdenum Dealer Oxide assessment, which incorporates dealer-to-consumer, producer-to-dealer, dealer-to-dealer and producer-to-consumer spot business in-warehouse European ports, delivered US and CIF Japan main ports, CIF South Korean ports and CIF Nhava Sheva/Mumbai, India.

Comments can be sent to karen_mcbeth@platts.com before March 29, 2013.
NCDEX Postpones Launch of Pepper Futures

On February 9, 2013, National Commodity & Derivatives Exchange Limited informed all trading and clearing members that the launch of Futures Contract Pepper (Symbol: PPRMLGKOC) scheduled for release February 11, 2013 has been postponed until further notice.

CME Transitions KCBT to Chicago Trading Floor

On February 4, 2013, CME announced it will transition open outcry trading for Kansas City Board of Trade (KCBT) hard red winter wheat futures and options to its Chicago trading floor beginning on Monday, July 1, 2013. This is pending a CFTC review. This transition will accelerate efficiencies and trading opportunities for customers trading both the HRW wheat and CBOT Soft Red Winter wheat varieties. KCBT wheat futures and options will continue to trade on CME Globex and be listed by and subject to the rules of KCBT.

June 28 of this year will be the last day of open outcry trading on the KCBT floor. CME plans to operate an electronic trading center in the former KCBT floor space until the end of September, providing a place for Kansas city-based traders to execute trades on CME Globex. Furthermore, beginning April 15 customers will benefit from the integration of KCBT clearing services into CME Clearing, subject to CFTC approval. This will provide cross-margining and other capital efficiencies for market participants.

Platts Reduces Frequency Assessment of Copper TC/RC

Effective March 1, 2013, Platts proposed to reduce the frequency of assessment for copper concentrate treatment and refining charges, CIF Japan (AAFGC00 and MMCCJ00), from daily to quarterly assessments. The change to quarterly reflects the established practice in Japan. It takes into account the most recently concluded deals, offers or bids for copper concentrate TC/RCs under quarterly, semi-annual or annual contracts. Platts is also proposing to align the assessment names across Platts Metals Daily, Platts Metals Alert and the Platts internal database.

The assessment names will change to: Copper concentrate TC CIF Japan (expressed as a range in dollars/mt, symbol AAFGC00) and Copper concentrate RC CIF Japan (expressed as a range in cents/lb, symbol MMCCJ00). The copper concentrate specifications remain 25-30% CU copper-in-concentrate, lumpy ore and any origin. Payment terms are 0-30 days and cargo begins leaving the port in the month following the transaction.
EPA Updates Greenhouse Gas Emissions Data

On March 2, 2013, the US Environmental Protection Agency (EPA) posted the second year of greenhouse gas (GHGs) emissions data on its website, which provides public access to emissions data by sector, greenhouse gas and geographic region.

The 2011 data is collected through the congressionally mandated Greenhouse Gas (GHG) Reporting Program. It also contains new data collected from additional source categories, including petroleum and natural gas systems and coal mines.

For facilities that are direct emitters of GHGs the data shows that in 2011:

- Power plants remain the largest stationary source of GHG emissions with 2,221 million metric tons carbon dioxide equivalent (mmtCO2e) followed by Petroleum and natural gas systems with emissions of 225 mmtCO2e. The third-largest emitting source was Refineries with 182 mmtCO2e, a half of a percent increase over 2010.

- Overall emissions reported from these 29 sources were 3 percent lower in 2011 than in 2010. In the future the data collected through the program will provide the public with the opportunity to compare emissions and developing trends for all 41 industry types by facility and sector.

EPA’s GHG Reporting Program Data and Data Publication Tool can be accessed here.

EEX Executes First Flemish EUA Auction

On February 26, 2013, the European Energy Exchange (EEX) executed the first European Union Allowance (EUA) auction on behalf of the Flanders region in Belgium. This process was launched back in 2007 by EEX and Eurex. Together, they provide a platform for participants for trading in emissions allowances. During the auction, 16 companies bid over 2 million EUA that was sold for 4.29 Euro/ EUA. The auction is the first of four, in which a volume of at least 8 million EUA is set to be sold by the Flemish region.

NYSE Euronext and Bloomberg Rename Clean Energy Indices

On March 1, 2013, NYSE Euronext and Bloomberg renamed their family of clean energy indices from NYSE BNEF TO NYSE Bloomberg to highlight the involvement of both NYSE and Bloomberg in this clean energy index series. The tickers of the indices are also updated to ensure that they are easy to find and track.

The clean energy indices are based on Bloomberg’s New Energy Finance’s database of organizations involved in clean energy and related sectors. Bloomberg New Energy partners with NYSE Euronext to benefit from the exchange’s experience in investable indices and exchange-traded products. NYSE Euronext has been involved in developing and calculating clean energy equity index products for the better part of a decade.
ICAP Launches i-Swap in the US

On February 15, 2013, ICAP launched i-Swap, an electronic interest rate derivative platform for the trading of US dollar interest rate swaps. This will provide new levels of transparency and a complete audit trail. Once the new rules are issued by the Commodity Futures Trading Commission (CFTC), ICAP plans on registering i-swap as a Swap Execution Facility and will operate in compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act.

CME Lists 5-Year Eurodollar Mid-Curve Options

On March 11, 2013, CME listed the 5-Year Eurodollar Mid-Curve options for trading. Eurodollar Mid-Curve options provide a wide variety of hedging and trading opportunities on the mid-range of the yield curve. The new 5-Year Mid-Curve options are listed with four quarterly and two serial expirations. Since these new options are short-dated, they offer a low premium, high-time decay option alternative for trading this part of the curve. The trading venues are open outcry and on CME Globex.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>GE5</td>
<td>5-Year Eurodollar Mid-Curve options</td>
</tr>
</tbody>
</table>

The trading venues are CME Globex and CME ClearPort.

EBS Launches Two New Rupee Products in India

On February 03, 2013, EBS announced the launch of two new products on the EBS Market. The first trade in EUR/USD was executed by a major Indian private sector bank on the EBS Market on January 24. Spot USD/INR (US dollar/Indian rupee) prices are now available for onshore bank customers to trade. The Indian rupee is one of the top 20 most traded currencies globally and this is set to increase when it becomes fully convertible.

In a first for an electronic trading platform in India, the INR Fix is now also available for onshore bank customers to trade on the EBS Market and will provide traders with the ability to match corresponding interests to buy and sell trades. In addition to spot USD/INR and the INR Fix, banks in India that satisfy eligibility criteria now have the opportunity to trade all G7 currencies available on the EBS Market, in addition to a wide range of emerging market currency pairs.

Eurex Lists Four New MSCI Index Derivatives

On March 11, 2013, Eurex Exchange listed new derivatives on global MSCI indices including futures and options based on the MSCI World, MSCI Europe, MSCI All Countries Asia Pacific ex-Japan and futures. Later this year in July, other derivatives on regional and country-specific MSCI emerging markets indices will be launched. A total of around 30 new index derivatives will be launched in two phases. The two planned product launches will grow the existing offering of equity index derivatives, which currently covers 70 different indices to around 100. Eurex is the only exchange in the world to offer options as well as futures on regional MSCI indices. Thus, Eurex can offer significant cost advantages for pledging collateral.

