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I wrote about factors supporting this demand a year and a half ago; ironically, not much has changed since then, so in this month’s issue of ZE DataWatch, my article on U.S. shale gas demand from September 2012 has been reprinted. Now, new models of natural gas vehicles have been added to the mix of consumers, factories re-opening their production, utilities switching from nuclear and coal to natural gas-fired generators, and even more gas-fired generation supporting renewables.

What could ever go wrong with growing demand? Isn’t that what every business looks forward to? Apparently, natural gas is an instance when too much demand can be not that good. The natural gas industry has just started to deliver on its promises and is already facing difficult times. The first dilemma surfaced when revenues started dropping for producers. Really, historically low natural gas prices, which were so attractive for consumers, played a dirty trick on producers. Some producers, discouraged by sustained losses, have been pushed out and away to more lucrative oil fields. At the same time, delivery pressure has mounted. Limited pipeline capacity emerged as a major stumbling block in transporting this cheaper fuelling option to consumers. Dramatic winter temperature drops—which not only pushed demand for natural gas drastically higher to serve space heating and power production needs, but also impacted actual natural gas production by freezing equipment—kept aggravating the situation. Inadequate infrastructure created severe headaches for the market, and this did not put an end to the grief. Another problem emerged: the disparity in scheduling practices between the natural gas and power industries. Read more about this in an in-depth article from last year.

The decision to eliminate the misalignment in scheduling practices between the natural gas and power industries has resulted in the largest intra-industry cooperation to be resolved on a national level.

FERC initiated an assessment of interdependence between the two sectors and the lack of alignment between their business and operational practices in 2012 and started working with both industries. Ever since then, the Commission has been releasing quarterly progress updates on improvements to gas-electric coordination. Those updates, sorted by region, reflect a some-
what expected issue: each region faces its own unique challenges caused by local peculiarities, some of which might include a shortage of pipeline or storage capacity, an increase in renewable generation, or the substitution of other generation sources with natural gas. Consequently, each region has its own set of initiatives, possesses different solutions, and is on different stages of their implementation.

It is no surprise that regions with the most intertwined co-dependence between the two sectors have been making more efforts to remove these obstacles and are on faster tracks to synch these two sectors. In some cases, individual pipelines offer scheduling opportunities additional to standard ones in order to accommodate power generators. Power balancing authorities are doing their part—some of them are adjusting operators’ day-ahead bidding and notification schedules. NYISO has moved ahead into an area that is especially dear to me: software solutions for energy markets. The ISO opened a new power control center in December 2013 with gas visualization tools in the power control room’s video wall. This new tool has a static map visual which includes an overlay of major gas pipelines in the state and highlights directly connected generators. Next, this map will be enhanced with more dynamic information, such as pipeline system operational data that is linked with known generator fuel capability and supported by a system of alerts.

So, what is happening on the national level? On March 20, 2014, two years after FERC first initiated its discussion, the first official document revealed the progress of these efforts. A Notice of Proposed Rulemaking lays out proposals to revise the natural gas operating day and scheduling practices by natural gas transportation service. The proposed reform includes three major changes:

1. Moving the start of the Gas Day from 9:00 a.m. Central Clock Time (CCT) to 4:00 a.m. CCT to ensure that gas-fired generators are not running short on gas supplies during the morning electric ramp periods
2. Moving the first day-ahead gas nomination opportunity from the current deadline of 11:30 a.m. CCT to 1:00 p.m. CCT to allow electric utilities to finalize their scheduling before making gas purchase arrangements and submitting nomination requests for gas transportation service
3. Increasing the number of intra-day nomination cycles from the current two to four to help adjust shipping schedules as demand changes

In separate orders, FERC established proceedings under the Federal Power Act and Natural Gas Act. The power industry will be assessed as to whether the ISO/RTO’s day-ahead scheduling practices correlate with natural gas scheduling practices. Interstate natural gas pipelines will be required to revise their tariffs to provide for the posting of offers to purchase released pipeline capacity.

This is probably the first time in the U.S. that the federal agency has stepped in to bridge a gap between the most expansive energy sectors in the nation. The timeliness, speed, level of involvement, and prudency of FERC’s efforts supports industry analysts’ declaration that the natural gas revolution is here to stay. And this is just one price to pay for an improved economy and pending energy independence brought about by the shale gas boom. •
On March 1, 2014, Southwest Power Pool (SPP) successfully implemented its Integrated Marketplace. The Integrated Marketplace is comprised of the day-ahead market, real-time balancing market, and congestion hedging markets. During its first two days of market operation, about 30,000 megawatts (MW) of power were being exchanged on the marketplace at any given time.

The Integrated Marketplace replaces SPP’s Energy Imbalance Service Market, which has been in operation since 2007. SPP expects the Integrated Marketplace to improve grid reliability by determining which generating units should run the next day for maximum cost-effectiveness; SPP also expects the Integrated Marketplace to improve the regional balancing of supply and demand, and to facilitate further integration of renewable resources in SPP’s market.

The Integrated Marketplace also combines SPP’s 16 legacy balancing authorities into a consolidated SPP balancing authority. SPP, as a result, will become responsible for meeting significant and numerous regulatory and compliance requirements.

See the original announcement.

The graph below shows the hourly maximum and minimum LMP as well as the amount of MW generated in SPP for the week of November 9, 2013. This graph was created in ZEMA using SPP Market Clearing report data.
FERC Approves Coordinated Transaction Scheduling for PJM and NYISO

On March 13, 2014, the U.S. Federal Energy Regulatory Commission (FERC) approved coordinated transaction scheduling (CTS), a solution for the New York Independent System Operator (NYISO) and the PJM Interconnection that will improve scheduling of wholesale electricity sales between the two regions and reduce costs for consumers in New York and the PJM region. CTS will be implemented in these regions in November 2014.

FERC’s approval of CTS will enable PJM and the NYISO to make more efficient use of the transmission lines that connect these two regions. CTS will improve scheduling efficiency, maximize transmission utilization, and reduce interregional transmission schedules by explicitly incorporating projected price differences between the NYISO and PJM markets into interregional scheduling decisions. CTS will help consumers in these regions to access the least expensive sources of power; the solution will also lower the combined cost of operating power systems in New York and PJM.

Technical enhancements involved in CTS include increasing the frequency of scheduling energy transactions over the transmission network between the two regions and implementing software changes to enable the two grid operators to coordinate their selection of the most economic transactions available. According to PJM, these changes have the potential for production cost savings ranging from $9 million/year to $26 million/year.

Swiss Power Futures Registered on EEX

On February 24, 2014, the first trading transaction in Swiss power futures was registered on the European Energy Exchange (EEX) for clearing via European Commodity Clearing (ECC). The trade is for delivery in the third quarter of 2014; it was concluded between EDF Trading Limited and Gunvor International V.V., Geneva Branch. The trade was matched by the broker GFI Securities Limited. The traded volume was 11,040 megawatt hours (MWh) at a price of 34.65 euros per MWh.

EEX has offered trade registration for Swiss power futures since October 1, 2013. The EEX’s trade registration service allows trading participants to register trading transactions concluded over the counter for clearing on the exchange.

From March 19, 2014 onwards, market participants will be able to register Spanish base load power futures (weeks, months, quarters, and years) on EEX for clearing via ECC. As well, on April 7, 2014, EEX will introduce order book trading for the Italian power market.

To keep abreast of power market trends in the U.S., leverage ZEMA’s advanced data collection and validation capabilities. ZEMA can collect accurate historical and current data from both the NYISO and PJM regions easily. ZEMA also excels at displaying time series, enabling market participants to keep track of power prices in these regions. To learn more, visit http://www.ze.com/the-zema-solutions/.

ZEMA collects a range of European power market data, including over 30 reports from the EEX. These reports include futures price and trading data. To learn more, visit http://www.ze.com/the-zema-solutions/.
Platts Revises UK Annual Power Assessments

On March 31, 2014, Platts will refocus its U.K. annual power assessments to reflect changing trading patterns in the electricity market as forward delivery periods migrate to the Gregorian calendar. Platts will launch daily baseload and peakload assessments of year-ahead calendar power for delivery from January 1-December 31, assessed as a midpoint only. Platts will also discontinue its April annual baseload and peakload assessments—which cover the forward period from April to March—when the April 2014 contract expires on March 28, 2014.

The graph above, which was created in ZEMA using NYMEX data, depicts U.K. annual peak prices against U.K. annual base prices in euros per megawatts (Euro/MW).

See the original announcement.

ZEMA collects many electricity market reports from Platts. ZEMA collects market data as soon as it is released, ensuring that ZEMA users have up-to-date European power market data. To learn more about ZEMA’s advanced data collection functionalities, visit http://www.ze.com/the-zema-solutions/data/.

Let’s get analytical: ZEMA transforms electricity market data into market intelligence.

About ZEMA
Platts Amends Spark and Dark Spread Indicators

Effective April 1, 2014, Platts is proposing the following changes to its clean spark spread calculations:

• Revising the emissions intensity factor to 0.053942 tCO2e/MMBtu, in line with the most recent U.K. government conversion factors

• Applying an energy conversion multiplier of 3.412141 MMBtu to MWh as per industry standard

• Changing the full revised formula to “Platts spark spread (EUA emissions price* carbon intensity factor 0.053942* energy conversion 3.412141/plant efficiency)”

Alongside these proposed changes, Platts will now include the heating value for spark and clean spark spreads in its European Electricity Methodology and Specifications Guide. The applicable heating value for all existing and new spark and clean spark spreads is high heating value (HHV). Platts currently publishes 50% and 60% efficient spark and clean spark spreads at HHV.

Platts will also be increasing its generation spread indicators. By April 1, 2014, Platts will introduce:

• New spark and clean spark spreads that capture the lower band of gas plant fuel efficiency.

• New U.K. clean spark and clean dark spreads that incorporate the cost of the government’s carbon price support (CPS) levy at the confirmed rates of GBP9.55/mt from April 1, 2014 to March 31, 2015 and GBP18.08/mt from April 1, 2015 to March 31, 2016. Plant efficiency rates will be 44% HHV and 50% at HHV for U.K. CPS spark spreads and 35% for U.K. CPS clean dark spreads.

• A formula for its U.K. CPS clean spark spread: “Platts UK spark spread in GBP/MWh - (EUA emissions price in euro/mt converted to GBP + CPS levy in GBP/mt* emissions intensity factor 0.053942* energy conversion 3.412141 / fuel efficiency).” Eur/MWh conversions will be available.

• A formula for its U.K. CPS dark spread: “Platts UK dark spread in GBP/MWh at 35% fuel efficiency-(EUA emissions price in euro/mt converted to GBP + CPS levy in GBP/mt* emissions intensity factor 0.973).” Eur/MWh conversions will be available.

As well, Platts has proposed formula changes to its dark and clean dark spreads. Platts proposed revising the energy conversion factor for these spreads to 6.978 and the emissions intensity factor to 0.973, based on an industry standard carbon dioxide conversion factor of 0.34056 divided by 0.35 for a coal-fired plant operating at 35% efficiency.

See the original announcement.
US Energy Department Authorizes Jordan Cove to Export LNG

On March 24, 2014, the U.S. Energy Department announced that it has conditionally authorized Jordan Cove Energy Project, L.P. (Jordan Cove) to export domestically produced liquefied natural gas (LNG) to countries that do not have a free trade agreement (FTA) with the United States from the Jordan Cove LNG terminal in Coos Bay, Oregon. Subject to environmental review and final regulatory approval, the facility is conditionally authorized to export at a rate of up to the equivalent of 0.8 billion standard cubic feet per day (Bcf/d) of natural gas for a period of 20 years.

U.S. federal law generally requires approval of natural gas exports to countries that have an FTA with the United States. For countries that do not have an FTA with the United States, the Natural Gas Act directs the Department of Energy to grant export authorizations unless the Department finds that the proposed exports “will not be consistent with the public interest.”

To view Jordan Cove’s full conditional authorization, click here.

The U.S. has experienced an increase in domestic natural gas production that is expected to continue. The U.S. Energy Information Administration (EIA) forecasts a record U.S. domestic production rate of 72.02 Bcf/d in 2014.

Commodity Flows Tool for Oil Market

On March 3, 2014, Thomson Reuters added Commodity Flows, a tool to monitor and display the flow of commodities, to its desktop Thomson Reuters Eikon. Commodity Flows is specifically designed to meet the needs of oil market professionals tracking the movement of oil assets in real time.

The tool will help market participants to forecast the influence of important impact factors upon supply, demand, and market prices.

Commodity Flows provides a single database of individual oil cargoes, incorporating information from vessel tracking, fixtures, tenders, and port inspection to provide an assessment of the forward and historical movement of a commodity into a particular port or trading hub. Customers can view the aggregated assessment provided by Thomson Reuters’s team of analysts or build their own commodity flow models. Commodity Flows models can be exported to Microsoft Excel or viewed in real time using advanced map imagery available in Interactive Map in Eikon. Thomson Reuters plans to add flow data for additional commodities to the Commodity Flows monitoring tool over time.

To receive the latest updates on the U.S. natural gas boom, use ZEMA, ZE’s best-in-class data management solution, collects 75 reports from Thomson Reuters on a daily basis. Like Commodity Flows, ZEMA can collect, display, and analyze data for fossil fuel market participants. For further information, visit http://www.ze.com/the-zema-solutions/.

EIA Creates Coal Data Browser

On February 25, 2014, the U.S. Energy Information Administration (EIA) launched an interactive, online “Coal Data Browser” (www.eia.gov/coal/data/browser) that combines comprehensive government information, statistics, and visualizations about the U.S. coal sector in one location.

The Coal Data Browser gives users easy access to a vast array of coal information from EIA’s electricity and coal surveys. The browser also allows users to dig through data from the Mine Safety and Health Administration and through coal trade information from the U.S. Census Bureau.

Coal Data Browser users can:

• Map coal imports and exports by country and by the U.S. ports that handle coal
• Map where mines send their coal and where power plants obtain their coal
• Break down coal receipts by sulfur content, ash content, heat content, and mine
• See changes in coal prices
• Cross-link mine-level data pages with EIA’s U.S. Energy Mapping System to provide another route to discover data on all of the nation’s active coal mines
• Track changes in coal worker employment in specific states
• In addition to providing users with extensive coal information, the browser includes a help function with pop-up content.

To receive the original announcement, visit http://www.ze.com/the-zema-suite/.
notes that explain the navigation and a brief video
highlighting the browser’s features.

• All time series in the Coal Data Browser have been released
to EIA’s data application programming interface (API).

See the original announcement.

ZEMA collects nearly 300 reports from the EIA, many of which contain coal
market data. To learn more about ZEMA’s vast data library, visit

Platts Introduces Mexican OSPs
for USWC and Europe

On February 24, 2014, Platts introduced two new
monthly official selling prices (OSPs) recently announced by
Mexico’s Pemex, the first for Isthmus crude loading from
Mexico to the U.S. West Coast (USWC), and the second for
Olmeca crude loading from Mexico to Europe.

These OSPs will appear near other OSPs from Pemex on
Platts Global Alert pages 1063 and 1064 and in Platts Latin
American Wire.

See the original announcement.

ZEMA collects multiple Platts reports, including natural gas data. To gain more
informed insight regarding Platts’s new OSPs, view ZEMA’s Platts reports. To
learn more, visit http://www.ze.com/the-zema-solutions/.

Platts Launches New Mediterranean
Gasoline Assessments

On March 3, 2014, Platts launched the following new
FOB Mediterranean premium unleaded 10 ppm gasoline swaps:

• GPWSM00 Gasoline Prem Unleaded 10ppm Med FOB Cargo Swap BalMo
• GPWSM01 Gasoline Prem Unleaded 10ppm Med FOB Cargo Swap Mo01
• GPWSM02 Gasoline Prem Unleaded 10ppm Med FOB Cargo Swap Mo02
• GPWSD00 Prem Unleaded 10ppm Med FOB Cargo vs. Gasoline Eurobob 10ppm ARA FOB Brg Swap BalMo
• GPWSD01 Prem Unleaded 10ppm Med FOB Cargo vs. Gasoline Eurobob 10ppm ARA FOB Brg Swap Mo01
• GPWSD02 Prem Unleaded 10ppm Med FOB Cargo vs. Gasoline Eurobob 10ppm ARA FOB Brg Swap Mo02

These assessments will initially reflect the balance month, front
month, and second month swap values in U.S. dollars per
metric ton. New assessments will be published as outright
values and as a differential to the Eurobob gasoline FOB ARA
barge swaps assessments for the same months. Platts will
publish these new assessments in PFC Europe on page 1637.

See the original announcement.

Platts Begins Thermal Coal Assessment
for Turkey

On March 7, 2014, Platts launched a new weekly price
assessment for thermal coal imported into Turkey on a
6,000 kcal/kg net-as-received basis.

This new assessment takes into account thermal coal trades
done in a forward 90-day delivery window. The minimum cargo
size for consideration is 50,000 mt. Cargoes traded with more
prompt or further forward laycans have been normalized to the
middle of the assessment period.

The assessment has been normalized to the ICDAS port in the
Marmara Sea, but also takes into account the ports of
Colakoglu OVA, ICDAS, Eren Enerji, Isken Enerji, and Akcansa.

The range of coal specifications for inclusion in the assessment
have a calorific value of 5,850-6,300 kcal/kg NAR, 6-15% ash,
10-15% moisture, 20-35% volatile matter, and 0.5-1% sulfur.

See the original announcement.