All MSCI index-linked contracts (except the euro-denominated MSCI Europe) are USD-denominated contracts with cash settlement. Maturities of up to 12 months are offered for futures and up to 24 months for options.

BM&FBOVESPA Starts Trading New Interest Rate Derivatives

On March 1, 2013, BM&FBOVESPA started trading new financial derivative contracts referenced to the average rate of one-day repurchase agreements, backed by federal securities. Trading in the contract is authorized between 9:00 am to 4:00 pm under ticker symbol OC1, with the April 2013 contract as the front month.

The contract size will be 100,000 points (BRL 100,000) and the reference is the effective annual interest rate based on 252 business days. The quotation of each contract is given in effective rates and its value is converted into the Unit Price in points. The reference rate used for this futures contract will be an average rate representing daily trading in repurchase agreements backed by federal securities via the Special System for Settlement and Custody managed by the Central Bank of Brazil.
Xetra Launched db X-trackers Nikkei 225

On February 25, 2013, a new equity index Exchange-Traded Fund (ETF) issued by db X-trackers has been made available for trading in Deutsche Börse’s XTF. The newly added db X-trackers Nikkei 225 UCITS ETF (DR) allows investors to participate in the performance of the Nikkei Stock Average Index. The reference index comprises the 225 largest stock corporations on the Tokyo Stock Exchange, which are checked at regular intervals with regard to market liquidity factors and sector weighting.

The trading volume and the level of price volatility in the last five years are taken into account when assessing market liquidity. The most liquid stock corporations are then assigned to the six sectors: technology, financials, consumer goods, materials, capital goods/other and transportation/utilities.

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<tr>
<th>Description</th>
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<tr>
<td>ETF name: db X-trackers Nikkei 225 UCITS ETF (DR)</td>
<td>LU0839027447</td>
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Five New iShares ETFs Launched on Xetra

On February 11, 2013, four new equity index ETFs and one new bond index ETF issued by iShares have been tradable in Deutsche Börse’s XTF segment. The aim of the four new ETFs is to track the performance of stock corporations, which have exhibited low volatility in the past. Investors are able to focus on the following corporate markets: emerging markets, Europe, the USA and the market as a whole. On the other hand, the iShares Global High Yield Bond gives investors access to the US dollar, British pound, Canadian dollar and euro-denominated corporate bonds from industrialised countries with a sub-investment grade rating. The remaining maturity for new bonds is at least 1.5 years and no more than 15 years. To maintain diversification, no single issuer may account for more than 3% of the index.

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<thead>
<tr>
<th>Description</th>
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<td>DE000A1KB2B3</td>
<td>Equity Index ETF</td>
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<tr>
<td>iShares MSCI Europe Minimum Volatility</td>
<td>DE000A1KB2C1</td>
<td>Equity Index ETF</td>
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<tr>
<td>iShares MSCI World Minimum Volatility</td>
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<td>Equity Index ETF</td>
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<tr>
<td>iShares S&amp;P 500 Minimum Volatility</td>
<td>DE000A1KB2E7</td>
<td>Equity Index ETF</td>
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<tr>
<td>iShares Global High Yield Bond</td>
<td>DE000A1KB2A5</td>
<td>Bond Index ETF</td>
</tr>
</tbody>
</table>

FTSE and TMX Datalinx Create New Global Fixed Income Index Business

On February 27, 2013, FTSE Group and TMX Group signed a definitive agreement to combine their fixed-income index businesses in a new joint venture. FTSE TMX Debt Capital Markets will be the third largest fixed-income exchange traded fund (ETF) index provider globally. Together both indices are used as benchmarks for more than C$1 trillion in fixed income assets. FTSE holds a 75 percent majority stake in the joint venture while TMX Group owns a 25 percent stake.

FTSE TMX Debt Capital Markets can build on the successful track record of FTSE and TMX Datalinx to provide innovative fixed-income index and analytical products and services. The transaction will significantly strengthen FTSE’s position in fixed-income, the second largest asset class globally with approximately C$13.7 trillion invested.

ICE Launches Cetip | Trader

On February 25, 2013, ICE and Cetip S.A. jointly launched fixed income trading platform Cetip | Trader. The launch follows a successful beta test, which started in the last August and final regulatory approval from the Brazilian securities regulator Comissao de Valores Mobiliarios.

Cetip | Trader offers market investors and traders access to voice confirmation, electronic trading and historical data in a single platform. Over the past few months, it has been thoroughly tested in a simulated trading environment with approximately 80 institutions entering more than 100,000 mock trades. While the platform was initially developed for corporate and government bonds; its flexible architecture is adaptable for other products driven by market demand. Cetip | Trader also supports ICE’s post-trade processing service.

Ricardo Vit, Cetip Trading Solutions Manager, said: “In addition to easier access to liquidity and execution, the complete solution also aims for better operational risk mitigation and total cost reduction on the life of a trade. ICE Link allows standardization in the trade workflow and better data integrations with counterparties and internal systems. This provides market participants a level of automation never before experienced in the Brazilian over-the-counter market.”
NYSE Liffe Lists MSCI Europe Index

On March 1, 2013, NYSE Liffe extended its suite of derivatives based on MSCI indices to the London Central Order Book. This Contract is the first of a range of products linked to MSCI indices that will be made available on the Central Order Book. The MSCI Europe Index is a free float-adjusted market capitalization weighted index, which is designed to measure the equity market performance of the developed markets within Europe.

The MSCI Europe Index consists of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

Eurex Expands its Product Offering on French Government Bonds

On March 11, 2013, Eurex Exchange introduced a new interest rate future, the Mid-Term Euro-OAT Future, which is based on notional medium-term bonds issued by France (“Obligations Assimilables du Trésor” – OAT). Together with the long-term Euro-OAT Futures which were introduced in April 2012, the contract complements the existing segment and offers market participants a hedging instrument. This enables the hedging of risks and basis trading in the mid-term maturities range of the French yield curve.

The Mid-Term Euro-OAT Future is based on deliverable bonds with a residual maturity of 4.50 to 5.50 years with an original maturity of not more than 17 years. As with the existing futures contracts, the notional coupon will be 6 percent and the contract value 100,000 euros. The minimum tick size will be fixed at 0.01 percent (10 euros per tick) in line with the tick sizes of the other Eurex interest rate futures.

Clearstream’s Direct Link to Russia Goes Live

On March 4, 2013, Clearstream announced its link to Russia is operational and ready to serve Russian market investors and traders. Clearstream’s direct link to the new Russian Central Securities Depository (CSD) the National Settlement Depository (NSD), went live on February 28, 2013. This offers custody prices for settlement in Russian government bonds (OFZ). Market participants can now settle securities transactions more efficiently – in Russian roubles – and more securely within this single system, the new Russian NSD. Clearstream offers enhanced access to seven CEE markets: Hungary, Poland, Czech Republic, Slovak Republic, Romania, Bulgaria, and Slovenia. These links form part of a program to develop the firm’s global reach which offers customers access to 53 markets world – the largest International Central Securities Depository settlement network.

With the link to Russian NSD live since February 28, 2013 and partnership with Deutsche Bank Moscow Ltd., Clearstream offers FOP custody in OFZ bonds at competitive market prices which are up to 52 percent lower than Clearstream’s existing rates.

S&P/ASX 200 VIX Available in Real Time

On February 28, 2013 the S&P/ASX 200 VIX, Australia’s equity market volatility benchmark was made available in real time. This replaced the current end-of-day VIX index by using real-time bid/ask prices of S&P/ASX 200 index options to calculate the VIX index value.

The VIX is an instrument used to monitor the level of near-term volatility in the Australian benchmark equity index. It implies market expectations of the volatility in the S&P/ASX 200 over the next 30 days and provides an indicator of investment sentiment.

Interest in derivative products over the VIX in Australia has grown since the launch of the end-of-day VIX index in 2010. The real-time VIX is an important requirement for ASX to launch VIX futures, which is set to launch near the end of this calendar year.
CME Delists 30-Year Treasury Bond Futures vs. 30-Year USD Interest Rate Swap Futures

Effective March 17, 2013, the 30-Year Treasury Bond Futures vs 30-Year USD Deliverable Interest Rate Swap intercommodity spread will be delisted from CME Globex for the next trade date. These contracts are listed with, and subject to, the rules and regulations of CBOT.

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<tr>
<th>CME Code</th>
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<tr>
<td>ZB</td>
<td>30-Year Treasury Bond Futures vs. 30-Year USD Deliverable Interest Rate Swap Futures Intercommodity Spread</td>
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</table>

Eurex to Offer Direct Market Access in South Korea

On February 18, 2013, Eurex Exchange announced that it received confirmation from the South Korean Financial Services Commission (FSC) it can offer its full suite of products in the country without objection. Eurex has already established a very successful cooperation with the Korea Exchange (KRX), the Eurex/KRX Link. The new possibility of a direct membership will further enhance the Eurex/KRX cooperation and strengthen the ties between Korean and German financial markets.

Financial institutions from South Korea now have direct access to the Eurex Exchange network and to the leading Eurex Exchange products including benchmark index futures based on indices like EURO STOXX 50, DAX and SMI. This partnership could enable Asian and European market participants to have greater access to more futures and options product suites.

NGX Renames Cleared Futures Instruments

On February 14, 2013, the Natural Gas Exchange (NGX) informed counterparties of a name change of the cleared futures instruments as a result of changes made by the regulatory environment governing the NGX.

NGX is currently regulated by the Alberta Securities Commission (ASC) as an exchange and a clearing agency and by the US Commodity Futures Trading Commission (CFTC) as a derivatives clearing organization (DCO)/ Exempt Commercial Market (ECM). This structure enables both Canadian and US entities to access NGX’s markets and clearing services.

NGX has applied to switch their status to a Foreign Board of Trade (FBOT) as a result of their status elimination as an EMC by the DFA. NGX’s application to become a FBOT is under review by the CFTC.

A requirement for the transitioning is that all contracts made available by the FBOT for trading by direct access in the US will be subject to a clearing requirement. Rule 48.7(c) (1) (ii) section 738 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. All orders within the FBOT will be categorized as foreign futures and subject to the clearing requirements effective on the date of NGX registration as a FBOT. NGX will no longer offer bilateral trade options within the central limit order book (CLOB).

This transition will allow persons from the US to have direct access to the FBOT’s electronic trading and order matching systems for futures, options and CFTC regulated swaps.

Tradition Expands Trad-X Platform for USD Interest Rate Swaps

On February 15th, 2013, it was announced that Trad-X, the global hybrid for trading interest rate swaps, would be expanding its services to USD markets by launching its USD interest rate swap product. The derivative technology solution was launched by Tradition 18 months ago and is supported by 11 of the largest banks in the world. The platform intends to build on this success by expanding its services into another key trading currency- USD.
Wall Street Journal Launches NYINDEX

On February 11, 2013, the Wall Street Journal launched NYIndex, an interactive, dynamically updating list of influential New Yorkers. NYIndex uses frequency and context of media mentions, among other factors, to determine the rankings. Some refer to NYIndex as the Wall Street Journal’s Empirical Guide to Power, Fame and Infamy with an ability to track people in real time and scores their influence based on key measures.

The NYIndex rankings of influential New Yorkers, which will be updated online every Monday, include interactive components showcasing the biggest jumps and drops on the list. In parallel with the Factiva-generated list is ‘People’s Picks,’ generated entirely by readers’ votes, and appearing alongside the main Index.

Here is the link to the NYIndex.

NYSE and SMA to Distribute Social Media Analysis

On February 14, 2013, NYSE Technologies and Social Market Analytics (SMA) announced an agreement to distribute sentiment statistics from SMA’s patent-pending social media monitoring engine through NYSE Technologies SFTI Network; and its normalized market data service, SuperFeed. Since social media has become a crucial source of information for the financial services community, the SMA Sentiment Signature Feed aims to offer customers a first-of-a-kind tool for including social media sentiment in the market analysis and decision-making processes.

As part of the agreement, NYSE Technologies’ subscribing customers can access data from SMA’s social media monitoring engine. SMA’s engine extracts, evaluates and calculates data in real-time to attempt to generate directional and volatility indications on individual stocks, ETFs, sectors, and indices by measuring the level and quality of social media interactions on social media sources relative to historical levels. Through this agreement, NYSE Technologies becomes the exclusive reseller for the SMA Sentiment Signature Feed in the first quarter of 2013.

Platts to Launch Assessments for Domestic China Caustic Soda

On February 5, 2013, Platts announced a proposal for a weekly China domestic caustic soda assessment in yuan/mt, to be launched on May 7, 2013 and reflecting a 32% solution of ex-work cargoes of 100-500 mt. The assessment would be based on information sourced from the market using the Platts Market on Close assessment processes at 4:40pm Singapore time, and would be traded with letters of credit at sight.

Comments can be sent to pricegroup@platts.com by March 31, 2013.

Markit Hub Distributes Fitch Ratings Research

On February 20, 2013, Markit announced their Hub would now distribute research and credit analysis from Fitch Group. This decision would significantly benefit both companies, as Markit will be able to broaden their Hub content with quality credit research, while Fitch will be able to extend their research across larger sectors to those who depend on these financial platforms.

ASX Enhances Global Network Connectivity

On February 19, 2013, ASX announced plans to expand its global network connectivity through the launch of ASX Net Global for global customers to connect to ASX and ASX 24 trading platforms and to the full range of services located in the ASX Australian Liquidity Centre (ALC). ASX Net Global links the ALC with the financial communities located in Asia (SGX Singapore), Europe (Intexion London) and North America (Equinix Chicago). This new low latency, yet cost-effective network, promises to provide a leading connectivity solution for international customers wanting to trade on ASX markets and access the growing Australian financial community located in the ALC. Existing ASX 24 international network customers will be migrated to ASX Net Global during the first half of 2013.

According to ASX’s General Manager, David Raper, the new network offers enhanced connectivity to the investment opportunities and services available to both the existing clients in the ALC and to members of the global financial services community who are attracted to the Australian market.