ZEMA collects many Platts natural gas reports and over
100 coal reports from other data providers. To gain more informed
insight regarding Platts’s new coal assessment, view ZEMA’s
Platts reports and coal reports. To learn more, visit

Platts Introduces Sulfur Diesel,
Gasoil, and Jet Fuel Derivatives
Trading on eWindow

On March 14, 2014, Platts introduced ultra-low sulfur
diesel, gasoil, and jet fuel derivatives trading against the
ICE low sulfur gasoil futures contract on its
European eWindow system. As of March 14, Platts subscribers
will be able to place bids, offers, and trades for these products.

As well, Platts has proposed to launch new assessments for
ultra-low sulfur diesel, gasoil, and jet fuel derivatives trading
against the ICE low sulfur gasoil futures contract on
May 1, 2014.

From March 14-May 1, derivatives for these products will be
available for bids, offers, and trades in eWindow. However, these derivatives will not be included in any
Platts assessments.

See the original announcement.
Platts to Add New Linden Distillate Assessments

On March 14, 2014, Platts proposed to launch new middle distillate assessments in the U.S. Atlantic Coast; these assessments will reflect the value of jet fuel, ultra-low sulfur diesel, and ultra-low sulfur heating oil delivered on the Colonial Pipeline into Linden, New Jersey. As well, Platts requested feedback on a proposal to discontinue several jet fuel and ULSD assessments. These proposed changes are the result of upgrades to refinery production and evolving fuel standards in the U.S. which have increased supply and trade of these fuels into Linden in the northeastern U.S. By contrast, the trade of these fuels in other traditional markets is naturally declining.

As a result of these market changes, Platts proposed to launch assessments for delivery into Linden reflecting minimum volumes of 25,000 barrels, for deliveries into the first prompt full pipeline cycle available for trade in the market. Proposed new assessments will reflect sulfur max 15 ppm, cetane min 40 and undyed for ULS specs for diesel and heating oil, sulfur max 3,000 ppm for jet fuel, and other specifications equivalent to Colonial Pipeline’s 54 grade for jet fuel, 62 grade for ULSD, and 67 grade for ULSHO.

Colonial Pipeline shipments are scheduled according to cycles—there are typically six cycles per month for these shipments, for a total of 72 cycles per year. Platts proposes to assess the first full shipping cycle, which will be the next cycle after each prompt cycle delivering into Linden.

Platts also proposed to discontinue the following assessments in the Atlantic Coast:

- Boston cargo jet fuel (PJABLO0) and ultra-low sulfur kerosene (AAVTJ00)
- New York harbor jet fuel cargo (PJAAX00), jet kerosene low sulfur cargo (PJABK00) and ultra-low sulfur kerosene cargo (AAVTH00)
- Buckeye Pipeline jet fuel (AAJNL00) and jet kerosene low sulfur (AAJNN00)
- New York Harbor ULSD cargo (AATGW00)
- Boston ULSD cargo (AATHD00)
- Buckeye Pipeline ULSD (AATHF00)

These assessments can be found on pages 480, 481, and 410 of Platts Global Alert, in US Marketscan, and in the Platts Oilgram Price Report.

See the original announcement.

Platts Introduces European Weekend Gas Assessments

On March 14, 2014, Platts introduced weekend gas price assessments for the German GASPOOL and NCG markets, the French PEG Nord and Sud, the Italian PSV, and the Austrian CEGH VTP hub.

Weekend prices for these markets will be assessed and published on Friday, or on the last working day of the week in the event of a Friday U.K. bank holiday. Prices will be published in European Gas Daily, in European Power Alert, and on Market Data.

See the original announcement.

Platts Launches Gasoline FOB Med Swap in eWindow

On March 21, 2014, Platts launched premium unleaded 10 ppm gasoline FOB Mediterranean cargo derivatives on its eWindow for the Platts market on close (MOC) assessment process. Instruments listed include the balance month, front-month, second-month and third-month outright swaps in U.S. dollars per metric ton, as well as the balance-month/front-month, front-month/second-month, and second-month/third-month spreads.

The launch of these derivatives in Platts’s eWindow will create a different format for headlines of bids and offers published on PGA 005. For example, a headline that previously appeared as “~~Platts Gasoline: GASOLINE SWAP: MED: Company A OFFERS $990/mt 5kt April Med Gasoline Swap (FOB 10ppm Cargoes)” now appears as “Platts Gasoline Premium Unl 10ppm FOB Med Cg Apr14, Company A offers $990.00 for 5.”

Platts’s eWindow timings for trade are as follows:

- Last time to register price indications: 16.20 London time for outright indications, 16.15 for spread indications
- Incrementability: Maximum $1/mt a minimum of every 20 seconds
- Repeatability: Maximum of 30 seconds to repeat a bid or offer following a trade
- Final state: None—bids and offers can be changed in price up to the close of the assessment process
- Extension: 60-second extension triggered by a change in the bid/offer price or in the event a repeat bid or offer is made in the last 20 seconds

ZEMA collects gas data on a daily basis from over 600 reports. To learn more about ZEMA, book a complimentary demonstration today at http://www.ze.com/book-a-demo/.

See the original announcement.
As per Platts’s methodology, buyers or sellers can withdraw bids and offers at any time, provided no prior interest to transact has been expressed by any potential counterparty. See the original announcement.

To learn more about gasoline prices in Europe and the U.S., use ZEMA to view reports from Platts. To learn more, visit http://www.ze.com/the-zema-solutions/.

**Platts Adds Chinese OCTG Price Assessment**

On March 31, 2014, Platts will introduce a monthly spot price assessment of Chinese seamless oil country tubular goods (OCTG). This assessment will reflect the tradable value of OCTG FOB Tianjin on the last business day of the month for delivery eight to twelve weeks later. The price for this assessment will be published as both U.S. dollars/mt and U.S./foot. Both prices will include all relevant taxes.

Platts will normalize API seamless casing with a diameter between 4-1/2 inches and 13-3/8 inches, and in grades J-55 to P110, to the following standard:

- **Steel grade:** API 5CT J55/K55
- **Connection:** BTC (buttress thread connection)
- **Volume:** Standard order volume of 50 mt to 300 mt
- **Outer diameter:** 7 inches (177.8 mm)
- **Thickness:** 23 or 26 lb/ft (8.05 or 9.19 mm)
- **Length:** Range 3 (10.36-14.63 meters or 34-48 feet)
- **Location:** FOB Tianjin
- **Timing:** Dispatch from 8 to 12 weeks from date of assessment
- **Payment terms:** At sight via letter of credit

This assessment will be published in *Platts Daily Briefing* and *Platts Price Analyzer*. See the original announcement.

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**Platts to Launch New USAC ULS HO Assessment**

On May 1, 2014, Platts will introduce a new FOB barge assessment in New York Harbor for ultra-low sulfur heating oil. On January 2, 2015, Platts will also discontinue several heating oil assessments. Platts will introduce these changes because upgrades to refinery production and evolving fuel standards in the U.S. have meant that the supply and trade of ultra-low sulfur heating oil is increasingly common in the northeastern U.S., while traditional heating oil markets are naturally waning in volume.

As a result, Platts will launch a new ULSHO assessment that reflects a minimum barge size of 25,000 barrels, undyed, sulfur max 15 ppm, cetane min 40, and other specifications similar to Colonial Pipeline’s 67 grade for ULSHO at the delivery point. This new assessment will reflect a delivery period of three to seven days forward on Monday-Wednesday, and five to nine days forward on Thursday and Friday.

New assessments will be located on pages 482 and 410 of *Platts Global Alert*, in *US Marketscan*, and in *Platts Oilgram* news.

In addition, on January 2, 2015 Platts will remove several Atlantic Coast heating oil assessments. To see a list of these assessments, view a DataWatch article on this subject. See the original announcement.

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**Argus Adds Russian Crude Exports Series**

On March 17, 2014, Argus added new series to *Argus Russian Crude Exports* for Siberian light Nizhnevatovsk-Novorossiysk netbacks. The data codes listed below have been included in the DCISCR files in the DCISCR folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Time Stamp</th>
<th>Price Type</th>
<th>Continuous Forward</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0013344</td>
<td>0</td>
<td>18</td>
<td>0</td>
<td>Siberian Light Nizhnevatovsk-Novorossiysk Netback</td>
</tr>
<tr>
<td>PA0013344</td>
<td>0</td>
<td>50</td>
<td>0</td>
<td>Siberian Light Nizhnevatovsk-Novorossiysk Netback</td>
</tr>
</tbody>
</table>

ZEMA collects a range of Argus crude assessment data, including data from the European Crude (Spot Prices) report and the Argus Crude report. To learn more, visit http://www.ze.com/the-zema-solutions/.

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Market participants can use ZEMA to receive up-to-the-minute data regarding Asian petroleum products. To receive a free ZEMA demonstration, visit http://www.ze.com/book-a-demo/.

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**March 2014**
Argus Adds New Fuel Oil Assessment

On April 1, 2014, Argus will introduce the following new assessment to its Argus European Products publication. The following series will appear in the DLP files in the DEURO folder of server ftp.argusmedia.com:

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Time Stamp</th>
<th>Price Type</th>
<th>Continuous Forward</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0013430</td>
<td>6</td>
<td>8</td>
<td>0</td>
<td>Fuel oil 3.5% S</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>RMK barge</td>
</tr>
</tbody>
</table>

See the original announcement.

Argus to Introduce New Assessment in Argus European Products

On April 30, 2014, Argus will introduce a new assessment to its Argus European Products publication. The following series will appear in the DLP files in the DEURO folder of server ftp.argusmedia.com:

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Time Stamp</th>
<th>Price Type</th>
<th>Continuous Forward</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0013431</td>
<td>6</td>
<td>8</td>
<td>1</td>
<td>Fuel oil 3.5% S</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>RMK barge average month</td>
</tr>
</tbody>
</table>

See the original announcement.

Euronext Announces GTT as First Major Listing in Paris for 2014

On February 27, 2014, Euronext announced the successful listing of Gaztransport & Technigaz (GTT), a world leader in cryogenic membrane containment systems used in the shipbuilding industry for the transport of LNG. Euronext has listed GTT in compartment A of the regulated market in Paris. The admission and issue price of GTT shares (ticker symbol: GTT) has been set at 46 euros per share. GTT was listed through admission to trading with 37,028,800 existing shares comprising the company’s equity.

See the original announcement.

ZEMA currently collects over 30 Euronext reports.
To learn more about ZEMA’s repository of Euronext data, visit http://www.ze.com/the-zema-solutions/data-coverage/.

Dalian Commodity Exchange Publishes Issues for Listing and Trading of New Polypropylene Futures

On February 21, 2014, the Dalian Commodity Exchange (DCE) announced that its listing of polypropylene (PP) futures contracts has been approved by the China Securities Regulatory Commission. Issues related to the listing and trading of PP futures contracts are as follows:

1. PP futures contracts will be listed and traded as of February 28, 2014.

2. The first listed and traded contracts will be:
   - PP1405
   - PP1406
   - PP1407
   - PP1408
   - PP1409
   - PP1410
   - PP1411
   - PP1412
   - PP1501
   - PP1502

3. Benchmark listing prices of new contracts will be notified separately by DCE on the trading day before listing.

4. The trading margin for the PP futures contracts is tentatively set at 5% of the contract value, and the price limit is tentatively set at 4% of the settlement price of the previous trading day. The price limit for the new contracts on the first listing day is set at 8% of the benchmark listing price.

5. The transaction fee for the PP futures contract is 0.005% of the sum of the traded contracts; the transaction fees for the same contract opened first and then closed on the day will be charged respectively at 0.0025% of the sum of the traded contracts.

6. DCE will release the trading volumes and positions related to the PP futures contracts after the settlement on each trading day.

7. The PP storage charge is set at RMB 1 / ton / day.

8. China Certification & Inspection Group Inspection Co., Ltd., SGS-CSTC Standards Technical Services Co., Ltd. and Ningbo Entry-Exit Inspection and Quarantine Bureau Technical Center serve as the designated quality inspection institutions for the PP.

Those affected are advised to prepare for the listing of the PP futures, and be attentive to ensure risk prevention and smooth market operation.

For further details on this and the accompanying attachments, see the original announcement.

The graph below highlights the price differences between Linear Low Density Polyethylene futures and Polyvinyl Chloride futures on the Dalian Commodity Exchange (DCE). This graph was created in ZEMA using DCE chemical futures spot prices data.

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**Graph created with ZEMA**

ZEMA collects several natural gas reports from the Dalian Commodity Exchange on a daily basis, including futures spot price reports for petroleum products and coal. To learn about how to leverage ZEMA’s power to collect, aggregate, and transform reports from the Dalian Commodity Exchange into useful market intelligence, visit http://www.ze.com/the-zema-solutions/.

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**Dalian Commodity Exchange Lists Trading on Coal and Petroleum Products**

On March 14, 2014, the Dalian Commodity Exchange (DCE) listed trading on its coke 1503 contract, LLDPE 1503 contract, RBD palm olein 1503 contract, PVC 1503 contract, coking coal 1503 contract, and PP 1503 contract. Benchmark listing prices for these contracts are included in the table below:

<table>
<thead>
<tr>
<th>Contract</th>
<th>Benchmark Listing Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1509 Contract</td>
<td>RMB 4,263 / ton</td>
</tr>
<tr>
<td>B1503 Contract</td>
<td>RMB 3,830 / ton</td>
</tr>
<tr>
<td>C1503 Contract</td>
<td>RMB 2,333 / ton</td>
</tr>
<tr>
<td>I1503 Contract</td>
<td>RMB 736 / ton</td>
</tr>
<tr>
<td>J1503 Contract</td>
<td>RMB 1,268 / ton</td>
</tr>
<tr>
<td>L1503 Contract</td>
<td>RMB 10,055 / ton</td>
</tr>
<tr>
<td>M1503 Contract</td>
<td>RMB 3,144 / ton</td>
</tr>
<tr>
<td>P1503 Contract</td>
<td>RMB 6,340 / ton</td>
</tr>
<tr>
<td>V1503 Contract</td>
<td>RMB 6,125 / ton</td>
</tr>
<tr>
<td>Y1503 Contract</td>
<td>RMB 7,182 / ton</td>
</tr>
<tr>
<td>JM1503 Contract</td>
<td>RMB 879 / ton</td>
</tr>
<tr>
<td>JD1503 Contract</td>
<td>RMB 4,391/ 500kg</td>
</tr>
<tr>
<td>BB1503 Contract</td>
<td>RMB 130.05 / piece</td>
</tr>
<tr>
<td>FB1503 Contract</td>
<td>RMB 65.60 / piece</td>
</tr>
<tr>
<td>PP1503 Contract</td>
<td>RMB 9,988 / ton</td>
</tr>
</tbody>
</table>

See the original announcement.
NYMEX Adds New Arab Gulf Naphtha and Gasoil Futures

On March 3, 2014, the New York Mercantile Exchange (NYMEX) added several new Arab Gulf naphtha and gasoil futures contracts to Globex, ClearPort, and the NYMEX trading floor. All new products are available for block trading at a minimum threshold of 2 contracts.

Product names, clearing codes, and contract specifications are listed below:

<table>
<thead>
<tr>
<th>Product Name</th>
<th>Clearing Code</th>
<th>Product Size</th>
<th>Series Listing Convention</th>
<th>Initial Contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mini Middle East Naphtha FOB Arab Gulf (Platts) Futures</td>
<td>MME</td>
<td>100 metric tons</td>
<td>12 months</td>
<td>March 2014-February 2015</td>
</tr>
<tr>
<td>Middle East Gasoil FOB Arab Gulf (Platts) Futures</td>
<td>MPE</td>
<td>1,000 barrels</td>
<td>12 months</td>
<td>March 2014-February 2015</td>
</tr>
<tr>
<td>Mini Middle East HSFO 180 cst FOB Arab Gulf (Platts) Futures</td>
<td>MHE</td>
<td>100 metric tons</td>
<td>12 months</td>
<td>March 2014-February 2015</td>
</tr>
<tr>
<td>Mini Middle East HSFO 380 cst FOB Arab Gulf (Platts) Futures</td>
<td>MSE</td>
<td>100 metric tons</td>
<td>12 months</td>
<td>March 2014-February 2015</td>
</tr>
<tr>
<td>Mini Middle East Naphtha FOB Arab Gulf (Platts) BALMO Futures</td>
<td>MNE</td>
<td>100 metric tons</td>
<td>1 month and the next contract month will be listed 10 business days before the contract month</td>
<td>March 2014</td>
</tr>
<tr>
<td>Middle East Gasoil FOB Arab Gulf (Platts) BALMO Futures</td>
<td>MBS</td>
<td>1,000 barrels</td>
<td>1 month and the next contract month will be listed 10 business days before the contract month</td>
<td>March 2014</td>
</tr>
<tr>
<td>Mini Middle East HSFO 180 cst FOB Arab Gulf (Platts) BALMO Futures</td>
<td>MGS</td>
<td>100 metric tons</td>
<td>1 month and the next contract month will be listed 10 business days before the contract month</td>
<td>March 2014</td>
</tr>
<tr>
<td>Mini Middle East HSFO 380 cst FOB Arab Gulf (Platts) BALMO Futures</td>
<td>MHS</td>
<td>100 metric tons</td>
<td>1 month and the next contract month will be listed 10 business days before the contract month</td>
<td>March 2014</td>
</tr>
</tbody>
</table>

See the original announcement.
NYMEX Lists Contract Specifications for Middle East Refined Product Futures

On March 3, 2014, NYMEX launched eight new Middle East refined product futures contracts. On February 27, 2014, NYMEX released contract specifications for these new products, including spot-month aggregation allocations, all month/single month accountability levels, initial spot month position limits, and reportable levels. These specifications will be inserted into the “NYMEX Position Limit, Position Accountability and Reportable Level Table” located in the Interpretations and Special Notices section of chapter 5 of the NYMEX Rulebook.

Contract specifications are as follows:

<table>
<thead>
<tr>
<th>Contract Name</th>
<th>Commodity Code</th>
<th>Spot Month Aggregate Into Futures Equivalent Leg (1)</th>
<th>Initial Spot Month Limit (In Net Futures Equivalents) Leg (1)/Leg (2)</th>
<th>Single Month Accountability Level Leg (1)/Leg (2)</th>
<th>All Month Accountability Level (Leg 1)/Leg (2)</th>
<th>Reporting Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mini Middle East Naphtha FOB Arab Gulf (Platts) Futures</td>
<td>MME</td>
<td>MME</td>
<td>1,500</td>
<td>5,000</td>
<td>7,000</td>
<td>25</td>
</tr>
<tr>
<td>Mini Middle East Naphtha FOB Arab Gulf (Platts) BALMO Futures</td>
<td>MNE</td>
<td>MME</td>
<td>1,500</td>
<td>5,000</td>
<td>7,000</td>
<td>25</td>
</tr>
<tr>
<td>Middle East Gasoil FOB Arab Gulf (Platts) Futures</td>
<td>MPE</td>
<td>MPE</td>
<td>2,000</td>
<td>6,000</td>
<td>9,000</td>
<td>25</td>
</tr>
<tr>
<td>Middle East Gasoil FOB Arab Gulf (Platts) BALMO Futures</td>
<td>MBS</td>
<td>MPE</td>
<td>2,000</td>
<td>6,000</td>
<td>9,000</td>
<td>25</td>
</tr>
<tr>
<td>Mini Middle East HSFO 180 cst FOB Arab Gulf (Platts) Futures</td>
<td>MHE</td>
<td>MHE</td>
<td>2,000</td>
<td>6,000</td>
<td>9,000</td>
<td>25</td>
</tr>
<tr>
<td>Mini Middle East HSFO 180 cst FOB Arab Gulf (Platts) BALMO Futures</td>
<td>MGS</td>
<td>MHE</td>
<td>2,000</td>
<td>6,000</td>
<td>9,000</td>
<td>25</td>
</tr>
<tr>
<td>Mini Middle East HSFO 380 cst FOB Arab Gulf (Platts) Futures</td>
<td>MSE</td>
<td>MSE</td>
<td>2,000</td>
<td>6,000</td>
<td>9,000</td>
<td>25</td>
</tr>
<tr>
<td>Mini Middle East HSFO 380 cst FOB Arab Gulf (Platts) BALMO Futures</td>
<td>MHS</td>
<td>MSE</td>
<td>2,000</td>
<td>6,000</td>
<td>9,000</td>
<td>25</td>
</tr>
</tbody>
</table>

See the original announcement.

ZEMA collects a range of NYMEX oil futures data, including data from the NYMEX Futures Reference file and the NYMEX Futures Settlement report for petroleum and other liquids. To receive a complimentary ZEMA demonstration, visit http://www.ze.com/book-a-demo/.

TOCOM to List Standard Combination Orders on Oil Intercommodity Spreads

On March 24, 2014, the Tokyo Commodity Exchange (TOCOM) began listing standard combination orders (SCOs) on intercommodity spreads in the oil and Chukyo oil markets.

Crack spreads are traded by placing separate orders and monitoring the price differences between crude oil and other oil products. TOCOM notes that, up until now, it has been difficult to fix an expected spread without the simultaneous execution of multiple orders. Now, TOCOM notes that the implementation of SCOs on intercommodity spreads will enable market participants trading crack spreads to simultaneously execute orders at the intended spread. TOCOM also expects that SCOs on intercommodity spreads will improve market liquidity.

The following intercommodity combinations will be available for trade on the oil market division:

- Gasoline-Crude Oil
- Kerosene-Crude Oil
The following intercommodity combinations will be available for trade on the Chukyo oil market division:

- Chukyo-Gasoline-Chukyo Kerosene

For further contract specifications, see the original announcement.

Platts Provides Updates on Assessment Calculation Process for Europe Distillate Cargo Products

On February 24, 2014, Platts provided a summary of the ports, bids, and offers reflected in its market on close assessment process for Europe distillate cargo products. In these assessments, Platts reflects bids and offers for European low sulfur diesel, gasoil, and jet fuel cargoes in which the seller endeavors to deliver oil on a vessel that will fit likely terminals and jetties within the port indicated at the time of showing an indication in the assessment process.

Platts noted that when a buyer needs a vessel that will fit the specific dimensions of a terminal or a jetty, the name of the terminal and/or jetty should be detailed in any bid communicated to Platts. Platts also noted that when a trade is performed, a buyer may wish to take the vessel to a different port based on its charter-party options. In this instance, the seller must provide a vessel fitting plausible terminals in the originally nominated port.

See the original announcement.
Changes Made to Platts’s Coal Symbol Descriptions
On March 18, 2014, Platts updated its symbol descriptions for all of the symbols listed in the URL below:
• http://pmts.co/coal-sym31214

Platts Changes Time Stamp for Coal Trader’s OTC Thermal Coal Assessments
On March 26, 2014, Platts changed its market on close (MOC) assessment time stamp for its coal trader’s over-the-counter thermal coal assessments to 2:30 p.m. ET. Previously, the time stamp for this assessment was 4:00 p.m. ET. This change aligns the time stamp for this assessment with the peak period of trading activity in the spot market.

Platts Renames Oil Arbitrage Wire
On April 1, 2014, Platts will rename Oil Arbitrage Wire. This newsletter will now be referred to as North American Crude and Products Scan; it will contain all of the content presently found in Oil Arbitrage Wire.

Platts Updates Group 3 Gasoline and Distillate Specifications
On April 1, 2014, Platts will update its Group 3 gasoline and distillate methodology and specifications to more fully align with market practices. The following changes will take place:
• Delivery Timing: Platts currently reflects deliveries that occur 1-3 days forward from the date of publication. Platts proposes that deliveries now reflect a delivery timing of the next business day. This will also align Platts’s publishing holidays, as indicated in the Platts Holiday Calendar: http://www.platts.com/holiday.
• Volume: Platts proposes to amend the minimum volume for its Group 3 sub-octane and ULSD assessments from a 10,000 barrels volume basis to a 25,000 barrels volume basis.
• Basis Month: Bids, offers, and transactions that are reported for publication as a differential to NYMEX gasoline or ULSD futures contracts will be assessed using the front-month futures contract up to and including the second-to-last business day, prior to contract expiry. Platts will roll the underlying NYMEX month used to assess the value of such trades after this day, meaning that on the day of expiry itself for NYMEX futures contracts, Platts will begin using the next-month futures contract as the basis for assessment.
• Location: Group 3 assessments will continue to be assessed on an FOB Tulsa, Oklahoma basis, for delivery into the Magellan pipeline system.

Platts to Resume Publishing USGC Gasoline Supplemental Assessments
On April 1, 2014, Platts will resume publishing U.S. Gulf Coast gasoline supplemental assessments with Colonial Pipeline’s 19th shipping cycle. These supplemental assessments will reflect 9 RVP before ethanol blending and will comprise the following grades shipped on the pipeline:
• Conventional 87-octane
• Premium 93-octane (V2)
• CBOB 87 (A2)
• Premium CBOB 93 (D2)

Based on Colonial’s proposed 2014 RVP transition calendar, these grades will be assessed on a supplemental basis through the pipeline’s 51st cycle, which is expected to be prompt in late August or early September.

See the original announcement.

Platts Changes Market Data Category for Oil Assessments

On May 1, 2014, Platts will make Market Data category changes for the symbols listed in the following three announcements:


See the original announcement.

Platts Proposes Changes to VVO NWE FAME Biodiesel

Platts is requesting feedback on its proposal to change the specification for FAME 0 and FAME 10 biodiesel assessments to reflect only materials with a 100% virgin vegetable oil origin. The proposed change will take effect on May 1, 2014.

The following assessments will be affected:

- AAWGY00 - Biodiesel FAME -10 FOB Rdam Barge
- AAXQL00 - Biodiesel FAME 0 FOB Rdam Barge
- AAWGH00 - Biodiesel FAME -10 (RED) FOB ARA Barge
- AAWGI00 - Biodiesel FAME 0 (RED) FOB ARA Barge

Comments and feedback should be sent to europe_ag@platts.com and pricegroup@platts.com by April 1, 2014.

See the original announcement.

Platts Moves BFOE CFD eWindow Incrementability Timing

On May 1, 2014, Platts will update the time that price changes can be made in its market on close (MOC) assessment process for BFOE CFDs to a maximum of $0.05/barrel per minimum of every 20 seconds.

This move increases the present incrementability for BFOE CFDs—a maximum of $0.05/barrel per minimum of every 30 seconds—and aligns the incrementability timing of BFOE CFDs with the wider paper markets reflected in Platts European eWindow MOC processes.

Market participants who wish to communicate indications and subsequent price changes to Platts via Yahoo Messenger are welcome to do so, but will be subject to non-eWindow guidelines stating a maximum value change of $0.05/barrel per minimum of every 60 seconds.

Incrementability does not apply to bids and offers that are moving away from market value.

See the original announcement.
## Platts Changes Coal Market Data Category

On June 16, 2014, Platts will move several coal symbols to the Market Data category listed under the “new” column in the table below:

<table>
<thead>
<tr>
<th>Current</th>
<th>New</th>
<th>Symbol</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO</td>
<td>EJ</td>
<td>CANO0Y1</td>
<td>Emis NOx US Yr01 $/Allow</td>
</tr>
<tr>
<td>CO</td>
<td>EJ</td>
<td>CAN0MY1</td>
<td>Emis NOx US Yr01 Bkr Best at Opt Stl Mo Cl</td>
</tr>
<tr>
<td>CO</td>
<td>EJ</td>
<td>CAN0WY1</td>
<td>Emis NOx US Yr01 Bkr Best at Wk Mkt Cl</td>
</tr>
<tr>
<td>CO</td>
<td>EJ</td>
<td>CAN0Y2</td>
<td>Emis NOx US Yr02 $/Allow</td>
</tr>
<tr>
<td>CO</td>
<td>EJ</td>
<td>CAN0MY2</td>
<td>Emis NOx US Yr02 Bkr Best at Opt Stl Mo Cl</td>
</tr>
<tr>
<td>CO</td>
<td>EJ</td>
<td>CAN0WY2</td>
<td>Emis NOx US Yr02 Bkr Best at Wk Mkt Cl</td>
</tr>
<tr>
<td>CO</td>
<td>EJ</td>
<td>CAS0200</td>
<td>Emis SO2 US $/Allow</td>
</tr>
<tr>
<td>CO</td>
<td>EJ</td>
<td>CAS02M1</td>
<td>Emis SO2 US Bkr Best at Opt Stl Mo Cl</td>
</tr>
<tr>
<td>CO</td>
<td>EJ</td>
<td>CAS02W1</td>
<td>Emis SO2 US Bkr Best at Wk Mkt Cl</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CCGXM00</td>
<td>Ger Cl Dk Spd MA 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CCGTM00</td>
<td>Ger Cl Dk Spd MA 35% Eur/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CCGXM27</td>
<td>Ger Cl Dk Spd MA+1 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CCGTM27</td>
<td>Ger Cl Dk Spd MA+1 35% Eur/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CGXQ00</td>
<td>Ger Cl Dk Spd QA 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CGXQ27</td>
<td>Ger Cl Dk Spd QA+1 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CGXY00</td>
<td>Ger Cl Dk Spd YA 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CGTY00</td>
<td>Ger Cl Dk Spd YA 35% Eur/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CGXY27</td>
<td>Ger Cl Dk Spd YA+1 35% Eur/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CGTY27</td>
<td>Ger Cl Dk Spd YA+1 35% Eur/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGXM00</td>
<td>Ger Dark Spd MA 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGXM27</td>
<td>Ger Dark Spd MA+1 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGX00</td>
<td>Ger Dark Spd QA 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGXQ27</td>
<td>Ger Dark Spd QA+1 35% Eur/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGXQ00</td>
<td>Ger Dark Spd QA 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGXQ27</td>
<td>Ger Dark Spd QA+1 35% Eur/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGY00</td>
<td>Ger Dark Spd YA 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGY27</td>
<td>Ger Dark Spd YA+1 35% $/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGTQ27</td>
<td>Ger Dark Spd QA+1 35% Eur/MWh</td>
</tr>
<tr>
<td>EE</td>
<td>CI</td>
<td>CDGY00</td>
<td>Ger Dark Spd YA 35% $/MWh</td>
</tr>
</tbody>
</table>

See the original announcement.

## Argus Renames Ice Low Sulphur Diesel Settlement

On March 17, 2014, Argus renamed the ice low sulphur diesel settlement listed below, noting that the label for this series is the only aspect of it that will change:

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Old Description</th>
<th>New Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0009956</td>
<td>Diesel Ice low sulphur NWE month</td>
<td>Gasoil Ice low sulphur NWE month</td>
</tr>
</tbody>
</table>

See the original announcement.
Argus Amends Name for Fuel Oil Assessment

On March 19, 2014, Argus renamed the fuel oil assessment listed below, changing only its label. The affected assessment is located in the damarinef files in the DAMarineF folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Old Description</th>
<th>New Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0000769</td>
<td>Fuel oil 3.5% S NWE barge</td>
<td>Fuel oil 3.5% S RMG NWE barge</td>
</tr>
</tbody>
</table>

See the original announcement.

Argus Revamps Name for Fuel Oil Assessment

On March 19, 2014, Argus renamed the fuel oil assessment listed below, changing only its label. The affected assessment is located in the dbo files in the DABOL folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Old Description</th>
<th>New Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA5001362</td>
<td>Fuel oil 3.5% NWE barge snapshot</td>
<td>Fuel oil 3.5% S RMG NWE barge snapshot</td>
</tr>
</tbody>
</table>

See the original announcement.

Argus Announces Labelling Changes to Argus European Products

On March 19, 2014, Argus renamed two fuel oil assessments, introducing changes only to the labels of these assessments. Affected assessments are located in the DLP files in the DEURO folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Old Description</th>
<th>New Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0000769</td>
<td>Fuel oil 3.5% NWE barge</td>
<td>Fuel oil 3.5% S RMG NWE barge</td>
</tr>
<tr>
<td>PA0008662</td>
<td>Fuel oil 3.5% NWE barge average month</td>
<td>Fuel oil 3.5% S RMG NWE barge average month</td>
</tr>
</tbody>
</table>

See the original announcement.

Argus Introduces New Name for Fuel Oil Assessment

On March 19, 2014, Argus renamed the fuel oil assessment listed below, changing only its label. This assessment is located in the dfsue files in the DSUE folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Old Description</th>
<th>New Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA5000857</td>
<td>Fuel oil 3.5% S NWE barge wed snapshot</td>
<td>Fuel oil 3.5% S RMG NWE barge wed snapshot</td>
</tr>
</tbody>
</table>

See the original announcement.
Argus Uploads Historic Russian Crude Data

On March 31, 2014, Argus will upload retrospective Nizhnevartovsk netbacks series to Argus Russian Crude Exports. The start date for these series is December 31, 2010. Series have a time stamp of 0, a continuous forward rank of 0, and are price type 18. Further historical data will be back-filled; it will become available upon request.

The graph below highlights the difference between Russian 80 kt Novorossiysk and FOB Primorsk from Argus. This graph was created in ZEMA using retrospective Argus European spot price data.

The following data codes will be included in the DCISCR files in the DCISCR folder of server ftp.argusmedia.com:

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0013346</td>
<td>Urals Poland retrospective netback Nizhnevartovsk</td>
</tr>
<tr>
<td>PA0013347</td>
<td>Urals Germany retrospective netback Nizhnevartovsk</td>
</tr>
<tr>
<td>PA0013348</td>
<td>Urals Czech retrospective netback Nizhnevartovsk</td>
</tr>
<tr>
<td>PA0013349</td>
<td>Urals Hungary retrospective netback Nizhnevartovsk</td>
</tr>
<tr>
<td>PA0013350</td>
<td>Urals Slovakia retrospective netback Nizhnevartovsk</td>
</tr>
<tr>
<td>PA0013351</td>
<td>ESPO retrospective netback Nizhnevartovsk</td>
</tr>
<tr>
<td>PA0013352</td>
<td>Urals NWE retrospective netback Nizhnevartovsk</td>
</tr>
<tr>
<td>PA0013353</td>
<td>Urals Med 80kt retrospective netback Nizhnevartovsk</td>
</tr>
<tr>
<td>PA0013354</td>
<td>Urals Med 135kt retrospective netback Nizhnevartovsk</td>
</tr>
<tr>
<td>PA0013355</td>
<td>Siberian Lt retrospective netback Nizhnevartovsk</td>
</tr>
</tbody>
</table>

See the original announcement.
NYMEX Renames Chicago Unleaded Gasoline Futures

Effective from the March 2014 contract month and beyond, NYMEX will rename its Chicago Unleaded Gasoline (Platts) futures and its Chicago Unleaded Gasoline (Platts) vs. RBOB futures. Floating price rules for these products will be updated to reflect these name changes. The exchange has renamed these products as a result of the phase-out of the existing grade of unleaded gasoline used in these products; this gasoline is being replaced by a similar gasoline, called a “CBOB” gasoline, which contains a 10% blend of ethanol. Product names will officially change on March 31, 2014.

Product name changes are listed below:

<table>
<thead>
<tr>
<th>Old Product Name</th>
<th>New Product Name</th>
<th>Commodity Code</th>
<th>Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago Unleaded Gasoline (Platts) Futures</td>
<td>Chicago CBOB Gasoline (Platts) Futures</td>
<td>2C</td>
<td>450</td>
</tr>
<tr>
<td>Chicago Unleaded Gasoline (Platts) vs. RBOB Gasoline Futures</td>
<td>Chicago CBOB Gasoline (Platts) vs. RBOB Gasoline Futures</td>
<td>3C</td>
<td>451</td>
</tr>
</tbody>
</table>

See the original announcement.