ISE and IndexIQ Partner to Develop New ETPs

On February 8, 2013, the International Securities Exchange (ISE) announced their first partnership with leading asset management firm IndexIQ. The agreement between ISE and IndexIQ is based around their decision to create a platform of support and promotion towards new exchange traded products (ETPs), with a specific target on physical commodities. This partnership is the first step in their attempt to bring new innovative products to the commodities market.
TAIFEX and Eurex to Cooperate in Derivatives Trading

On February 6, 2013, the Taiwan Futures Exchange (TAIFEX) announced extensive product cooperation with the Eurex Exchange to trade and clear derivatives based on the TAIEX index. The first step for this new link is to list TAIEX options and futures as daily expiring futures on Eurex Exchange in the forth quarter of 2013. In addition, because of this new link, investors in the US or Europe will be able to trade TAIEX futures and options while the TAIFEX market is closed, which was supported by 11 of the largest banks in the world.

NOAA's Coast Survey Plans for New Arctic Nautical Charts

On March 8, 2013, NOAA's Coast Survey office issued an updated Arctic Nautical Charting Plan, as a major effort to improve inadequate chart coverage for Arctic areas experiencing increasing vessel traffic due to ice diminishment. The update was released after consultations with maritime interests and the public, as well as with other federal, state, and local agencies. With less sea ice and more ship traffic, new charts are needed for safety. NOAA plans to create 14 new charts to complement the existing chart coverage.

Commercial vessels depend on NOAA to provide charts and publications with the latest depth information, aids to navigation, accurate shorelines, and other features required for safe navigation in US waters. The effort to update Arctic Natural Charts supports the objectives of the National Ocean Policy that foster understanding of changing conditions in the Arctic, and focus on ocean, coastal, and Great Lakes observations, mapping, and infrastructure by strengthening mapping capabilities into a national system and integrating that system into international observation efforts.

ZE is pleased to announce ZEMA 4 will officially launch in April 2013. ZEMA 4 has been designed to enhance all aspects of the users experience. We have taken something great and made it even better by improving its workflow and modernizing its user interface. Now you can be even more productive and more efficient. With ZEMA 4 you can do even more.
Prompt month contract for Brent Crude Oil and West Texas Intermediate plunged in the first half of March after a quarter of rising prices. Brent Crude declined by 6 USD/Bbl to 109 USD/Bbl in March, whereas WTI prices declined by 4 USD/Bbl to 91 USD/Bbl. Economic uncertainty in Europe as well as manufacturing data from China that came in below market expectations contributed to the recent crude oil price declines. The unemployment rate for Eurozone countries increased to a record high of 11.9 percent by the end of February.

The oil futures followed a similar path to the prompt month contracts. The Brent – WTI Spread of the NYMEX Forward contracts narrowed by 2 USD/Bbl in March compared to February mostly due to weak status of Brent caused by a lot of uncertainty over the Eurozone debt situation.

The booming shale production adds to the backlog at the NYMEX delivery point. This abundance of steady feedstock will continue to weigh on the benchmark and will serve to diminish the US need for light sweet crudes from other sources.

March has been a relatively volatile month for weather across many cities. Chicago saw temperatures rise above freezing for the first time in a few months but likewise saw them drop to -15 degrees a few weeks later. In New York, the month-to-month average increased by 2 degrees to plus 1 between February and March. Raleigh reached highs nearing 15 degrees during March, but each peak followed with a severe drop-off down to below 7 degrees.
ISO-NE and NYISO power prices dropped sharply from their February peaks of $140/Mwh and $143/Mwh, respectively, to lows in March of $44/Mwh and $45/Mwh. This is likely due to rising California power prices rose slightly in mid-March, but peak demand forecasts have flattened.

Natural gas prices in the New York region have exhibited volatility in recent months due to strong weather patterns and persistent capacity issues. With temperatures rising, a decline in demand caused prices in the Northeast to be slightly lower than previous periods.

Last month, Transcontinental Pipeline’s Zone 6 delivery point saw prices soar well above $40 per MMBtu. This month however, the price remained well below $6, indicating a steadier rate of demand.

With unchanged fundamentals on the long term outlook, ICE Henry Hub natural gas futures remained at approximately the same level with only a 3% change in price compared to last month.
## New Data Reports for ZEMA

At ZE, we are continuously growing our data coverage. Our highly flexible data parsers can collect information in any electronic format, from any source and at a frequency. Since the February 2013 edition of ZE DataWatch, we have added several new data reports to ZEMA:

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<th>REPORT</th>
<th>REGION</th>
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<td>Operating Reserve - Offer Control Report</td>
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<td>Argus</td>
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<td>Australian Bureau of Statistics</td>
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<td>Australia</td>
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<td>Australian Bureau of Statistics</td>
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<td>Bentek</td>
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<td>CAISO CMRI</td>
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<td>CAISO PIRP</td>
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<td>Energy Intelligence</td>
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<td>Energy Intelligence</td>
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<td>Energy Intelligence</td>
<td>NGW North American Weekly Gas Storage</td>
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<td>IESO</td>
<td>TTDC Peak System Demand Final Data</td>
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<td>IIR</td>
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<td>IIR</td>
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<td>IIR</td>
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<td>Net Energy</td>
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<td>One Exchange</td>
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<tr>
<td>PADEP</td>
<td>Oil And Gas Well Production</td>
<td>North America</td>
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</tbody>
</table>
Platts Changes to Platts
Derivative Market Data

On May 1, 2013, Platts will move any oil swaps market data found in physical market data categories to categories designed to contain swaps information.

There are no plans to remove swaps that are available in PGA or any of Platts’ oil newsletters. The swap data that is available in publications and PGA today will continue to be available to all subscribers to those services.

Those market data categories are affected by the swap moves include:

- CS - Singapore physical refined products
- CX - Singapore physical fuel oil
- CJ - Japan physical refined products
- RI - International crudes
- LG - LPG Americas
- LI - LPG non-Americas
- PZ - New York Harbor Fuel Oil
- UZ - US Gulf Coast Fuel Oil

For more information on the swaps please refer to the following Platts subscriber notes.

Asian oil swaps subscriber notes:
http://platts.com/SubscriberNotesDetails/6197556 19 April 2012

European swaps subscriber notes:
http://platts.com/SubscriberNotesDetails/6197554 19 April 2012

American swaps subscriber notes:
http://platts.com/SubscriberNotesDetails/8197823 19 April 2012

New Platts Market Data
Categories and Symbols
for ISO prices, Heat Rates
and Renewable Energy
Certificates

As part of the new Platts Megawatt Daily release on March 4, 2013, the following symbols have been created for average on-peak and off-peak day-ahead auction prices from six US independent system operator (ISO) markets and marginal heat rates based on Platts daily gas prices from Gas Daily. The data will be published in the new Megawatt Daily, and also will be delivered through Platts FTP and real-time services.

The following new Market Data categories have been created:

- IK will be included in ES package, and IL will be in EK package
- IK Electricity: North American ISO Prices
- IL Electricity: North American ISO Spark Spreads

Please note that the new market data categories referenced above will now be going live to customers on April 1st instead of March 1st. This is to allow our mutual clients some additional time to prepare for these changes.