ZEMA collects an extensive range of Gasoline reports from the NYMEX future settlements on a daily basis. The graph below, which was created in ZEMA using NYMEX data, shows the average weekly prices of the former Chicago Unleaded Gasoline (Platts) vs. RBOB Gasoline futures (CME Code: 3C) in U.S. dollars per gallon (USD/gal) from March 2013 to March 2014.
FERC Issues NOPR to Improve Gas-Electric Coordination

On March 20, 2014, the U.S. Federal Energy Regulatory Commission (FERC) initiated further steps to improve the coordination and scheduling of natural gas pipeline capacity with electricity markets in light of electric generators’ increased reliance on natural gas.

FERC issued a notice of proposed rulemaking (NOPR) to gather public comments on its proposals to revise the natural gas operating day and scheduling practices used by interstate pipelines to schedule natural gas transportation services. The proposed revisions include starting the natural gas operating day earlier, moving the Timely Nomination Cycle to later, and increasing the number of intraday nomination opportunities to help shippers adjust their scheduling to reflect changes in demand.

The NOPR provides 180 days for the natural gas and electric industries to reach consensus on standards, including any modifications to the Commission’s proposed revisions through the North American Energy Standards Board. Public comments on the Commission’s proposals, as well as comments on any consensus standards, are due within 240 days.

In several separate but related orders, FERC established the following proceedings under the Federal Power Act (FPA) and Natural Gas Act (NGA):

- FERC initiated investigations under section 206 of the FPA into the day-ahead scheduling practices of regional transmission organizations and independent system operators to determine if they are just and reasonable and to ensure that these entities’ scheduling practices correlate with any revisions to the natural gas scheduling practices that may be adopted by the Commission in a final rule stemming from the NOPR.

- FERC initiated an NGA section 5 show cause proceeding requiring all interstate natural gas pipelines to revise their tariffs to provide for the posting of offers to purchase released pipeline capacity in compliance with 18 CFR §284.8(d) of the Commission’s regulations, or to otherwise demonstrate full compliance with that regulation.

Comments on FERC’s NOPR may be filed electronically using FERC’s e-Filing procedures within 240 days of publication in the Federal Register.

See the original announcement.
Platts Proposes to Begin Assessments for Brazil P1020

On March 10, 2014, Platts proposes to start assessing aluminum P1020 prices in the Brazilian market with the aim to capture the tradable spot market value for imports and domestically traded aluminum.

See the original announcement.

ZEMA collects 75 metal reports, many of which contain information pertinent to Brazilian products. To learn more about ZEMA’s data coverage, visit http://www.ze.com/the-zema-solutions/data-coverage/.

Argus Adds New Sulphuric Acid Assessments

On March 10, 2014, Argus added several new assessments to the Argus FMB Weekly Sulphuric Acid report and data feed. New assessments include the following:

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Time Stamp</th>
<th>Price Type</th>
<th>Continuous Forward</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0013345</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>Sulphuric acid freight South Korea/Japan-EC India 20 kt</td>
</tr>
<tr>
<td>PA0013345</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>Sulphuric acid freight South Korea/Japan-EC India 20 kt</td>
</tr>
<tr>
<td>PA0013345</td>
<td>0</td>
<td>8</td>
<td>0</td>
<td>Sulphuric acid freight South Korea/Japan-EC India 20 kt</td>
</tr>
</tbody>
</table>

See the original announcement.

ZEMA already collects data from Argus’s FMB Weekly Sulphur report. To gain a wider perspective of the agricultural market, visit http://www.ze.com/the-zema-solutions/ for further information on how ZEMA can enhance your business processes.
Argus Adds New Assessments to Argus Steel Feedstocks

On March 24, 2014, Argus introduced new price series to its Argus Steel Feedstocks publication and data module. The following series will be listed in the DSSteelFeedstocks module in the DATA/DSSteelFeedstocks folder of server ftp.argusmedia.com:

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Time Stamp</th>
<th>Price Type</th>
<th>Continuous Forward</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0013419</td>
<td>6</td>
<td>8</td>
<td>0</td>
<td>Metallurgical Coal hard fob Australia (mid-vol) within 90 days</td>
</tr>
<tr>
<td>PA0013420</td>
<td>6</td>
<td>8</td>
<td>0</td>
<td>Metallurgical Coal hard cfr N China (mid-vol) within 90 days</td>
</tr>
<tr>
<td>PA0013421</td>
<td>6</td>
<td>8</td>
<td>0</td>
<td>Metallurgical Coal hard North China domestic (mid-vol) USD/t</td>
</tr>
<tr>
<td>PA0013422</td>
<td>6</td>
<td>8</td>
<td>0</td>
<td>Metallurgical Coal hard North China domestic (mid-vol) Yuan/t</td>
</tr>
<tr>
<td>PA0013423</td>
<td>6</td>
<td>8</td>
<td>0</td>
<td>Metallurgical Coal hard delivered Japan (mid-vol) within 90 days</td>
</tr>
<tr>
<td>PA0013424</td>
<td>6</td>
<td>8</td>
<td>0</td>
<td>Metallurgical Coal hard cfr east coast India (mid-vol) within 90 days</td>
</tr>
</tbody>
</table>

On March 24, 2014, Argus also renamed some existing price codes that appear in this publication. These price codes are listed below:

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Old Description</th>
<th>New Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0007768</td>
<td>Metallurgical Coal fob Australian within 90 days</td>
<td>Metallurgical Coal premium hard fob Australia (low-vol) within 90 days</td>
</tr>
<tr>
<td>PA0007769</td>
<td>Metallurgical Coal cfr N China within 90 days</td>
<td>Metallurgical Coal premium hard cfr N China (low-vol) within 90 days</td>
</tr>
<tr>
<td>PA0007770</td>
<td>Metallurgical Coal North China domestic USD/t</td>
<td>Metallurgical Coal premium hard North China domestic (low-vol) USD/t</td>
</tr>
<tr>
<td>PA0007771</td>
<td>Metallurgical Coal North China domestic Yuan/t</td>
<td>Metallurgical Coal premium hard North China domestic (low-vol) Yuan/t</td>
</tr>
<tr>
<td>PA0007772</td>
<td>Metallurgical Coal delivered Japan within 90 days</td>
<td>Metallurgical Coal premium hard delivered Japan (low-vol) within 90 days</td>
</tr>
<tr>
<td>PA0007820</td>
<td>Metallurgical Coal cfr east coast India within 90 days</td>
<td>Metallurgical Coal premium hard cfr east coast India (low-vol) within 90 days</td>
</tr>
</tbody>
</table>

See the original announcement.
Dalian Commodity Exchange Lists Trading on Agricultural, Forestry, and Metal Products

On March 14, 2014, the Dalian Commodity Exchange (DCE) listed trading on its No. 1 soybeans 1509 contract, No. 2 soybeans 1503 contract, corn 1503 contract, iron ore 1503 contract, soybean meal 1503 contract, soybean oil 1503 contract, egg 1503 contract, fiberboard 1503 contract, and blockboard 1503 contract. Benchmark listing prices for these contracts are included in the table below:

<table>
<thead>
<tr>
<th>Contract</th>
<th>Benchmark Listing Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1509 Contract</td>
<td>RMB 4,263 / ton</td>
</tr>
<tr>
<td>B1503 Contract</td>
<td>RMB 3,830 / ton</td>
</tr>
<tr>
<td>C1503 Contract</td>
<td>RMB 2,333 / ton</td>
</tr>
<tr>
<td>I1503 Contract</td>
<td>RMB 736 / ton</td>
</tr>
<tr>
<td>J1503 Contract</td>
<td>RMB 1,268 / ton</td>
</tr>
<tr>
<td>L1503 Contract</td>
<td>RMB 10,055 / ton</td>
</tr>
<tr>
<td>M1503 Contract</td>
<td>RMB 3,144 / ton</td>
</tr>
<tr>
<td>P1503 Contract</td>
<td>RMB 6,340 / ton</td>
</tr>
<tr>
<td>V1503 Contract</td>
<td>RMB 6,125 / ton</td>
</tr>
<tr>
<td>Y1503 Contract</td>
<td>RMB 7,182 / ton</td>
</tr>
<tr>
<td>JM1503 Contract</td>
<td>RMB 879 / ton</td>
</tr>
<tr>
<td>JD1503 Contract</td>
<td>RMB 4,391 / 500kg</td>
</tr>
<tr>
<td>BB1503 Contract</td>
<td>RMB 130.05 / piece</td>
</tr>
<tr>
<td>FB1503 Contract</td>
<td>RMB 65.60 / piece</td>
</tr>
<tr>
<td>PP1503 Contract</td>
<td>RMB 9,988 / ton</td>
</tr>
</tbody>
</table>

See the original announcement.

ZEMA collects reports from the agricultural market on a daily basis; ZEMA also collects over 80 reports on metals markets. To learn more about ZEMA’s extensive data coverage, visit http://www.ze.com/the-zema-solutions/data-coverage/.

COMEX Lists New Aluminum Futures Contract

On May 5, 2014, Commodity Exchange, Inc. (COMEX) will list a new physically delivered aluminum futures contract. This contract will be available for trading on the COMEX trading floor and on CME Globex; it is available for clearing via CME ClearPort.

Contract specifications are included in the table below:

<table>
<thead>
<tr>
<th>Contract Name</th>
<th>Aluminum Futures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commodity Code</td>
<td>ALI</td>
</tr>
<tr>
<td>Rulebook Chapter</td>
<td>107</td>
</tr>
<tr>
<td>Contract Size</td>
<td>25 metric tons</td>
</tr>
<tr>
<td>Listing Schedule</td>
<td>CME Globex: 24 consecutive months</td>
</tr>
<tr>
<td></td>
<td>CME: ClearPort and Open Outcry: 60 consecutive months</td>
</tr>
<tr>
<td>Termination of Trading</td>
<td>Third last business day of the contract month</td>
</tr>
<tr>
<td>Minimum Price Fluctuation</td>
<td>$0.25</td>
</tr>
<tr>
<td>Value per Tick</td>
<td>$6.25</td>
</tr>
<tr>
<td>First Listed Month</td>
<td>July 2014</td>
</tr>
<tr>
<td>Block Trade Minimum Threshold</td>
<td>10 contracts</td>
</tr>
</tbody>
</table>

See the original announcement.
Platts Corrects EMEA Petchem Symbol Descriptions

On March 11, 2014, Platts corrected its descriptions for EMEA Petchem assessments to align these assessments with other similar assessments.

To view the complete list of corrected descriptions, see the original announcement.

Platts Amends Frequency for EMEA Petchem Assessments

On March 11, 2014, Platts corrected the frequency for two EMEA Petchem assessments to weekly.

To view these amended assessments, see the original announcement.

Platts to Increase Frequency for European Ferromolybdenum

On March 19, 2014, Platts requested feedback on its proposal to increase the frequency of its MW European Ferromolybdenum price assessment (MMAFO00) to daily from weekly, and to amend the specification for this assessment so that the assessment normalizes to a 65% grade.

The methodology and specifications for this assessment will be as follows:

• 65% Ferromolybdenum in-warehouse Rotterdam—
  Daily assessment of the repeatable, tradable spot physical price of ferromolybdenum with 60-70% molybdenum contained, normalized to basis 65% Mo contained, 0.5% Cu, 1.5 Si, 0.05 P, 0.10 S, duty-paid, cash terms in-warehouse Rotterdam. Sizing 10-50 mm, 90% passing, packed in 1 mt bags on pallets, 20 mt minimum volume. The value will be expressed in USD per kilogram.

The name of this assessment—which appears in Platts Metals Daily, Metals Week, and Platts Metals—will be changed to “MW European 65% Ferromolybdenum.”

In addition, from May 1, 2014, Platts proposes to enhance its market reporting by publishing an assessment of the tradable value for European ferromolybdenum every business day. A weekly average will also be published on Fridays, and a monthly average consisting of the mean value of all the daily assessments for each month will be published on the last business day of the month.

Platts requests that any feedback regarding these proposed changes be sent to jitendra.gill@platts.com with a cc to pricegroup@platts.com by April 2, 2014.

See the original announcement.

Platts Revises Contract Specifications for US East Coast Shredded Scrap

On March 28, 2014, Platts will change specifications for its daily shredded auto scrap export assessment to FOB U.S. East Coast incoterm from delivered dock.

The unit of measure for this assessment will also change to $/mt from $/lt to reflect international markets.

The full specification will be “Shredded scrap (homogeneous iron and steel scrap, magnetically separated, originating from automobiles, unprepared No. 1 and No. 2 steel, miscellaneous bailing and sheet scrap Average density 50-70 pounds per cubic feet),” as specified by ISRI classification 210-211.

Other grades of steel scrap can be normalized where appropriate based on prevailing market fundamentals. The assessment will reflect a typical deepsea seaborne quantity of 25,000 mt. The assessment will have a lead time of 2-6 weeks; its payment terms will be 100% on delivery, typically as a letter of credit.

This assessment is currently published in Platts Metal Alert, Platts Steel Markets Daily, Platts Market Center, and the Platts database under the codes FEECD00, FEECD04, and FEECD03.

See the original announcement.

Platts Changes Chinese Delivery Port for Australian Alumina

On April 1, 2014, Platts will change the delivery port for its daily Australia-China handysize alumina freight assessment from Qingdao in Shandong province to Lianyungang in Jiangsu province.

This assessment is published in Platts Metal Alert on page MW0005, Platts Metals Daily, Platts Market Center, and the Platts database under the code MMACH00.

See the original announcement.
NYMEX Expands Listing of Aluminum Futures

On March 23, 2014, the New York Mercantile Exchange (NYMEX) will expand its listing of contract months for the following product:

<table>
<thead>
<tr>
<th>Code Clearing/Globex</th>
<th>Title</th>
<th>Current Listing Schedule</th>
<th>New Listing Schedule (as of March 24)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUP/AUP</td>
<td>Aluminum MW U.S. Transaction Premium Platts (25MT) Futures</td>
<td>6 consecutive months</td>
<td>12 consecutive months</td>
</tr>
</tbody>
</table>

See the original announcement.

ZEMA collects an extensive range of precious, ferrous, and base metals reports from CME on a minute-by-minute basis. The graph below was created in ZEMA using COMEX futures settlement data. The grey bar highlights the average weekly prices of Aluminum MW U.S. Transaction Premium Platts (25MT) futures (CME Code: AUP) in U.S. cents per pounds (USC/lb) from March 2013 to March 2014 by adding Aluminum MW U.S. Transaction Premium Platts SWAPS (blue bar) to the base contract, COMEX Copper (CME Code: HG), which is displayed in orange.

Graph created with ZEMA
A Primer for Environmental & Social Disclosure by TSX and CPA Canada

On March 5, 2014, the Toronto Stock Exchange (TSX) and Chartered Professional Accountants of Canada (CPA Canada) launched a joint publication entitled *A Primer for Environmental & Social Disclosure*.

The publication, which updates and expands on information from TSX’s previous edition, presents valuable information for issuers, particularly as investors continue to pay close attention to business issues relating to environmental and social factors. Some investors now consider how these factors can impact revenues, costs, product offerings, customer and employee loyalty, and reputation.

*A Primer for Environmental & Social Disclosure* outlines key principles for environmental and social business conduct. It discusses mandatory disclosure requirements, voluntary reporting, industry-specific key performance indicators, and initiatives in other countries.

The publication also summarizes best practices emerging from the Corporate Reporting Awards, which are presented annually by CPA Canada.

*A Primer for Environment & Social Disclosure* can be found online in both English and French by visiting www.tmx.com or www.cpacanada.ca/primer.

See the original announcement.

ZEMA, a data management solution for environmental market participants, collects many emissions reports which will further help those concerned with environmental issues. For further information about the reports ZEMA collects, visit http://www.ze.com/the-zema-solutions/data-coverage/.

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**AccuWeather Launches MinuteCast Application Online and for Apple Products**

On March 11, 2014, AccuWeather launched its new MinuteCast™ feature on the web and in the iOS 7-enhanced AccuWeather app for iPhones and iPod touches, as well as via its mobile website.

MinuteCast predicts start and end times for precipitation by-the-minute for the next two hours, according to a user’s exact street address. Precipitation is tracked at approximately a half square mile and refreshed every five minutes to provide users with the most relevant and accurate forecast possible.

MinuteCast is currently available across the continental United States. It is now accessible from the forecast page on AccuWeather.com and on the AccuWeather.com mobile site, as well as from the iOS 7-enhanced AccuWeather App for iPhone and iPod touch. In addition to MinuteCast, AccuWeather’s new iPhone app is completely redesigned to improve usability and support the iOS 7 platform, and includes important features such as severe weather alerts, radar, immersive full-screen maps, social sharing, opportunities for personalization, and more.

The AccuWeather App is available for free from Apple’s App Store.

See the original announcement.

ZEMA collects over 180 weather market reports containing information about hydrology, actual and forecast weather data, and more. To learn more about ZEMA’s data coverage, visit http://www.ze.com/the-zema-solutions/data-coverage/.

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**Need an arsenal of weather forecasts, natural gas data, and power market data to make business decisions?**

Discover how ZEMA can help.

---

March 2014
Hong Kong Exchanges Launches Mainland Market Data Hub in Shanghai

On March 3, 2014, Hong Kong Exchanges and Clearing Limited (HKEx) introduced its Mainland Market Data Hub (MMDH) in Shanghai.

MMDH offers clients easy access to HKEx’s market data without having to maintain costly cross-border communication lines. MMDH provides clients with direct access to a securities market data feed and an index feed under HKEx’s Orion Market Data platform. The inclusion of other data feeds from HKEx’s markets will be considered as demand from mainland clients arises.

Today’s rollout included participants in the Founding Member Programme HKEx introduced in 2013 to support MMDH’s start-up and a newly enrolled client. The hub’s initial client list is comprised of:

1. AAstocks.com Limited/Shanghai DZH Co. Ltd
2. East Money Information Co. Ltd
3. Shanghai E Money Software Technology Co. Ltd
4. Sina Hong Kong Limited/Beijing Sina Internet Information Service Company Limited
5. Tencent Holdings Limited

*Founding member

More information on MMDH is available on the HKEx website.

Bloomberg E-Bond System Trading Launched for Nigerian Government Bonds

On March 17, 2014, Bloomberg and FMDQ OTC PLC announced the launch of the Bloomberg E-Bond trading and market surveillance system, a new electronic trading system for Nigerian government bonds that commenced operation under FMDQ’s over-the-counter (OTC) market securities exchange.

Jointly developed by Bloomberg, FMDQ, and the local market-maker community, the Bloomberg E-Bond system provides electronic trading and market surveillance tools for participants in Nigeria’s N12 trillion (US $73 billion) fixed income market.

The Bloomberg E-Bond system provides a complete, consolidated marketplace for Nigerian government bonds, offering market participants a set of tools that support the full trade workflow. Some E-Bond system functionalities include pre-trade price discovery and analysis, the ability to handle multi-dealer requests-for-quotes (RFQ) and order trading, straight-through processing (STP), and integrated trade capture and reporting tools. In addition, market oversight entities and regulators can use the system to review market activity and audit transactions.

The E-Bond system is available to subscribers of the Bloomberg Professional service at EBND<GO>. The trading system is fully integrated with Bloomberg’s data, news, analytics, and communications tools.

See the original announcement.

To view updates from the Nigerian bond market next to other data, use ZEMA, ZE’s comprehensive data management tool for financial market participants. ZEMA enables users to easily visualize data, news, and analytics in one screen, giving users a global market snapshot. To learn more, visit http://www.ze.com/the-zema-suite/dashboard/.

Bloomberg Gives Subscribers Access to Markit’s PMI Indicators

On March 20, 2014, Bloomberg announced that it entered into a distribution agreement to integrate Markit’s Purchasing Managers’ Index (PMI) data into the Bloomberg Professional service. Markit’s PMI surveys are leading indicators of business and economic conditions and influence a wide range of global markets. These surveys—conducted in more than 30 nations—are viewed as the most timely and internationally comparable economic datasets.

Through this agreement, Bloomberg will provide its 319,000 subscribers with real-time access to Markit’s headline PMI data, along with three years of headline PMI historical data. Customers who subscribe to Markit’s full underlying PMI dataset will also have immediate access.

ZEMA collects over 300 financial market reports. ZEMA can easily collect data from HKEx’s Mainland Market Data Hub. To learn more about ZEMA’s vast data coverage, visit http://www.ze.com/the-zema-solutions/data-coverage/.
through Bloomberg to complete historical time series; sub-indexes for variables such as new orders, employment, inventories, and input/output prices; and Markit’s recently launched Sector PMI survey data.

On March 24, 2014, Markit’s PMI data was made available on Bloomberg’s professional service to coincide with the release of Flash PMI survey data.

Bloomberg subscribers can access Markit’s PMI surveys via the Bloomberg Professional service at PMI<GO>.

See the original announcement.

New Venture Market in Chile by Santiago Stock Exchange and TSX Venture Exchange

On March 3, 2014, the Santiago Stock Exchange and TSX Venture Exchange (TSXV) announced that they have entered into an agreement that will lead to the creation of a new venture exchange division of the Santiago Stock Exchange called the Santiago Stock Exchange, Venture.

The agreement will leverage the experience of TSXV, which specializes in facilitating capital formation for early-stage growth companies. It will also provide the opportunity for TSXV issuers to dual-list on the new market.

Santiago Stock Exchange, Venture will initially focus on capital formation for small and medium enterprises (SMEs) in the mining sector. This strategy will strengthen and create a strong connection between the mining industry and the Chilean capital market.

The Santiago Stock Exchange will seek regulatory approval for the Santiago Stock Exchange, Venture with a view to commencing operations in the first half of 2015. The project has also received strong support from the Chilean Ministry of Mining.

See the original announcement.

ZEMA collects over 300 financial market reports. ZEMA can collect data from any provider worldwide, including the Santiago Stock Exchange and the TSX Venture Exchange. To learn how ZEMA can help you transform Chilean financial market data into relevant market information, visit http://www.ze.com/the-zema-solutions/.

NASDAQ OMX Global Indexes Now Available Through eVestment

On March 6, 2014, The NASDAQ OMX Global Inc., a leading derivative provider, announced the launch of nineteen NASDAQ Indexes to clients via their eVestment suite of analytic solutions for institutional investors. The partnership between NASDAQ OMX and eVestment will give NASDAQ OMX access to one of the largest distribution channels to the global institutional investment community, and eVestment clients will have access to NASDAQ OMX’s innovative indexes to benchmark their portfolios, globally and dynamically.

See the complete list of available NASDAQ Indexes here.

ZEMA collects over 50 NASDAQ OMX reports. To learn more about how ZEMA can enhance your data management processes, book a complimentary ZEMA demonstration at http://www.ze.com/book-a-demo/.

NASDAQ OMX Clearing Receives EMIR Authorization

On March 18, 2014, NASDAQ OMX Clearing announced that the Swedish FSA (SFSA) approved its application to be a central counterparty under the European Market Infrastructure Regulation (EMIR). The SFSA’s decision followed an opinion given on March 12th by a college of regulators and central banks from Denmark, Finland, Norway, Sweden, and the U.K., as well as the European Central Bank (ECB) and the European Securities and Markets Authority (ESMA).

Now, NASDAQ OMX Clearing is the first clearing house in Europe to be authorized as EMIR compliant. As a result, clients using the clearing house can rest assured that the house’s risk models, systems, and operations are resilient, robust, and have the ability to handle increased demand during periods of market stress. NASDAQ OMX Clearing is also the first clearing house to have a solution that provides protection for client assets in the case of a clearing member’s default.

See the original announcement.

Euronext Launches PEA PME Family of Indices

On March 5, 2014, Euronext announced that it has introduced the CAC PME index as a response to the introduction of PEA PME savings accounts in France. This is the first index in Euronext’s new PEA PME index family.

The CAC PME index tracks the performance of between 20 and 40 French companies eligible as investment vehicles for PEA PME accounts and listed on Euronext and Alternext markets in Paris. Its components are based on local trade volumes. The weight of each individual stock is capped at 7.5%. The CAC PME index is calculated in real time, and its components and weightings are revised each quarter. The index’s ISIN number is FR0011710375.

To view details of the CAC PME index’s composition, see the original announcement.
Euronext First Exchange to Start EFT NAV Trading

On March 10, 2014, Euronext announced that it’s the first exchange to trade EFTs on the NAV Trading Facility. This will expose the EFT market to a broader investor base by offering a regulated on-exchange forward pricing solution for order execution at Net Asset Value (NAV).

See the original announcement.

ZEMA currently collects over 30 Euronext reports. To learn more about ZEMA’s repository of Euronext data, visit http://www.ze.com/the-zema-solutions/data-coverage/.

Euronext to Implement UTP Solution for Four MENA Exchanges

On March 18, 2014, Euronext announced that it signed agreements with four exchanges in the Middle East and North Africa (MENA) region to implement its new UTP solution, UTP-Hybrid. The four exchanges include the Amman Stock Exchange, the Beirut Stock Exchange, Bourse des valeurs Mobilières de Tunis, and the Muscat Securities Market.

The MENA region has an increasingly sophisticated financial markets industry. Many smaller exchanges in this region require a cost-effective, high-performance platform that will support their growth in equities and derivatives markets or entry into new asset classes. UTP is a solution for these exchanges, as UTP is a multi-asset class, multi-currency trading platform that provides complex functions for low-latency markets. It is the core technology that Euronext uses to operate its single order book model throughout Europe.

The four MENA exchanges listed above, all of whom were already Euronext’s clients, will benefit from customization, project delivery, and ten years of support from Euronext. Euronext’s project will include the replacement of the NSC trading platform, support for which will be discontinued from a commercial perspective in 2015.

See the original announcement.

Eurex Adds Daily Futures on TAIEX Derivatives

On May 15, 2014, Eurex will introduce daily futures on TAIEX (Taiwan Stock Exchange Capitalization Weighted Stock Index) derivatives of the Taiwanese derivatives exchange Taiwan Futures Exchange (TAIFEX). Eurex will also introduce a designated market-making scheme for daily futures on TAIEX futures and a permanent market-making scheme for daily futures on TAIEX options.

Derivatives on the Taiwanese index TAIEX are among the ten most traded index derivatives contracts worldwide. The Eurex/TAIFEX link offers international investors and traders the opportunity to trade these products during core trading hours in Europe and North America when the TAIFEX market is closed.

To support liquidity, Eurex Exchange will offer interested market participants the opportunity to act as designated market makers for daily futures on TAIEX futures and/or as permanent market makers for daily futures on TAIEX options, including options with weekly expirations (weekly options).

To view detailed contract specifications, see the original announcement.

ZEMA, ZE’s data management solution, excels at displaying time-series data in charts, graphs, forward curves, and more. ZEMA also collects financial derivatives data from a wide range of sources. For further information, visit http://www.ze.com/the-zema-suite/.

Nadex Introduces New Intraday Contracts for AUD/USD and GBP/USD Forex Pairs

On March 3, 2014, the North American Derivatives Exchange (Nadex) announced the introduction of additional, overlapping two hour binaries for AUD/USD and GBP/USD forex pairs. Existing AUD/USD and GBP/USD intraday contracts with expirations from 10am to 3pm will be expanded to include the following supplementary expirations:

4 p.m., 5 p.m., 8 p.m., 9 p.m., 10 p.m., 11 p.m.,
12 a.m., 1 a.m., 2 a.m., 3 a.m., 4 p.m., 5 a.m., 6 a.m.,
7 a.m., 8 a.m., and 9 a.m.

See the original announcement.

ZEMA collects two key Eurex reports containing daily price data: the EUREX-Options report and EUREX-Futures report. To learn how to easily collect and analyze Eurex data using ZEMA, visit http://www.ze.com/the-zema-solutions/.

TOCOM Authorized as ATS Provider

The Tokyo Commodity Exchange, Inc. (TOCOM) announced on February 20, 2014 that the Securities and Futures Commission (SFC) in Hong Kong has authorized it to provide automated trading services.

The SFC sets standards and grants ATS authorization to exchanges that meet the SFC’s standards. Exchanges authorized as ATS providers are permitted to provide direct market access to member firms with SFC licenses within Hong Kong.

See the original announcement.
CFTC and FERC Create Interagency Surveillance and Data Analytics Working Group

On March 5, 2014, the Commodity Futures Trading Commission (CFTC) and Federal Energy Regulatory Commission (FERC) announced the initial transmission of market data under the recently-adopted CFTC-FERC memorandum of understanding (MOU). These organizations also announced the creation of a staff-level team, the “Interagency Surveillance and Data Analytics Working Group,” which coordinates information sharing between these agencies, focusing on data security, data sharing infrastructure, and the use of analytical tools for regulatory purposes.

The CFTC and FERC signed an MOU on January 2, 2014 as a result of Congress’s Dodd-Frank Wall Street Reform and Consumer Protection Act. These agencies signed an MOU in order to share information for use in analyzing market activities and protecting market integrity. The MOU ensures that information requests related to markets within the respective jurisdiction of each agency are properly coordinated to minimize duplicative information requests and to address the treatment of confidential information.

Barchart.com Releases New Equity Options Center

On March 5, 2014, Barchart.com announced the release of its equity option center on its flagship website, www.barchart.com. Barchart also announced that naked puts, credit spreads, and intraday updates have been added to its covered call screener.

Barchart’s new option center offers equity option news and performance lists (including volume leaders, implied volatility leaders, and optional stock lists). The option center includes in the following content:

- Option-specific news content
- Option volume leaders
- Option contracts with highest implied volatility
- Top percent increase and decrease in implied volatility
- Top increase and decrease in open interest
- Optionable stocks with earnings within 60 days
- Optionable stocks by sector

Barchart’s covered call screener, the “Advanced Options Screener,” features an updated interface with more filters and criteria. The covered call screener includes the following features:

- Six strategies: covered calls, naked puts, bull put spreads, bull call spreads, bear call spreads, and bear put spreads
- Data refreshed every 20 minutes intraday
- Over 20 different filters to help users select the best naked puts, credit spreads, and covered calls

Worldwide Equity Pricing Available through Barchart OnDemand

On March 12, 2014, Barchart.com announced that it has made worldwide equity market data available on Barchart OnDemand. To do so, Barchart.com has partnered with Exchange Data International (EDI), a provider of global security corporate actions, pricing, and reference data. Barchart OnDemand now delivers end-of-day historical equity pricing from over 170 exchanges, in addition to its extensive global futures, commodity, and foreign exchange coverage. Overall, Barchart OnDemand contains a wealth of pricing information for multiple asset classes.

Barchart OnDemand is a cloud-based service that accesses and delivers market data and information using web services. Barchart OnDemand is built upon the Amazon web services (AWS) cloud infrastructure. Barchart OnDemand is compatible with any operating system, including Windows, Linux, IOS, or Android, and any programming language.

Like Barchart OnDemand, ZEMA collects a wide range of equity market data from a range of exchanges. ZEMA also collects over 60 reports from Barchart, many of which are related to equity options. To learn more, book a complimentary ZEMA demonstration at http://www.ze.com/book-a-demo/.
Duetsche Börse Adds Five New DB X-Trackers ETFs to Xetra

On February 26, 2014, Deutsche Börse added the following new db x-trackers ETFs to Xetra’s XTF segment:

<table>
<thead>
<tr>
<th>Db X-Trackers ETF</th>
<th>ISIN</th>
<th>TER</th>
</tr>
</thead>
<tbody>
<tr>
<td>db x-trackers II iBoxx EUR Liquid Corporate UCITS ETF</td>
<td>LU0967438234</td>
<td>0.20%</td>
</tr>
<tr>
<td>db x-trackers II iBoxx EUR Liquid Corporate Non-Financials UCITS ETF</td>
<td>LU0967515676</td>
<td>0.20%</td>
</tr>
<tr>
<td>db x-trackers II iBoxx EUR Liquid Corporate Financials UCITS ETF</td>
<td>LU0967515593</td>
<td>0.20%</td>
</tr>
<tr>
<td>db x-trackers II iBoxx Sovereigns Eurozone Yield Plus UCITS ETF</td>
<td>LU0952581402</td>
<td>0.15%</td>
</tr>
<tr>
<td>db x-trackers MSCI AC World Index UCITS ETF (DR)</td>
<td>IE00BGHQ0G80</td>
<td>0.50%</td>
</tr>
</tbody>
</table>

Three of the new bond index ETFs enable investors to participate in the performance of up to 100 euro-denominated corporate bonds issued in the euro zone. The db x-trackers iBoxx EUR Liquid Corporate UCITS ETF tracks the performance of bonds with a remaining maturity of at least two years. No more than two bonds from the same company can be included. The bonds in the reference index have a fixed rate of interest and an outstanding issue volume of at least 750 million euros. The db x-trackers iBoxx EUR Liquid Corporate Non-Financials UCITS ETF excludes bonds from companies in the financial sector, whereas the db x-trackers iBoxx EUR Liquid Corporate Financials UCITS ETF only includes bonds from financials.

The db x-trackers iBoxx Sovereigns Eurozone Yield Plus UCITS ETF enables investors to participate in the performance of investment-grade government bonds from the five countries in the euro zone with the highest bond yields. The reference index includes countries that have at least two bonds with a remaining maturity of between 2.5 and 7.5 years.

An investment in the db x-trackers MSCI AC World Index UCITS ETF (DR) enables investors to participate in the performance of stock corporations from 24 industrialized and 21 emerging market countries with high and medium market capitalization. The reference index, comprising more than 2,400 companies, represents 85% of global market capitalization. The trading and fund currency of the aforementioned ETFs is the euro. Income generated is automatically reinvested.

Deutsche Börse Introduces iShares EURO STOXX 50 Ex-Financials UCITS ETF

On March 11, 2014, Deutsche Börse introduced a new ETF, entitled the iShares EURO STOXX 50 ex-Financials UCITS ETF, to the XTF segment of Xetra. This new ETF is the first to be issued with an international security structure. Transactions on the Frankfurt stock exchange are settled using the international settlement infrastructure of Clearstream Banking. This new structure is intended to further increase the efficiency of cross-border transactions and the provision of liquidity by international trading participants.

The iShares EURO STOXX 50 ex-Financials UCITS ETF offers exposure to the largest stocks in the euro zone, excluding companies that are allocated to the industry “Financials.” The index is weighted according to free float market capitalization.