We will also be launching another new data category, “RE”, which represents Platts Renewable Energy Certificate Assessments. Attached is a Fact Sheet that provides further detail about this new assessment. This, along with IK, will be available to existing “ES” subscribers on April 1st. IL will be available to existing “EK” subscribers.

Here are the links to the symbol notices:

https://www.platts.com/newcodedetails/6191832 (IL & IK)
http://platts.com/NewCodeDetails/6208027 (RE)

New Platts Risk Products
Going Live May 1

Currently Platts publishes M2M Gas and M2M Power products. They consist of a daily output of 36-month forward curves for 79 natural gas hubs and 48 power hubs in North America. For natural gas hubs we also provide a balance-of-the-month value. For power hubs we provide on-peak and off-peak forward curves. Once a month we provide 240-month curves for each of the gas and power hubs we cover.

To better provide for the needs of customers Platts are working on a major restructuring of the M2M Gas and M2M Power products, to go live on May 1, 2013. The new products will be called M2MS Gas and M2MS Power and they will replace the old M2M Gas and Power products, which will stop existing upon the launch of the M2MS.

The defining features of the M2MS Gas and M2MS Power products include:

1. M2MS Gas and M2MS Power will contain on a daily basis 120-month forward curves for all of the 79 gas hubs and 48 power hubs (on-peak and off-peak) currently covered by M2M Gas and M2M Power.
2. The 79 gas hubs and 48 power hubs will be broken into five regional packages for gas and five regional packages for power which our customers will be able to buy separately or together.
3. Additional packages, containing the curves that pertain only to the current M2M hubs, covered by our editors will be available for both Gas and Power
4. On a daily basis we will be providing 120-month curves containing the historical volatility (in percent per annum) of the gas and power prices for each of the hubs available in the forward curve regional packages. The historical volatilities will be determined from daily values over the course of the last 22 business days.
5. Each of the price numbers belonging to forward curves described above will have an indicator showing whether this forward price was settled at the ICE, or obtained by means of quantitative models.

6. On a daily basis we will be providing 120-month spark spread and heat rate curves for each of the power hubs available in the forward curve regional packages. We will be using selected power/gas hub pairs at which to calculate the latter quantities. The spark spreads will be calculated at incrementally increasing plant heat rates (7000, 7500, ..., 13000 Btu/kWh).

7. On a daily basis we will be providing 120-month price correlation (in percent) curves between power and gas prices. The correlations will be calculated during the last 22 business days for all of the power hubs (on-peak and off-peak) available in the forward curve power regional packages and selected gas hubs.

8. On a monthly basis we will be providing 240-month forward curves for all of the 79 gas hubs and 48 power hubs (on-peak and off-peak) currently covered by M2M Gas and M2M Power.

9. On a monthly basis we will be providing 240-month curves containing the historical volatility (in percent per annum) of the gas and power prices for each of the hubs available in the forward curve regional packages. The historical volatilities will be determined from monthly values over the course of the last 12 business months.

10. On a monthly basis we will be providing 240-month spark spread and heat rate curves for each of the power hubs available in the forward curve regional packages. We will be using selected power/gas hub pairs at which to calculate the latter quantities. The spark spreads will be calculated at incrementally increasing plant heat rates (7000, 7500, ..., 13000 Btu/kWh).

11. On a monthly basis we will be providing 240-month historical price correlation (in percent) curves between power and gas prices. The correlations will be calculated from monthly values during the last 12 business months for all of the power hubs (on-peak and off-peak) available in the forward curve power regional packages and selected gas hubs.

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**Russia Confirms Argus as Sole Supplier of Indexes for Oil Export Duties**

Russian prime minister, Dmitry Medvedev signed a government resolution last week formally recognising global energy and commodity price reporting agency Argus as the sole source of price information for setting monthly export duties for Russian crude oil, petroleum products and LPG. The Russian government will use Argus Urals price assessments for calculating duties for crude and products, and Argus daf Brest price assessments for LPG.

The government resolution follows a shift to 100pc Argus pricing from May 2012. Russia previously used other price assessment providers in addition to Argus. Industry requests led the Russian government to switch to Argus on an exclusive basis nine months ago, and Medvedev’s decision represents the official recognition of this practice.

Argus Media chairman and chief executive Adrian Binks said: “We are pleased that prime minister Medvedev has confirmed the exclusive use of Argus for calculating Russian export duties for oil and LPG. Russia is a key participant in energy markets and the choice of Argus as its supplier of price information reflects a confidence in the accuracy of our data. Russia is one of a growing list of governments that rely on Argus to provide transparent and representative price information.”

Argus prices are used by key Russian ministries and government agencies, including the federal tax service, the federal anti-monopoly service and the economy ministry.
Successful Launch of CWE Flow-Based Market Coupling Parallel Run

1 March 2013; The Central Western European (CWE) Flow-Based Market Coupling (FB MC) project has achieved a major milestone by starting the publication of Flow-Based simulation results to the market. Under Flow-Based market coupling, cross-border capacities in the CWE region will be allocated with the aim of optimizing the overall market welfare in the region, while granting that physical limits of the grids are respected. The Flow-Based methodology is expected to enhance the usage of the grid infrastructure while respecting security constraints, and hence contribute to increased price convergence in the Pentalateral CWE region (consisting of Belgium, France, Germany, Luxemburg and the Netherlands).

After two years of development and experimentation, Transmission System Operators (TSOs) and Power Exchanges (PXs) have delivered a robust Flow-Based design in line with preliminary studies showing higher price convergence and welfare in the CWE region, compared to the current market coupling method based on available transmission capacities (ATC) per individual border. Based on these promising results, the external parallel run has started on February 21 2013, with an ex-post publication of the results as of January 1 2013, and will last for one year. This learning period is meant to enable market parties to experience the Flow-Based market mechanism.

The data publication consists in Flow-Based parameters (calculated capacities) and reports of market simulation results including hourly prices, volumes and net positions for all CWE market areas, graphs on price convergence/divergence and welfare calculations.

In addition, project partners will implement industrialized systems in the course of the year in order to ensure the reliability of the process. All parties aim to have CWE FB MC technically ready by the end of 2013.

Feedback from stakeholders is expected during the public consultation process in May/June and will be key input for the validation of the final market coupling solution.

The Go Live decision will be taken after the successful launch of the NWE (North West Europe) price coupling based on the design of the PCR (Price Coupling of Regions) and the necessary joint testing activities.

The new Flow-Based market coupling mechanism is fully compliant with other coupling projects. It will apply first between the countries in the CWE region. The Flow-Based design however is also flexible, allowing a full European market coupling whereby some borders or regions are treated Flow-Based and others still on the current method of ATC.

Thus, Flow-Based Market Coupling will be an important building block to the target of an integrated European energy market by 2014.

More detailed information will be shared during the CWE FB MC Market Forum on the 7th of March 2013 at the Lindner Congress Hotel in Düsseldorf.
Czech Market Operator OTE Joins the Price Coupling of Regions Initiative

Amsterdam / Brussels / Madrid / Oslo / Paris / Prague / Rome – 4 March 2013; The project partners of the Price Coupling of Regions (PCR) today welcome the Czech Market Operator, OTE, as a partner to the PCR Initiative. OTE is the seventh member of PCR, an initiative to facilitate the pan-European coupling of day-ahead power markets. OTE’s participation in the PCR Initiative is a clear signal of OTE’s commitment in European Integration activities.

As the Power Exchanges involved in the PCR Initiative aim to develop a wider cooperation across Europe, the Initiative is open to other European Power Exchanges wishing to join.

PCR is the Initiative to develop a single price coupling solution to be used to calculate electricity prices across Europe. This is crucial in order to achieve the overall EU target of a harmonised European electricity market, expected to increase liquidity, efficiency and social welfare.

PCR is based on three main principles: the use of a single algorithm, robust operation and individual Power Exchange accountability. The use of a single algorithm will give a fair and transparent determination of day-ahead electricity prices across Europe and has been developed by respecting the specific features of the various power markets across Europe. Consequently, it will optimise the overall welfare and increase transparency.

The PCR system service enables the exchange of anonymous orders and area-to-area transmission capacities among the Power Exchanges, in order to calculate area prices as well as other reference prices and area-to-area cross border-transmission flows for all involved bidding areas.

PCR has created a governance structure based on a PCR Co-Ownership Agreement and a PCR Co-Operation Agreement to govern the cooperation among the PCR Exchanges.

By jointly developing a pan-European market coupling algorithm and coordinating the governance structures between Power Exchanges, the Price Coupling of Regions Initiative enables the achievement of the European Day-Ahead Target Model, due by 2014. The Target Model is the pan-European price coupling solution fully described in the Capacity Allocation and Congestion Management Framework Guidelines, published by the Agency for Cooperation of Energy Regulators (ACER).

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Power Trading Results in February 2013

Paris, 4 March 2013; In February 2013, a total volume of 26.8 TWh was traded on EPEX SPOT’s Day-Ahead and Intraday markets (February 2012: 26.2 TWh). The French Day-Ahead and Intraday markets displayed particularly good results, with all-time records in trading volumes on both market segments despite the shorter month. Together, they accounted for roughly 6 TWh.

Day-Ahead markets
In February 2013, power trading on the Day-Ahead auctions on EPEX SPOT accounted for a total of 25,359,672 MWh (February 2012: 24,742,127 MWh) and can be broken down as follows:

<table>
<thead>
<tr>
<th>Areas</th>
<th>Monthly volume</th>
<th>Monthly volume – previous year</th>
<th>Price – monthly average (Base / Peak*)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DE/AT</td>
<td>18,376,904</td>
<td>18,190,156</td>
<td>44.62 / 56.08</td>
</tr>
<tr>
<td>FR</td>
<td>5,673,213</td>
<td>5,418,995</td>
<td>54.46 / 63.44</td>
</tr>
<tr>
<td>CH</td>
<td>1,309,555</td>
<td>1,132,976</td>
<td>56.48 / 64.57</td>
</tr>
<tr>
<td>ELIX – European Electricity Index</td>
<td>48.91 / 59.48</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Peak excl. weekend

Trading volume on the French Day-Ahead market registered a new all-time high. The new record is a 2 % increase from the previous record in October 2012 (5,543,422 MWh).

Prices within the French and the German market, both coupled with Belgium and the Netherlands within the market coupling initiative in Central Western Europe (CWE), converged 13 % of the time.

Intraday Markets
On the EPEX SPOT Intraday markets, a total volume of 1,442,034 MWh was traded in February 2013 (February 2012: 1,481,590 MWh):

<table>
<thead>
<tr>
<th>Areas</th>
<th>Monthly volume</th>
<th>Monthly volume – previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>DE/AT</td>
<td>18,376,904</td>
<td>1,217,201*</td>
</tr>
<tr>
<td>FR</td>
<td>5,673,213</td>
<td>264,389</td>
</tr>
</tbody>
</table>

* without Austrian market, which was launched in October 2012

Trading volume on the French Intraday market registered a new all-time high. The new record is a 13 % increase from the previous record in February 2012 (264,389 MWh).
In February, cross-border trades represented 11.2% of the total Intraday volume. Volume in 15-Minute contracts amounted to 97,215 MWh. In February, they represented 8.7% of the volume traded on the German Intraday market.

Pan-European Intraday Target Model Confines Exchanges’ Development Capacity

London | Paris, 14 March 2013; Performing power markets need flexibility: This is the result of discussions amongst the members of the Exchange Council of the European Power Exchange EPEX SPOT at its latest meeting. Concerning this matter, the Exchange Council deliberated on the tender for the pan-European Intraday system and supported the development of new flexible products.

Since 2012, a tender for choosing the optimal Intraday system for the operation of the pan-European Intraday Target Model is being held. This tender is led by Power Exchanges. Development and implementation of the system are foreseen during the next months, subject to backing of the Transmission System Operators’ (TSOs) approvals by regulatory authorities. "ACER’s support of the tender procedure is a clear signal that it was the best road we could have taken considering the circumstances. The tender will bring facts and transparency" said Peter Heydecker, the Chairman of EPEX SPOT’s Exchange Council. Doubting that a single system would be efficient for a market in need of diversified products, he underlined that "the Intraday Target Model has to be robust in its capacity of letting Power Exchanges choose and develop flexible instruments that respond best to the needs of the market". Jean-François Conil-Lacoste, Chairman of the Management Board of EPEX SPOT, concluded that “continuous intraday markets become tangibly more important to answer the need for short-term flexibility, in particular by integrating the increasing amount of renewable power sources. As 2014 is imminent, a clear cost-benefit analysis needs to be presented to decision-makers in order to find ways to timely converge towards more integration of Europe’s Intraday markets.”

Intermittent production from renewables challenges the electricity system, grid stability issues arise and the market evolves closer to real-time. That is why EPEX SPOT is investigating solutions to increase flexibility of its intraday and day-ahead markets, as announced in September 2012. These ongoing studies are being actively shared with stakeholders. The Exchange Council supported especially the following improvements:

- Opening of 15-minute contracts on the German Intraday market one day in advance at 4 p.m. instead of 2 hours before delivery. After the assessment of trading activity and regarding the fact that liquidity of hourly products was not impacted during the test period since November 2012, the Exchange Council decided to maintain the earlier opening.
- The Intraday market could run up to 30 minutes before delivery including cross-TSO trades instead of the 45 minutes gate closure time of today. This could become possible by reducing the nomination lead time of EPEX SPOT’s clearing house European Commodity Clearing, needed for the nomination of transactions at the TSOs to assure the physical delivery of electricity. Market participants showed strong interest in this topic. This proposal will be further investigated. There is not yet a timeframe for the implementation.

Based on the market’s feedback, the European Power Exchange will further study the potential for optimizing its markets’ flexibility.

The first Exchange Council in 2013 was held in London on March 13, 2013 and chaired by Peter Heydecker, Head of Origination Gas & Power at Vitol.