Detailed information about the ETF is listed in the table below:

<table>
<thead>
<tr>
<th>ETF Name</th>
<th>Asset Class</th>
<th>ISIN</th>
<th>Total Expense Ratio</th>
<th>Distribution Policy</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>iShares EURO STOXX 50 ex-Financials UCITS ETF</td>
<td>Equity Index ETF</td>
<td>IE00BD5J2G21</td>
<td>0.20%</td>
<td>Non-distributing</td>
<td>EURO STOXX 50 ex-Financials Index</td>
</tr>
</tbody>
</table>

See the original announcement.
Xetra Introduces New DB X-Trackers Equity Index ETF

On March 12, 2014, Xetra introduced a new db x-trackers equity index from the ETF section of Deutsche Asset & Wealth Management in its XTF segment. Information about the new index is listed below:

<table>
<thead>
<tr>
<th>ETF Name</th>
<th>Asset Class</th>
<th>ISIN</th>
<th>Total Expense Ratio</th>
<th>Distribution Policy</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Db x-trackers MSCI AC Far East ex Japan Index UCITS ETF (DR)</td>
<td>Equity index ETF</td>
<td>IE00BGDWNL65</td>
<td>0.7%</td>
<td>Non-distributing</td>
<td>MSCI AC Far East ex Japan Monthly EUR hedged TRN Index</td>
</tr>
</tbody>
</table>

The db x-trackers MSCI AC Far East ex Japan index UCITS ETF (DR) enables investors to participate for the first time in the performance of stock corporations from certain countries in the Far East (excluding Japan) with simultaneous hedging against exchange rate fluctuations between the euro and U.S. dollar. The reference index represents a total of 85% of the market capitalization in the following countries: China, Hong Kong, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, and Thailand.

See the original announcement.

ZEMA presently collects data from Deutsche Börse about derivatives products. To learn more about how ZEMA can leverage Deutsche Börse market data, visit [http://www.ze.com/the-zema-suite/](http://www.ze.com/the-zema-suite/).

Deutsche Börse Will Alert Users of Upcoming Economic Releases

On March 17, 2014, Deutsche Börse launched AlphaFlash Risk Signal, a notification system that informs users of upcoming and current economic releases.

AlphaFlash Risk Signal sends alert messages that are unique to each economic indicator at different time intervals, starting at 24 hours, one hour, one minute, 30 seconds, and 10 seconds before release. A final message to confirm that the data has been released is sent to users within milliseconds. The feed also sends out the actual reported data immediately upon release. The alert messages are sent in binary format via IP multicast or TCP, making the feed easy for users to integrate into their trading and risk infrastructure.

AlphaFlash Risk Signal currently covers more than 150 important economic indicators globally and releases, such as central bank interest rate decisions, employment numbers, housing statistics, gross domestic product figures, CPI, industrial output, and USDA releases. Official sources include U.S. Departments of Labor, Treasury and Commerce, The Conference Board, National Association of Realtors, Bank of Canada, European Central Bank, Bank of England, Z.E.W., and German Ministry of Economics.

See the original announcement.

Like AlphaFlash Risk Signal, ZEMA updates users regarding financial market data at a user-defined interval. To learn how to leverage ZEMA’s notification functionalities, visit [http://www.ze.com/the-zema-suite/](http://www.ze.com/the-zema-suite/).

Clearstream, BNP Paribas Securities Service, Intesa Sanpaolo, and BBVA Develop New Asset Servicing Model for TARGET2-Securities

On March 10, 2014, Duetsche Börse announced that Clearstream, BNP Paribas Securities Services, Intesa Sanpaolo, and BBVA are developing an asset servicing model for a market environment with TARGET2-Securities (T2S). This model will enable Clearstream to connect via its central securities depository to the T2S platform in order to attract settlement flows, while various custodian bank partners will handle asset servicing at a domestic market level. Using these partners, the asset servicing model will target markets in Belgium, France, and the Netherlands (with BNP Paribas Securities Services), Italy (with Intesa Sanpaolo), and Spain (with BBVA). The development of this asset servicing model is in progress; once Clearstream joins T2S in September 2016, the model will be launched.

T2S is a future pan-European settlement platform that the European Central Bank plans to launch in June 2015. It aims to harmonize settlement flows in central bank money; however, its impact goes beyond settlement, as T2S will effectively decouple settlement from asset servicing.

Via the new partnership model, Clearstream will combine its own global settlement expertise with the local market knowledge possessed by custodian bank partners. Thanks to Clearstream’s combination of an integrated international central securities
thomson reuters and cambridge associates: online platform for private fund performance benchmarks

on march 13, 2014, thomson reuters announced that it has partnered with cambridge associates, a leading global investment firm, to provide cambridge’s private fund performance benchmarks through a jointly-developed online platform. thomson reuters will work closely with cambridge associates to develop a range of product offerings which will be made available through thomson reuters eikon for the benefit of the global alternative investment community. cambridge associates’ aggregate private fund performance data and statistics will be available to thomson reuters eikon subscribers coinciding with the release of benchmarks in august 2014.

thomson reuters eikon subscribers will benefit from cambridge associates’ strong coverage of the asset classes and geographic categories traditionally offered within thomson reuters benchmarking solutions (buyout, venture capital, real estate), but the new joint offering will also provide expanded asset class coverage, including frequently-requested benchmarks such as growth equity, fund of funds, secondaries, energy, mezzanine, and distressed. in addition, the platform will provide expanded coverage of regional benchmarks, including asia-pacific, latin america and the caribbean, canada, the middle east and africa.

Cambridge’s benchmarks are founded upon one of the industry’s largest institutional quality datasets, which includes the aggregated historical performance records of over 1,600 fund managers and 5,600 funds worldwide. the data is sourced directly from contributing fund managers’ financial statements and is subject to rigorous quality control via independent verification processes. with access to this performance data, thomson reuters eikon subscribers will immediately benefit from increased regional and asset class coverage.

see the original announcement.

thomson reuters launches indices for us private equity buyout industry

on march 14, 2014, thomson reuters launched two new indices focused on the u.s. private equity buyout industry: the thomson reuters private equity buyout research index and the thomson reuters private equity buyout index. both indices utilize thomson reuters’s proprietary data to keep market participants informed about trends in the private equity universe.

the thomson reuters private equity buyout research index is a comprehensive indicator of the u.s. private equity industry, while the thomson reuters private equity buyout index is an investable index replicating the performance of the thomson reuters private equity buyout research index using liquid, publicly available assets. the thomson reuters private equity buyout index allows liquid access to the gross performance of the private equity industry through index-linked investment products.

the thomson reuters private equity buyout index has been licensed to dsc quantitative group, llc for the purpose of creating investment-linked products.

see the original announcement.

CME Europe Ltd. Exchange Receives Regulatory Approval

on march 11, 2014, CME group announced that it has received approval from the united kingdom’s financial conduct authority (fca) for its london-based derivatives exchange, CME Europe Ltd. CME Europe Ltd. will be a recognized investment exchange and will launch on april 27.

initial products listed on the exchange include biodiesel. CME Europe Ltd. will launch a full suite of FX futures products on april 27 as well.

A complete list of products, members, and product specifications for CME Europe Ltd. can be found at http://www.cmegroup.com/europe/. Clearing services for CME Europe Ltd. will be provided by CME Clearing Europe.

see the original announcement.

Using ZEMA’s advanced data collection and analytic capabilities, market participants can easily keep track of the new data that will be generated by CME Europe Ltd. To learn more, visit http://www.ze.com/the-zema-solutions/.
CBOT Lists Weekly Options and EOM Options for Trade

On May 4, 2014, the Chicago Board of Trade (CBOT) will list weekly options and EOM options for trading on the contracts included in the table below:

<table>
<thead>
<tr>
<th>Product Title</th>
<th>CBOT Rulebook Chapter</th>
<th>Commodity Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBOT Dow Jones Industrial Average Index ($10 Multiplier) Weekly Option</td>
<td>26A</td>
<td>Week 1: ZD1, Week 2: ZD2, Week 4: ZD4</td>
</tr>
<tr>
<td>CBOT E-mini Dow Jones Industrial Average Index ($5 Multiplier) Weekly Option</td>
<td>27A</td>
<td>Week 1: YM1, Week 2: YM2, Week 4: YM4</td>
</tr>
<tr>
<td>CBOT Dow Jones Industrial Average Index ($10 Multiplier) End-of-Month Option</td>
<td>26A</td>
<td>EOM: EZD</td>
</tr>
<tr>
<td>CBOT E-mini Dow Jones Industrial Average Index ($5 Multiplier) End-of-Month Option</td>
<td>27A</td>
<td>EOM: EYM</td>
</tr>
</tbody>
</table>

The minimum number of out-of-the-money strike prices available for trading for weekly options on E-mini Dow Jones Industrial Average Index futures and on Dow Jones Industrial Average Index ($10 Multiplier) futures will be 30. The minimum number of out-of-the-money strike prices available for trading for EOM options on E-mini Dow Jones Industrial Average Index futures and on Dow Jones Industrial Average Index ($10 Multiplier) futures will be 60.

All index futures options will be listed for trade on CME Globex; CBOT Dow Jones Industrial Average Index ($10 Multiplier) futures options are also available for trade on the CME trading floor.

See the original announcement.

ZEMA collects many reports from the Chicago Mercantile Exchange regarding Chicago Board of Trade financial information, including the CBOT Futures daily price report. To learn more about how to transform this collected data into useful market intelligence, visit http://www.ze.com/the-zema-suite/market-analyzer/.

CBOE to Launch Short-Term VIX Options with Weekly Expirations

On April 10, 2014, the Chicago Board Options Exchange (CBOE) will launch trading of options with weekly expirations on the CBOE Short-Term Volatility Index (VXST Index).

The CBOE Short-Term Volatility Index and CBOE Volatility Index (VIX Index) are complementary. Like the VIX Index, the VXST Index reflects investors’ consensus view of expected stock market volatility using CBOE’s proprietary VIX methodology. Both indexes use S&P 500 Index (SPX) options in their calculations. The VIX Index uses SPX monthly options to measure expectations of 30-day volatility, while the VXST Index uses SPX options that expire every week (including SPX Weeklys options) to gauge expectations of nine-day volatility. The VXST Index’s shorter time horizon makes it particularly responsive to short-term volatility triggered by market events such as corporate earnings, government reports, and federal announcements. The 30-day VIX Index and the nine-day VXST Index are highly correlated, but the VXST Index is generally more volatile than the VIX Index.

For more information on CBOE Short-Term Volatility Index options and futures, see www.cboe.com/VXST. Additional information on VIX futures and options and CBOE’s entire suite of volatility products can be found at www.cboe.com/Volatility.

See the original announcement.
Markit Employs Social Media Indicators to Evaluate Future Stock Performance

On March 4, 2014, Markit announced that it has partnered with Social Market Analytics (SMA) to provide customers with new signals of investor sentiment that will enhance customers’ trading strategies and investment processes. As a result of this partnership, Markit will add social media indicators to its suite of more than 400 investment factors; these social media indicators can be used by customers to evaluate the expected performance of stocks-based sentiment indicators.

An analytical study of social media signals, entitled “#Alpha: Extracting Market Sentiment from 140 Characters,” concluded that the signals accurately and consistently predict future stock returns. From December 2011 to November 2013, Markit’s analysis found positive social media sentiment stocks have shown cumulative returns of 76%, while negative sentiment stocks have returned -14%.

Markit’s social media indicators are based on SMA’s analysis of the text content in daily Twitter posts. Tweets are filtered for financial trading relevance and are scored for market sentiment content. Using aggregate Tweet data to identify potential buy and sell candidates, the indicators gauge investor outlook on stocks covering the following broad categories: tweet sentiment, tweet volume, relative value, changing sentiment, and dispersion.

SMA data analyzes social media streams to estimate market sentiment. SMA’s patent pending process extracts relevant tweets, validates the source, and evaluates the meaning. Metrics are converted into actionable indicators called S-Factors™; these indicators are designed to capture financial market sentiment.

Markit has introduced 22 social media indicators using SMA sentiment data to its existing library of 400 factors. Markit’s factors span 12 categories, including measures of relative value, earnings momentum, earnings quality, and price momentum. These signals are included in Markit’s factor analytics platform, a fully integrated research and signal management platform which allows seamless custom model building and strategy deployment for equity and fixed income.

See the original announcement.

Markit Launches New Securities Lending Data Platform

On March 19, 2014, Markit launched a new securities lending data platform that will cater to the specific workflow requirements of lenders and borrowers. Markit’s new service will introduce complementary Markit datasets, offer more timely data with the inclusion of pending and intraday trades, and enhance the functionality of several existing products.

The service possesses the following functionalities:

- Book management: Enables lenders and borrowers to benchmark trading positions against market positions
- Interactive charting: Allows users to create customizable views based on three years’ history, with integrated news and configurable criteria spanning key securities lending metrics
- Market share analysis: Supports the assessment of concentration risk and opportunities
- Trading flow highlights: Identify squeeze risks and highlight the biggest changes in securities lending fees, lendable inventory, and loan balances
- Portfolio monitoring: Helps lending desks to easily create and monitor bespoke portfolios and watch lists with ease
- Rerate tracking: Helps gauge changes in rate trends

See the original announcement.

ICE Introduces Clearing for Markit iTraxx Senior Financials Index

On March 19, 2014, IntercontinentalExchange Group (NYSE: ICE) launched clearing for Markit iTraxx Senior Financials credit default swap (CDS) index instruments. ICE will clear the Markit iTraxx Senior Financial indices at both of its CDS clearing houses. Clearing at U.S.-based ICE Clear Credit began on March 19; clearing at London-based ICE Clear Europe began on March 24.

The Markit iTraxx Senior Financials Index references senior debt issued by the 25 financial entities represented in the Markit iTraxx Europe Index.

See the original announcement.

ZEMA collects many ICE reports. To learn more about how ZEMA can collect, aggregate, and analyze data, book a complimentary ZEMA demonstration now at http://www.ze.com/book-a-demo/.
ICE Futures Delists September 2014 Markit CDX Investment Grade WI Futures

On March 17, 2014, ICE Futures U.S. announced that, in preparation for the launch of a new credit index futures contract later this year, the organization will delist its September 2014 Markit CDX Investment Grade WI futures contract, effective immediately. ICE Futures U.S. will also cease listing new expiration months for the contract. This contract month has no open interest. The March 2014 futures contract will continue to be listed through its expiration on March 20, 2014.

ICE Futures U.S. intends to replace this futures contract with a contract based on on-the-run series. Additional details about this new contract will be announced in the coming weeks.

See the original announcement.

CME Delists US Portfolio Index Futures

On March 2, 2014, CME delisted the U.S. portfolio index futures listed in the table below. There is currently no open interest in these products.

<table>
<thead>
<tr>
<th>Code Clearing/Globex</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>K06/K06</td>
<td>SGI Wise US Top Portfolio Index Futures</td>
</tr>
<tr>
<td>K07/K07</td>
<td>SGI Wise US Bottom Portfolio Index Futures</td>
</tr>
<tr>
<td>K08/K08</td>
<td>SGI Wise US Long/Short Portfolio Index Futures</td>
</tr>
</tbody>
</table>

See the original announcement.

CME Expands Listing of NASDAQ Weekly Options

On March 23, 2014 CME expanded its listing of weekly options and the number of strike price intervals for the products listed below:

<table>
<thead>
<tr>
<th>Code Clearing/Globex</th>
<th>Title</th>
<th>Current Listing Schedule</th>
<th>New Listing Schedule (as of 3/24/2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>QN1, QN2, QN4/QN1, QN2, QN4</td>
<td>E-mini NASDAQ-100 Weekly Options</td>
<td>Two weekly contracts will be listed at any given time. 25 strike prices above and below the previous day’s settlement price of the underlying futures contract.</td>
<td>Four concurrent weekly contracts will be listed at any given time. 50 strike prices above and below the previous day’s settlement price of the underlying futures contract.</td>
</tr>
<tr>
<td>DN1, DN2, DN4/DN1, DN2 DN4</td>
<td>NASDAQ-100 Weekly Options</td>
<td>Two weekly contracts will be listed at any given time. 25 strike prices above and below the previous day’s settlement price of the underlying futures contract.</td>
<td>Four concurrent weekly contracts will be listed at any given time. 50 strike prices above and below the previous day’s settlement price of the underlying futures contract.</td>
</tr>
</tbody>
</table>

See the original announcement.
CME Extends Listing Cycle for Onshore Chinese Renminbi/US Dollar Futures

On trade date March 24, 2014, the Chicago Mercantile Exchange (CME) will expand the listing cycle for its onshore Chinese Renminbi/U.S. dollar (RMB/USD) futures contract.

CME will add six additional deferred March quarterly cycle contract months so that it can extend the listing cycle for RMB/USD futures from 13 consecutive calendar months plus two deferred March quarterly cycle contract months to 13 consecutive calendar months plus eight deferred March quarterly cycle contract months. By extending the listing cycle for RMB/USD futures, the exchange will make the trading schedule for RMB/USD futures consistent with the trading schedule for its U.S. dollar/onshore Chinese Renminbi (USD/RMB) futures with U.S. dollar banking contracts.

The extended listing cycle for RMB/USD futures is listed below:

<table>
<thead>
<tr>
<th>Futures Expiry</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>April 2014</td>
</tr>
<tr>
<td>2</td>
<td>May 2014</td>
</tr>
<tr>
<td>3</td>
<td>June 2014</td>
</tr>
<tr>
<td>4</td>
<td>July 2014</td>
</tr>
<tr>
<td>5</td>
<td>August 2014</td>
</tr>
<tr>
<td>6</td>
<td>September 2014</td>
</tr>
<tr>
<td>7</td>
<td>October 2014</td>
</tr>
<tr>
<td>8</td>
<td>November 2014</td>
</tr>
<tr>
<td>9</td>
<td>December 2014</td>
</tr>
<tr>
<td>10</td>
<td>January 2015</td>
</tr>
<tr>
<td>11</td>
<td>February 2015</td>
</tr>
<tr>
<td>12</td>
<td>March 2015</td>
</tr>
<tr>
<td>13</td>
<td>April 2015</td>
</tr>
<tr>
<td>14</td>
<td>June 2015</td>
</tr>
<tr>
<td>15</td>
<td>September 2015</td>
</tr>
<tr>
<td>16</td>
<td>December 2015</td>
</tr>
<tr>
<td>17</td>
<td>March 2016</td>
</tr>
<tr>
<td>18</td>
<td>June 2016</td>
</tr>
<tr>
<td>19</td>
<td>September 2016</td>
</tr>
<tr>
<td>20</td>
<td>December 2016</td>
</tr>
<tr>
<td>21</td>
<td>March 2017</td>
</tr>
</tbody>
</table>

1-25 contracts for the next 25 years.