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The Exchange Council of EPEX SPOT is an official body of the Exchange. 16 members and 5 permanent guests represent adequately the diversity of economic and corporate profiles that exists among the Exchange Members from various sectors: power trading companies, transmission system operators, regional suppliers, brokers and financial service providers, as well as commercial consumers and academics. Its missions include in particular the adoption of the Exchange Rules and the Code of Conduct of EPEX SPOT and their amendments. The Exchange Council approves new trading systems as well as new Contracts or Market Areas and approves the appointment of the Head of the Market Surveillance Office. It meets up quarterly.

Addition of the Legal Entity Identifier (LEI) to SIRS

Interactive Data are pleased to announce effective February 25, 2013 the addition of the Legal Entity Identifier (LEI) to SIRS. At this time, Interactive Data will provide the CFTC Interim Compliant Identifier or CICI, which was approved by the CFTC in July 2012, until the commencement of the Global LEI System. Any CICs already registered will become official LEIs at the time of the commencement. The data will supplement the Entity information presently available as part of the Business Entity Service and Interactive Data plans to add LEIs to the service as they are issued. The Business Entity Service is designed to assist clients in analyzing risk from their global exposure to various entities, industries and regions. The addition of the LEI will better assist the identification of parties involved in financial transactions.

Daylight Savings time

Daylight Savings time begins in the US and Canada on March 10, 2013 (clock moves ahead one hour), and begins in Europe three weeks later on March 31st, 2013. During this period, schedules will remain the same and therefore Exshare and FTS Services will produce and deliver at their normal time. US clients please note that your services will create an hour later until the UK reverts to DST on the 31st of March. For the weeks of March 11, through March 31, 2013, certain international market closing times may differ for countries that have not yet reached
the beginning of their Daylight Savings Time, or equivalent time change. This will impact MIPS American Depository Receipt pricing, and MIPS service may be delivered up to one hour later during this time. If you have any questions about this notice, please contact your Client service Support Group at 781-687-8701 or cs@interactivedata.com. Client Service is staffed from 08:30 until 20:00 (Eastern Time), Monday through Friday.

Corporate Actions Service
Interactive Data’s Corporate Actions Service provides cost-effective and flexible options for delivery of our high quality, comprehensive and timely global content. Leveraging our standardized XML-based solution, clients utilize our data transfer services and receive intra-day file-based and published messages delivered continuously throughout the day. To request a complimentary trial of Interactive Data’s enhanced Corporate Actions Service and to learn more about the complete suite of Apex reference data services, please click on the following link for the information request form.

http://go.interactivedata.com/2013CorporateActions_trial.html?mkt_tok=3RkhMMJWwWf9swRow5%2FmYJoDpwnmGd5mht7VzDIPj1OY8bh0pIL2JK1TtuMFUGpsqOOCaERAUgPrf0wVcF%2Fm%3D


In December 2011, Interactive Data introduced enhancements to our U.S. Agency/GSE pass-through security evaluations for single family residential pools with 7.5% or higher fixed rate coupons to incorporate additional pool level information. In response to the evolving market conditions, effective Tuesday, March 12, 2013, Interactive Data extended these enhancements to our evaluations for additional U.S. Agency/GSE pass-through security pools. All single family residential pools that have a 6.5% or higher fixed rate coupon will be evaluated on a pool specific basis reflecting the number of remaining loans, the current outstanding pool balance and Weighted Average Remaining Maturity (WARM). As a result, evaluations for single family residential pools with a coupon between 6.5% and 7.5% may change on march 12, 2013 on average by approximately 1 point, with evaluations for certain pools changing by as much as 20 points. Interactive Data continues to monitor the market for U.S. Agency/GSE pass-through securities. If we observe additional changes in the trading conventions for Agency/GSE pass-through securities, we will incorporate this information into our evaluations and update clients as appropriate. Please contact Customer service 781-687-8701 or Evaluated Services 212-497-3177 if you have any questions.

Expanded FVIS Coverage to Latin America

Effective January 28th, we have expanded our FVIS NY Close coverage to certain Latin American markets that currently close prior to 4pm ET, including Brazil, Chile, Venezuela, and Argentina.

Vantage Enhancements

VantageSM has emerged as the market-leading transparency tool. As you may have read recently in Global Custody and the Wall Street Journal, Interactive Data has upgraded its innovative Vantage platform with visualization and data reporting tools to help clients better understand inputs to fixed income evaluations, increase operational efficiency in the evaluation audit and due diligence process, and support best execution trade analysis.

Contact your account manager or click here: www.interactivedata.com/vantage to join the Vantage test group today.

Leveraged Loans (aka Bank Loans)

Interactive data is now offering daily evaluations for leveraged loans based on contributed prices from major bracket firms and our proprietary evaluation models. This service provides comprehensive coverage of the leveraged loan marketplace and transparency into the number of contributed prices used as inputs while clearly distinguishing modeled data from composite contributor data.

Single Name Credit Default Swaps and Credit Default Swap Indices

Interactive Data’s Credit Default Swap (CDS) Evaluation Service is the widely-available independent CDS evaluation service for single name corporate and sovereign CDS, as well as select CDS indices evaluations based on these curves. Our coverage encompasses approximately 2,900 instruments including 2,400 single-name CDS based on global corporate, sovereign, and U.S. municipal entities with denominations in USD, EUR, GBP, JPY, AUD, NZD, CAD and CHF. In addition to evaluations for single-name CDS, our coverage includes evaluations for more than 500 CDS indices including the CDX™ and iTraxx® indices. For single-name CDS and CDS indices, we offer both mid and bid/offer evaluations. To learn more, visit: http://www.interactivedata.com/index.php/Contents/show/content/cds.

Whole Loan Evaluations

Interactive Data’s Residential Whole Loan evaluation service leverages our expertise in mortgage securities evaluations, and transfers it to the whole loan market. The approach we use for valuing these instruments draws on our evaluations of 1.2 million residential mortgage securities.
Shale gas has been pitted as one of the main drivers for economic recovery in the US.

Earlier this year, during his state of the Union address, President Barack Obama said the American oil and gas boom of recent times had swept the country into a state of optimism. During his speech the President gave an indication of what the next four years are likely to entail when he quipped that his ‘administration will keep cutting red tape and speeding up new oil and gas permits’.

The Energy Information Administration (EIA) reckons the US alone has 482 Trillion cubic feet (Tcf) of recoverable shale gas resources, revised down from the original estimate of 862 Tcf. Regardless, the reality of shale gas extraction for the US has been startling. Of all natural gas consumed in the US in 2011, 95% was produced domestically. Lower gas prices alone are said to have saved US customers $100 billion last year.

At the beginning of this year, operators announced plans to build more than 44,800 miles of crude oil, product and natural gas pipelines extending into the next decade. The majority of these, representing almost two thirds, have been earmarked for natural gas.

While the US are the current frontrunners in the shale gas extraction, significant discoveries made in a number of regions around the world show it might just be the tip of the iceberg. And with many cash-strapped, austerity-riddled nations feeling the pinch now more than ever, serious consideration is been given to the process in order to meet rising domestic demand. Leading the field of future competitors is China, whose reserves are estimated to significantly higher than those in the US. However shale development in China had been slower than anticipated. Other significant players include Canada, Australia and Argentina.