See the original announcement.
CME Amends Termination of Trading Rules for Currency Futures

On trade date March 24, 2014, CME will amend its onshore Chinese Renminbi/Euro (RMB/EUR) cross rate and onshore Chinese Renminbi/Japanese Yen (RMB/JPY) cross rate futures contracts by revising the termination of trading rule, commencing with the July 2014 contract and thereafter.

CME is amending trading regulations 31801.1 and 31901.1 that pertain to the last trading days of RMB/EUR and RMB/JPY futures by revising the last trading days of both futures from the first to the second Beijing business day immediately preceding the third Wednesday of the contract month.

For futures expiries prior to July 2014, however, the last trading days in RMB/EUR and RMB/JPY futures will remain unchanged—that is, as the first Beijing business day immediately preceding the third Wednesday of the contract month.

CME is implementing these amendments to provide consistency with the termination of trading rules for its offshore and onshore Chinese Renminbi/U.S. dollar futures contracts.

The table below lists revised last trading days for RMB/EUR and RMB/JPY futures, beginning with the July 2014 contract month:

<table>
<thead>
<tr>
<th>Contract Month</th>
<th>Previous Last Trading Day</th>
<th>Revised Last Trading Day</th>
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</thead>
<tbody>
<tr>
<td>April 2014</td>
<td>Tuesday, 4/15/14</td>
<td>No Change</td>
</tr>
<tr>
<td>May 2014</td>
<td>Tuesday, 5/20/14</td>
<td>No Change</td>
</tr>
<tr>
<td>June 2014</td>
<td>Tuesday, 6/17/14</td>
<td>No Change</td>
</tr>
<tr>
<td>July 2014</td>
<td>Tuesday, 7/15/14</td>
<td>Monday, 7/14/14</td>
</tr>
<tr>
<td>August 2014</td>
<td>Tuesday, 8/19/14</td>
<td>Monday, 8/18/14</td>
</tr>
<tr>
<td>September 2014</td>
<td>Tuesday, 9/16/14</td>
<td>Monday, 9/15/14</td>
</tr>
<tr>
<td>October 2014</td>
<td>Tuesday, 10/14/14</td>
<td>Friday, 10/10/14</td>
</tr>
<tr>
<td>November 2014</td>
<td>Tuesday, 11/18/14</td>
<td>Monday, 11/17/14</td>
</tr>
<tr>
<td>December 2014</td>
<td>Tuesday, 12/16/14</td>
<td>Monday, 12/15/14</td>
</tr>
<tr>
<td>January 2015</td>
<td>Tuesday, 1/20/15&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Friday, 1/16/15&lt;sup&gt;*&lt;/sup&gt;</td>
</tr>
<tr>
<td>February 2015</td>
<td>Tuesday, 2/17/15&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Friday, 2/13/15&lt;sup&gt;*&lt;/sup&gt;</td>
</tr>
<tr>
<td>March 2015</td>
<td>Tuesday, 3/17/15&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Monday, 3/16/15&lt;sup&gt;*&lt;/sup&gt;</td>
</tr>
<tr>
<td>April 2015</td>
<td>Tuesday, 4/14/15&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Monday, 4/13/15&lt;sup&gt;*&lt;/sup&gt;</td>
</tr>
<tr>
<td>June 2015</td>
<td>Tuesday, 6/16/15&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Monday, 6/15/15&lt;sup&gt;*&lt;/sup&gt;</td>
</tr>
<tr>
<td>September 2015</td>
<td>Tuesday, 9/15/15&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Monday, 9/14/15&lt;sup&gt;*&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>*</sup>Subject to change pending release of Beijing bank holidays in 2015.

See the original announcement.
CBOE Volatility Index Futures Trading Hours Extended

On March 18, 2014, CBOE Futures Exchange (CFE) announced that, on June 22, 2014, CBOE Volatility Index (VIX Index) futures trading hours will be extended to nearly 24 hours a day, 5 days a week.

Pending regulatory review, the trading week for VIX Index futures at CFE will begin each Sunday at 5:00 p.m. CT and end on Friday at 3:15 p.m. CT. CFE will close for 15 minutes between 3:15 p.m. CT and 3:30 p.m. CT on Monday through Thursday, when no trading will be transacted. The new trading day on those days will then begin at 3:30 p.m. CT.

Over the last few years, CFE has lengthened its extended trading hours in VIX futures to accommodate customer requests for longer trading sessions outside of regular U.S. trading hours. Most recently, in October and November last year, CFE added 5 hours, 45 minutes to the VIX futures trading day.

See the original announcement.

Date Change for Bourse de Montréal Inc.’s Equity and ETF Options

On March 31, 2014, Bourse de Montréal Inc. (the Bourse) will change the expiration date in all its symbols for long term options and long term ETF options with an expiration date later than February 1, 2015 from Saturday to Friday.

These changes will impact approved participants in the following ways:

- Instrument symbols will change.
- Open orders, including all GTC and GTD orders, will be cancelled.
- All option strategies containing at least one option leg impacted by the symbol change will be automatically deleted. No new option strategies will be created to replace deleted strategy instruments.

Approved participants are responsible for and required to re-enter their GTC and GTD equity and ETF option orders on Monday, March 31, 2014.

There will be no changes made to the expiration of options on futures, S&P/TSX 60 Index options (SXO), and options on the U.S. dollar (USX).

To view examples of how option class symbols will change, see the original announcement.

TMX Group and China Financial Futures Exchange Sign MOU

On March 10, 2014, the China Financial Futures Exchange Inc. (CFFEX) and TMX Group signed a memorandum of understanding (MOU) to enhance their understanding of each other’s businesses and to evaluate further business opportunities.

Under the MOU, CFFEX and TMX Group may evaluate potential opportunities for cooperation, including the provision of advisory and consultation services concerning risk management, business strategy, market surveillance, and new product development.

See the original announcement.

TOCOM and DME Sign MOU

On March 17, 2014, the Tokyo Commodity Exchange (TOCOM) and the Dubai Mercantile Exchange (DME) signed a memorandum of understanding (MOU) to strengthen their cooperation in promoting the development of crude oil energy contracts.

TOCOM and DME plan to explore several areas in which to collaborate, including joint marketing activities, new services for market participants, and trade-boosting activities.

See the original announcement.

Mercuria Acquires J.P. Morgan Physical Commodities Business

On March 19, 2014, Mercuria Energy Group (Mercuria) announced that it has reached an agreement with J.P. Morgan Chase & Co. to acquire J.P. Morgan’s physical commodities business. The all-cash transaction is expected to close in the third quarter of 2014, subject to regulatory approvals.

Over the next several months, Mercuria will work closely with J.P. Morgan to ensure that all business transitions smoothly.

See the original announcement.
El Financiero and Bloomberg Launch Multi-Media Business News Platform

On February 28, 2014, El Financiero, a subsidiary of Grupo Multimédia Lauman, and Bloomberg L.P. launched a multi-platform Spanish-language business news service. El Financiero and Bloomberg aim to redefine business journalism in Mexico and Central America through this platform, which will include a television channel, a printed product, a digital site, and a mobile application. The platform will provide local business and financial news plus comprehensive global market coverage, and will be the only Spanish-language business news television channel in Mexico and Central America. The platform launched on SKY channel 630, Cablevisión channel 717, and TotalPlay on February 28.

In addition to its news channel, El Financiero’s platform will include the following components:

- **El Financiero (print):** The printed version of El Financiero has a completely renovated design and is expanding its news coverage to include more in-depth analyses of current topics in business. In addition, it features Bloomberg news content in a section titled “Mercados,” where readers will find updates regarding ETFs, commodities, FX and REITs, and more.

- **El Financiero (digital):** The digital component of El Financiero’s platform was developed on a responsive design platform with the latest programming technology in HTML. Users can customize content and build their own finance section to include specific currencies and financial calculators. The digital version also includes indexed videos, photo galleries, and links to external sites.

- **El Financiero (mobile apps):** El Financiero’s mobile application is available for IOS and Android phones. Mobile application users will be able to browse financial market information on-the-go. Available content will include photos, videos, and infographics.

See the original announcement.

Platts to Introduce New Four-Character Codes for Discontinued Market Data Categories

On May 8, 2014, Platts will introduce new four-character codes for discontinued Market Data categories.

The following symbol files will be affected by the creation of the new codes:

- ThisWeek_sym.csv on Platts’s FTP site
- Discontinued symbol files found on Platts.com via http://www.platts.com/symbol-page-directories/symbol-directories

If subscribers desire to find out if Platts’s four-character categories will affect their systems or programs, subscribers should visit the following links to view test files:

- http://plts.co/ThisWeek-sym
- http://plts.co/test-4char

These files contain test-only categories and symbols and should not be processed in lieu of current production files.

See the original announcement.

Leverage the power of centralized energy and commodity market data.

About ZEMA

See the original announcement.
On the New York Mercantile Exchange (NYMEX), crude oil prices for NYMEX prompt-month contracts for Brent and Western Texas Intermediate (WTI) moved in opposite directions. WTI crude prices went up by 1.4%, while Brent slightly dropped by 0.2% by the fourth Wednesday of March 2014 when compared to the previous month.

The NYMEX Brent prompt-month dropped to stay at $108 USD/Bbl when compared to February 2014. WTI crude prices increased to $101 USD/Bbl from $99 USD/Bbl in March, $4 USD/Bbl above the past 13-month average. The Brent-WTI spread narrowed by $3 USD/Bbl to settle at roughly $7 USD/Bbl, the lowest level in 4 months.

In March 2014, WTI crude rose after U.S. employers added more workers than projected in February. Labor Department figures showed a 175,000-person increase in employment (higher than the estimated 149,000-person increase), a development which has shifted market participants’ attention to the U.S. economy rather than the geopolitical crisis in the Ukraine. The Labor Department’s positive employment figures are correlated to higher energy demands. Although concerns about supply resulting from the present geopolitical crisis in Crimea caused price fluctuations early in the month, the Labor Department’s positive economic data offered some relief. EIA reported that U.S. crude inventories climbed by 7.3% to 375.9 MBbl in the nine weeks prior to March 14. Also, WTI gained as a result of concerns that the closing of the Houston Ship Channel will disrupt operations at Gulf Coast refineries. This disruption in Houston won’t be reflected in inventories until the report for the final week of March. Despite geopolitical issues in Russia and supply disruptions in Nigeria and Libya, Brent prices fell due to weak demand as China’s manufacturing activity shrank in March.

On the New York Mercantile Exchange (NYMEX), crude oil futures dropped by $1 USD/Bbl in March 2014 when compared to last month for Brent and Western Texas Intermediate (WTI). The NYMEX Brent forward curve in March (represented by the blue line in the graph above) was traded at $103 USD/Bbl, while the previous month (blue points) settled at around $104 USD/Bbl for delivery by the end of 2015. For the same period, NYMEX WTI forward contracts in March (red line) fell to $92 USD/Bbl, whereas the previous month (red points) averaged around $93 USD/Bbl. This drop of $1 USD/Bbl for both benchmarks kept the Brent-WTI spread (the area in light blue) around $11 USD/Bbl until the end of 2015.

Brent and WTI dropped based on speculation that U.S. and European sanctions against Russia are unlikely to disrupt the crude oil market. U.S. President Barack Obama imposed penalties on top Russian officials for supporting the secession of Crimea from the Ukraine after 97% of voters in Crimea chose to become part of Russia. Brent, which is more sensitive to changes in the global supply-and-demand balance, had 22% lower trading volumes (the lowest since February 4) than the 100-day average. At this stage, the market is more affected by tepid global demand than by the anticipation of a major disruption. China refined the least crude in four months, highlighting concerns about the Chinese appetite for petroleum products. Also, OPEC cut crude exports to the lowest level since November as a result of slowed refinery demand in Europe and North America, according to tanker-tracker Oil Movements.
As winter’s chill fades away, natural gas prices in all four observed North American markets dropped in March 2014. On the Intercontinental Exchange (ICE), North American natural gas spot prices experienced fewer fluctuations compared to February 2014. Monthly average prices fell in Transco Zone-6 in New York by 26% to $10 USD/MMBtu, in California’s PG&E Citygate by 23% to $5 USD/MMBtu, in Henry Hub by 21% to $5 USD/MMBtu, and in Chicago Citygates by 7% to $17 USD/MMBtu.

For the week ending March 19, 2014, EIA’s Natural Gas Weekly Update reported that gas spot prices fell in most market locations during the report week—a result of demand declining from the strong weather-related levels of the previous week.¹ Also, total supply increased by 0.3% in the third week of the month, while the storage draw fell below market expectations of 59 Bcf for the same period.¹ Historically, the price at the Chicago Citygate hub traded similarly to the Henry hub price, but things were a little different this winter. The spread between the two price series significantly increased because of cold weather and pipeline constraints that affected the Midwest more than the Gulf Coast.

On the Intercontinental Exchange (ICE), natural gas futures at Henry Hub slightly dropped by 1% in March 2014 when compared to last month. Henry Hub futures fell from $4.65 USD/MMBtu in February 2014 to $4.60 USD/MMBtu by the end of the fourth Wednesday of March 2014 for the upcoming twelve months. The March 2014 contract experienced the highest drop—a drop of $0.18 USD/MMBtu (represented by the red bar in the graph above) from the previous month’s projections for the next twelve months.

For the week ending March 19, 2014, EIA’s Natural Gas Weekly Update reported that warmer temperatures were among the main reasons for the drop in Henry Hub futures in March 2014.¹ The weather is finally approaching moderation after a winter characterized by frigid temperatures and subsequently higher production levels. The effect of these higher production levels is apparent in lower prices.
From February 2014 to the fourth Wednesday of March 2014, signs of spring’s arrival swept the nation as temperatures in all four observed cities increased. The monthly average temperature rose in San Antonio by 1 degree to 13 degrees Celsius (C), in San Diego by 2 degrees to 18C, in New York by 3 degrees to 1C, and in Chicago by 7 degrees to -5C. Again, the city of Chicago stayed frozen for the fifth month in a row.

However, March 2014 was colder than the two-year average in all observed cities except for San Diego. When comparing the past two-year average of March temperatures to this year’s March, this year’s March felt colder than the two-year average in Chicago by 9 degrees, in New York by 6 degrees, and in San Antonio by 5 degrees. By contrast, San Diego city, similar to most cities on the West Coast, experienced a milder winter, as the past two-year temperature average in this city for March was 3 degrees higher than that of March 2014.

On ICE, electricity day-ahead prices in the Eastern United States surged in March 2014. From the previous month to this month (ending March 25, 2014), the observed day-ahead monthly average prices surged in NYISO by 70% to $240 USD/MWh and in PJM North by 59% to $92 USD/MWh. On the other hand, prices dropped by 25% to $53 USD/MWh in CAISO - SP15 and by 1% to $33 USD/MWh for Entergy in the same period. Compared to last year, this year’s March electricity prices are higher in NYISO Zone, PJM North, and CAISO-SP15 by $186 USD/MWh, $56 USD/MWh, and $1 USD/MWh respectively.

The multiple polar vortices and stubbornly cold weather which dominated winter weather in 2014 had another impact even as temperatures turned warmer this month. Since higher-than-normal demand boosted power prices to unprecedented levels in the North East, the increased regulation of coal-burning and nuclear power plants has created market uncertainty. The increase in wholesale electricity prices for NYISO and PJM will result in higher power bills; the Chicago Times reports that electric bills will increase significantly by June 2014.¹

New Data Reports from ZEMA

At ZE, we are continuously working to expand our data coverage, as we provide our clients with data essential to their operations. Our highly flexible data parsers can collect information in any electronic format, from any source, and at a frequency clients need.

ZE has added several new data reports to ZEMA following the publication of our February issue of *ZE DataWatch*:

<table>
<thead>
<tr>
<th>Data Source</th>
<th>Report</th>
<th>Commodity</th>
<th>Subscription</th>
</tr>
</thead>
<tbody>
<tr>
<td>BAFA</td>
<td>Monthly Border Price</td>
<td>Gas</td>
<td>N</td>
</tr>
<tr>
<td>BAFA</td>
<td>Natural Gas Generation and Export</td>
<td>Gas</td>
<td>N</td>
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<tr>
<td>CANSIM</td>
<td>Railway Carloadings Statistics, By Commodity</td>
<td>Others</td>
<td>N</td>
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<td>FIS</td>
<td>Coking Coal Futures</td>
<td>Coal</td>
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<tr>
<td>HUPX</td>
<td>Day-Ahead Market Aggregated Curve</td>
<td>Electricity</td>
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<td>ICAP</td>
<td>Coal Data - Futures</td>
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<td>Carbon Indices</td>
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<td>Actual System Load</td>
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<td>Ex Post Unplanned Unavailability of Generation Units</td>
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<tr>
<td>NEISO</td>
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<td>RTE France</td>
<td>Unplanned Outages of Generating Units</td>
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<td>Biofuel Update - Daily EOD Pricing (Spot)</td>
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<td>SPP IMM</td>
<td>Market MCP Summary By Interval Set</td>
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Argus DeWitt Launches Benzene Annual

Houston, March 11, 2014: Global energy and commodity price reporting agency Argus has announced the launch of the 2012/2013 Argus DeWitt Benzene Annual. The annual publication provides a comprehensive overview of global supply and demand fundamentals, trade patterns, and balances for benzene and key derivatives.