Extracting shale gas isn’t exactly a new concept, having been around for a number of decades. Recent improvements in technology in the last five years have helped bring it
into the spotlight. The process of hydraulic fracturing or ‘fracking’ involves drilling a hole deep into dense shale rocks that contain natural gas. Vast quantities of water mixed with sand and chemicals are then pumped in at a very high pressure, opening up tiny fissures in the rock that allows the gas to escape. This is captured and piped off.

Despite the obvious gains made by the US in recent years thanks to shale gas, a chorus of local, national and international concern about the controversial practice has emerged. Governments in many countries remain cautious due to continuing uncertainty about its environment impact if something goes wrong. The US Environmental Protection Agency is currently undertaking a massive study of the industry, with a full report due to be released in 2014.

It’s also beginning to dawn on many that despite the large volumes of shale gas reportedly available in some countries, a lot of countries aren’t properly equipped to extract it because they don’t have the extensive networks and infrastructure in place like the US. Poland is an example of this, where there currently is no shale gas production. Early enthusiasm recently faded after tests showed that drilling costs there were three times higher than in the US.

Changing estimates of shale gas deposits by the EIA also makes it difficult to assess just what is the actual size of domestic gas resources. To take Poland as an example again, the EIA estimated that the country had Europe’s largest recoverable reserves of shale gas with 187 Tcf. However the Polish Geologist Institute said last year said that number was more likely to be in the region of about 27 Tcf.

In this month’s In-depth, we take a look at some of the major players that have featured on the EIA’s original 2011 list and bring you up to date on their progress.

Asia and Oceania

The extent of recoverable shale gas in Asia isn’t fully known as of yet, although many believe what lies beneath could be a game changer for many of its developing nations.

Topping the EIA list of estimates was China. Standing at an impressive 1,275 Tcf of recoverable shale gas resources, it’s widely believed the country could rival the US in terms of extraction in the next 20 years. However despite the likelihood of gas bearing shales being widespread, many are located in areas not equipped to facilitate development. Currently China lacks a national pipeline system to move gas around the country once it’s been pumped out of the ground. Just last month, the Ministry of Land and Resources said China will strengthen the survey and appraisal of shale gas in 2013 to expedite discovery and development of China shale deposits.

In India, it was its farmers in the north west of the country who were making recent international headlines when it was revealed that the locally-grown bean ‘Guar’ has become an essential component for hydraulic fracturing in the US. However the country itself is currently on the cusp of unveiling a Shale Gas policy. Its Government also plans to allow open bidding for some potentially lucrative blocks in at least six major basins. India has 63 Tcf of recoverable shale gas resources with basins of preliminary interest identified by Indian geologists at Cambay Basin Gujarat, the Assam-Arakan basin in northeast India, and the Gondwana Basin in central India.

Australia, a country already rich in natural resources, has estimates of 395 Tcf of recoverable shale gas resources. In January, a report by Brisbane-company Linc Energy said South Australia alone could be sitting on estimated $20 trillion worth of shale oil. Linc Energy, who also holds the rights to more than 16 million acres of the 19.8 acre Arckaringa Basin located in the south, is preparing to cash in. It believes that the amount available could be more than the Cooper Basin and the Bass Strait combined and could be one of the top prospective areas in the world.

Europe

When it comes to gas, Europe has a lot going for it. It’s the world largest gas market, has high prices, good financial and regulatory structures and a well-developed transmission network in place.
THE STATE OF FRACKING GLOBALLY: WHO’S PLAYING CATCH-UP ON THE US

Interestingly the 2011 report didn’t even feature the largest country on the continent – Russia. Its abundance of conventional gas seemingly stalled the need to explore other options in unconventional resources. More recently however, as the US surpassed it as the largest producer of the commodity, Russia has now set in motion plans to use hydraulic fracking for the extraction of shale oil in Siberia. This has created a boom in horizontal wells in less than two years. According to Russia’s subsoil agency it’s estimated the Bazhenov Shale, a layer of rock the size of France that lies underneath Siberia’s producing fields, may hold more oil than Saudi Arabia.

Africa

Of all the continents, knowledge of the spread of shale gas basins is probably hardest to find in Africa. South Africa is the most significant contender to have emerged with estimates of 485 Tcf, making it the fifth largest region with potential shale-gas resources in the world. Despite a moratorium on exploration being lifted only in September of last year, this didn’t stop companies from taking a look at what was available.

As far back as 2009, the Petroleum Agency South Africa awarded Shell a Technical Cooperation Permit for a one-year study to determine the Karoo’s natural gas potential. In March of last year, in the Western Cape region, Royal Dutch Shell, Falcon Oil & Gas and Bundu Oil & Gas also expressed an interest to explore 90,000 square kilometers for natural gas. Shell had applied back in 2011 to drill 24 wells in the Karoo.

Despite all this activity, many say that it could still take a decade before any of this comes to fruition, and this is only if exploration licenses are issued swiftly. Elsewhere in western Africa and in Mauritania possible shale gas basins have been identified although information on these appears to be limited. Several gas basins also span the north of the continent, with Algeria and Libya as key countries to watch, with 231 and 290 Tcf of shale gas resources respectively.

South America

One of the biggest stories to have emerged on the fracking front is Argentina, which has a massive 774 Tcf of recoverable shale gas resources. According to the EIA, Argentina has the third highest amount of recoverable shale gas in the world. It also produces more natural gas than other country in mainland South America. However its output has declined since peak levels in 2006. According to the EIA, there are dozens of projects to exploit Argentina’s unconventional shale gas already underway. Many firms, including ExxonMobil, Apache, Pluspetrol, Total, and YPF, are attempting to take advantage of the more attractive fiscal terms offered by the government for unconventional projects.

For the largest country and economy on the continent – Brazil, the EIA estimated it had 226 Tcf of recoverable shale gas resources. It is currently the tenth largest producer of natural gas in the world. In October of last year it was reported that fracking for natural gas was carried out close to the Brazilian cities of Vale do Parnaíba (Minas Gerais), Parecis (Mato Grosso), and Recôncavo (Bahia). The expectation was these areas would increase natural gas reserves to 208 trillion cubic feet, but estimates have been rolled back to 32 Tcf.

estimated at having a massive 774 Tcf of recoverable shale gas resources. According to the EIA, Argentina has the third highest amount of retrievable shale gas in the world. Argentina already produces more natural gas than other country in mainland South America, although its output has declined since peak levels in 2006. According to the EIA, there are dozens of projects to exploit Argentina’s unconventional shale gas already underway. Many firms, including ExxonMobil, Apache, Pluspetrol, Total, and YPF, are attempting to take advantage of the more attractive fiscal terms offered by the government for unconventional projects.

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THE STATE OF FRACKING GLOBALLY: WHO’S PLAYING CATCH-UP ON THE US

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Close

Shale gas may have a prominent place in the energy futures of many countries around the globe. The EIA forecasts that world energy consumption levels are likely to increase by 53% through to 2035, a period that we see long-term pipeline construction. This will be led by China and India, where combined energy use will more than double to make up 31% of total world consumption. With such a significant sale value – offering the perks of creating sustainable and permanent jobs and promising to meet growing energy demands – it wouldn’t be surprising to see many more countries jumping on the bandwagon going forward.

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.

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