The past year has seen record benzene prices amid extreme price volatility owing to the lack of benzene feedstocks. The 2012/2013 Argus DeWitt Benzene Annual places this trend in context while providing detailed supply and demand forecasts for benzene and styrene out to 2017.

The report offers an insightful overview of the latest market trends. Shale oil and gas developments have generated cost advantages for U.S. refining, olefins production, and manufacturing in general. But greater use of lighter refining and cracker feeds led to reduced benzene production in 2012. This in turn boosted imports of benzene and benzene-rich feedstocks, which contributed to higher benzene prices and increased market volatility in 2013.

Amid the excitement surrounding the shale boom in the U.S., the report finds that benzene markets will face changes going forward as extraction feeds remain in short supply globally and tightness in the styrene markets will support benzene prices.

The 2012/2013 Argus DeWitt Benzene Annual also identifies a number of key trends that will have an impact on global markets and supply dynamics in the 2014-17 forecast period, including the following:

- Global operating rates for benzene production units will remain under 70pc over the next three years because of a lack of extraction feedstocks. The shortage of feedstocks is likely to become more acute as ethylene producers in Western Europe and the Asia-Pacific region switch to light feedstocks. Benzene production is forecast to grow by 1.8pc/yr in 2014-17.

- New paraxylene capacity in the Asia-Pacific region and the Middle East will add additional supplies of co-product benzene into the global market.

- Demand growth for benzene will be strongest in the aniline/MDI and cumene/phenol chains and most of that growth will occur in the Asia-Pacific region.

- Little new styrene capacity will be added in the forecast period, and US styrene producers are expected to export to all regions. Those styrene exports will require additional benzene imports, which could surpass 1.7mn t in 2015.

Argus Media chairman and chief executive Adrian Binks said, “We are pleased to announce the launch of the 2012/2013 Argus DeWitt Benzene Annual. The publication offers critical analysis for anyone with interest in the long-term prospects of the often volatile global benzene market.

Argus, through its purchases of DeWitt and Jim Jordan & Associates (JJ&A) offers a full range of international petrochemical services. Argus DeWitt reports cover global trade and pricing for aromatics, olefins, butadiene, methanol, MTBE, hydrocarbon resins, and other petrochemicals. Argus DeWitt publishes nearly 200 price references, which are widely used for benchmark pricing and analytical purposes. In addition to reports, Argus DeWitt provides consulting services and publishes multi-client studies.
Argus Acquires Wax Data, Expands Base Oils and Petrochemical Coverage

London, March 12, 2014: Global energy and commodity price reporting agency Argus Media has bought Wax Data, a monthly publication covering the global petroleum, synthetic, and natural wax markets from New Jersey-based Rauch Associates.

Wax Data focuses on supply and demand fundamentals, trade flows, and industry news. Its publisher and founder, James Rauch, will work with Argus to ensure a smooth transition and continuity.

Argus Media chairman and chief executive Adrian Binks said, “We are pleased to acquire Wax Data, which provides essential information to the industry it serves. Its market coverage complements Argus’s existing portfolio, particularly in relation to paraffin waxes, which are extracted during the production of base oils, and synthetic waxes, which are manufactured through several petrochemical streams. We are constantly looking to expand and improve the range of services we offer to our customers and the acquisition of Wax Data is another step forward in our overall strategy.”

Mr. Rauch said, “We are looking forward to working with Argus to develop our global wax services. Argus’s international strength and wide customer base will enable us to extend our coverage and reach.”

Terms of the acquisition were not disclosed.

Carbon Market Data Launches the Kazakhstan ETS Database


Kazakhstan is the first country in Asia to implement an economy-wide emissions trading scheme. Kazakhstan’s emissions trading scheme started on January 1, 2013.

This emissions trading scheme includes 178 companies from energy-intensive sectors such as power and heat production, coal mining, oil and gas extraction, the chemical industry, metallurgy, the cement industry and other process industries. These companies emitted in 2010 a total of 147 million tCO2.

More info can be found at http://www.carbonmarketdata.com.
Interactive Data Extends FUTURESOURCE with New Energy and Commodities Data

New York, December 16, 2013: Interactive Data Corporation, a leading provider of market data solutions for the global energy and commodities industry, today announced a significant series of enhancements to FutureSource®, its market data management and analytics platform.

Energy and commodities traders are increasingly looking for comprehensive data sets for use in analyzing global demand pattern changes and volatility across a diverse range of products. To help address these challenges, Interactive Data has broadened its energy and commodities content within FutureSource to include:

- GFI and ICAP content: Leading Inter-Dealer Broker data covering the global physical, swaps, and options markets for the crude oil, natural gas, power, and emissions markets. The combination of data from GFI and ICAP can help traders to form a more accurate assessment of the global energy markets.

- Informa Agra global cash market grain data: Content to chart cash market prices alongside the futures markets and view them in a watch list or data table to provide a more complete picture of markets.

- OPIS Racks: Prices for the wholesale gasoline, diesel, jet fuel, and ethanol markets within North America, to support enhanced price discovery in those markets.

“Traders, brokers and analysts globally are demanding the content and analytical tools to understand, model and rapidly react to changes in the energy and commodities markets,” commented Kyle Ford, Global General Manager, Desktops at Interactive Data. “Recognizing these challenges, we continue to extend the depth and breadth of content available within FutureSource to include leading Inter-Dealer Broker data, industry benchmarks and trusted news sources. We are also providing users with flexible and customizable tools that they require to chart and analyze that data to support their decision-making process.”

“OPIS is excited to have Interactive Data as a vendor of our rack and spot information,” said Scott Berhang, Director, Client Relations and Education at OPIS. “Having our prices on this platform offers our customers even more flexibility in the way that they can access OPIS data for their price discovery needs.”

“The Public Ledger is recognized as a premier source of news, analysis and data in agricultural commodities,” added Ian Hart, content director at publisher Informa Agra. “We’re extremely pleased to be working with Interactive Data so that its customers can benefit from The Public Ledger price data feed, supporting their trading and investment decisions across a broad spectrum of agricultural commodities.”

Alongside the broad array of new content available in the latest iteration of FutureSource, further enhancements include new functionality in the FutureSource web application that requires no software download and minimal bandwidth to run. All symbol lists, settings and workspaces are saved on the server, so users can access them from anywhere by logging in from any browser.

The updated web application is designed to deliver new and enhanced methods for viewing and analyzing market data. This includes support for the latest Excel add-in functionality, assisting users in easily extracting historical price data and formulas from FutureSource.

Web application users can now use the FutureSource forward curve engine to chart natural gas and power curves from leading independent futures broker EOX. They can also access more than 25 additional studies for market analysis, including average directional index, bullish divergence, and a variety of crack and crush spreads.

For more information, please visit: www.futuresource.com
About Interactive Data Corporation

Interactive Data Corporation is a trusted leader in financial information. Thousands of financial institutions and active traders, as well as hundreds of software and service providers, subscribe to our fixed income evaluations, reference data, real-time market data, trading infrastructure services, fixed income analytics, desktop solutions and web-based solutions. Interactive Data’s offerings support clients around the world with mission-critical functions, including portfolio valuation, regulatory compliance, risk management, electronic trading and wealth management. Interactive Data has over 2,500 employees in offices worldwide.

About GFI Group Inc.

GFI Group Inc. (NYSE: “GFIG”) is a leading provider of wholesale brokerage services, clearing services, electronic execution and trading support products for global financial markets. GFI Group Inc. provides brokerage services, market data, trading platform and analytics software products to institutional clients in markets for a range of fixed income, financial, equity and commodity instruments.

Headquartered in New York, GFI was founded in 1987 and employs more than 2,100 people with additional offices in London, Paris, Nyon, Hong Kong, Manila, Seoul, Tokyo, Singapore, Sydney, Cape Town, Santiago, Bogota, Buenos Aires, Lima, Mexico, Dubai, Dublin, Tel Aviv, Los Angeles and Sugar Land (TX). GFI Group Inc. provides services and products to over 2,600 institutional clients, including leading investment and commercial banks, corporations, insurance companies and hedge funds. Its brands include GFISM, GFInet®, CreditMatch®, GFI ForexMatch®, EnergyMatch®, FENICS®, Starsupply®, Amerex®, Trayport® and Kyte®.

About ICAP

ICAP is a leading markets operator and provider of post trade risk mitigation and information services. The Group matches buyers and sellers in the wholesale markets in interest rates, credit, commodities, FX, emerging markets and equity derivatives through voice and electronic networks. Through its post trade risk mitigation and information services ICAP helps customers manage and mitigate risks in their portfolios. For more information, go to www.icap.com.

About Informa Agra

Informa Agra, part of Informa PLC, is a publishing company that specialises in agricultural commodities, agriculture, fertilisers, food policy, markets and trade. Its brands include The Public Ledger, FO Licht, Fertecon, Agra Europe and Foodnews. Its core activities are producing subscription products, one-off reports and events that provide news, analysis and data to businesses in the agricultural commodity supply chain and related sectors. See www.agra-net.com for more details.

About OPIS

OPIS is the leading provider of wholesale gasoline and diesel fuel, biodiesel, alternative fuels, LPG and Feedstocks to the U.S. oil industry. Virtually every gallon of those fuels that is bought or sold in the United States at some point transacts off an OPIS price.

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Platts to Rename Oil Arbitrage Wire on April 1
March 3, 2014: In order to better reflect the content and analyses found within Oil Arbitrage Wire, Platts will rename it North American Crude and Products Scan as of April 1, 2014. North American Crude and Products Scan will include all of the content that is currently found within Oil Arbitrage Wire, so there will be no change to the information clients receive. Clients will be notified of this change by a letter in the front of the publication and the subscriber note that went out on March 3, 2014.

MDA Provides Tailored Datasets for Traders in Each Industry
March 24, 2014: MDA Weather Services offers a variety of data and reports used throughout the energy, agriculture, and weather markets. In addition to providing the basic data products (historical and forecast temperatures, precipitation, etc.) used by traders in these industries worldwide, MDA goes beyond the numbers to provide unique datasets tailored for traders in each industry. Product offerings include:
Weather Data API
- Observed and forecasted weather data is most commonly reported for actual weather stations across the world – a finite amount of locations. However, as the need for weather data expands, so does the need for its coverage. Already a leading provider of weather station data across the world, MDA is expanding their data offerings with its new weather data API service. With this service, the total coverage of weather information spans world-wide for point locations. Real-time actual weather data is available along with forecasts spanning from the next hour to at least 15 days in the future - all of which can be made available through ZE.
- This is ideal for any users that need weather information in locations that have sparse weather data coverage. This is particularly useful for anybody looking to get a better idea of energy demand in locations without a weather station within close proximity. In the near-future, offerings through the API will even include long-term historical data which is ideal for historical analyses.
- Variables are not confined to temperature. Forecasts and observations are available for wind speed, wind direction, relative humidity, percent chance of precipitation, cloud cover, and more – all variables that are needed to gauge energy demand.
EPEXSPOT: Exchange Council Approves 15-Minute Auction

Geneva/Paris, March 18, 2014: Transparency and flexibility—these were the key topics discussed during the first 2014 session of EPEX SPOT’s Exchange Council. The Council, composed of representatives of the Exchange’s trading participants, deliberated on several updates by the European Power Exchange EPEX SPOT.

15-minute contracts have gained in importance since they were first launched on the German Intraday market in December 2011: With more than 4.5 TWh of traded volume, 15-minute contracts have become a considerable component in the integration of renewable energies. In 2013, these contracts represented 14% of the total intraday volume in Germany.

EPEX SPOT has identified a specific need for small and mid-size German market participants who need to be balanced on a 15-minute basis and who do not necessarily have access to the 24/7 continuous market. In order to facilitate the management of ramping needs for market participants and to bundle liquidity at the same time, EPEX SPOT suggests launching an auction for 15-minute contracts. This auction could take place in the afternoon of the previous day, around the opening of the Intraday market. The members of the Exchange Council welcomed the idea. They support the introduction of a 15-minute intraday auction. “We are devoted to respond to market needs and to further improve flexibility of trading for our members”, says Jean-François Conil-Lacoste, Chairman of the Management Board of the European Power Exchange. EPEX SPOT will now conduct a study to specify the design of the segment.

REMIT is one of the overarching topics in 2014. According to the planning to be adopted by each national regulator, members will be required to obtain a registration code from the Agency for the Cooperation of Energy Regulators (ACER). They will have to provide EPEX SPOT with this code before the entry into force of the reporting part of REMIT foreseen for December 2014. From this moment on, members will be required to report to ACER the totality of their orders and transactions on wholesale energy markets located within the European Union. In order to facilitate this implementation, EPEX SPOT is willing to report to ACER on behalf of its members the orders and transactions concluded on its markets. The procedures will be detailed as soon as the Implementing Acts are published. “Data reporting via the Exchange would be a useful support for trading participants”, says Peter Heydecker, President of the Exchange Council. “It would increase transparency while holding complexity for Exchange members down.”

ComXerv, the trading system used by EPEX SPOT for its intraday markets, has seen its availability reduced over the last couple of months. Together with the concerned parties, EPEX SPOT is working hard on securing the Intraday trading chain. The improvements are substantial: The whole trading chain from computation to nomination is entirely reviewed in order to maximize stability, reliability and robustness. The changes imply the development of a central data transfer tool which double-checks all communication between trading and clearing interfaces. Thierry Morello, Chief Operating Officer of EPEX SPOT, underlines: “This topic is of highest priority for us, since it is our commitment to provide reliable trading solutions to our clients, in a context of growing domestic and cross-border activity.”

The first meeting of the Exchange Council in 2014 was held in Geneva on 17 March 2014 and was chaired by Peter Heydecker, Head of Origination Gas & Power at Vitol.

The Exchange Council of EPEX SPOT is an official body of the Exchange. 16 members and 7 permanent guests represent adequately the diversity of economic and corporate profiles that exists among the Exchange Members from various sectors: producers, power trading companies, transmission system operators, regional suppliers 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.

About European Power Exchange EPEX SPOT SE

EPEX SPOT SE operates the power spot markets for France, Germany, Austria and Switzerland (Day-Ahead and Intraday). Together these countries account for more than one third of the European power consumption. EPEX SPOT is a European company (Societas Europaea) based in Paris with branches in Leipzig, Bern and Vienna. In 2013, 346 TWh were traded on EPEX SPOT’s markets.
Natural gas has traditionally served the needs of three major types of customers: manufacturers, power generators, and residents using gas for heating and cooking. The transportation industry now considers expanding the use of natural gas to power automotive vehicles; this creates another avenue for natural gas application.

Among all uses, those for residential customers’ are most predictable. Heating needs are affected largely by seasonal changes in weather (good weather forecasts make it easy to adjust gas supply) and less to the state of economy; hence, the impact of heating on demand for natural gas can be foreseen with more certainty, especially in the long term. Meanwhile, increased use of natural gas by the power industry and manufacturers is driven primarily by economics: the price of gas. The price is not the only factor affecting decisions on expanding its use: power utilities have to consider environmental regulations and other power resources in their generation portfolio, and manufacturers ponder over sustainability of expanding production capacity.

In this issue, we examine aspects that can impact the demand side of U.S. natural gas expansion and ultimately add uncertainty to natural gas price projections.
Manufacturing

Manufacturers rely heavily on fossil fuels to be used as fuel or feedstock. Currently, low natural gas prices are good news for steelmakers, producers of chemicals, plastics, and fertilizers. In most processes, natural gas can be used interchangeably with oil or coal. When plants can switch between these fuels, at a time of low prices, natural gas becomes a fuel of choice displacing other fossils.

Steelmakers use gas as fuel primarily to fire blast and non-blast furnaces. Switching from coal to natural gas can result in production cost saving of 1-2%. Steel plants have already started replacing coal with natural gas to keep furnaces running. As the last several years have marked a rather dark time for steelmakers, such a turn of events is creating a good incentive, not only to use natural gas as a fuel to improve current financial statements, but also to expand production capacities for longer term benefits.

Natural gas is used as a base feedstock by the chemical industry: more than 80% of chemicals are derived from it. Some fertilizers, such as ammonia-based products, attribute 90% of production cost to natural gas. As a feedstock, natural gas can be switched with crude oil. Users are indifferent to the source of these two fuels when crude is at parity with the price of natural gas in heating equivalent, which happens when the ratio between two prices is maintained at around 7:1. With oil prices floating around $100/Bbl and natural gas not even reaching $4/MMBtu over an extended period of time, no deep financial analysis is needed to see that such a price relation makes natural gas an undisputed favourite.

Increasing profits make manufacturers rise above the simple joy derived from healthy financial statements; nowadays, consideration is being given to expanding production capacities. Lower natural gas prices have been motivating manufacturers to reconsider what became a tendency of closing operations or moving to countries with lower production and labour costs.

Only several years ago, factories, especially in the chemical and fertilizer sectors, joined an exodus to Latin America and South Asia. About 40% of fertilizer production capacity in the U.S. closed down in the first decade of 2000. Now, it seems like we might find ourselves on the brink of a reverse migration as some investors have started demonstrating interest in building more domestic industrial capacity.

- An ammonia facility of 366,000 tons/year of LSB Industries reopened in Pryor, Oklahoma, in 2009. Two more units with projected capacity of 60,000 tons/year at Pryor are under regulatory review.
- Orascom Construction reopened a 250,000 tons/year ammonia plant in Beaumont, Texas.
- A 525,000 tons/year plant in Geismar, Louisiana, by PCS Corporation, is being considered for restarting. The corporation is also reviewing expansion of plants in Lima, Ohio, and Augusta, Georgia.
- CF Industries has revived parts of its Donaldsonville, Louisiana, complex capable of producing more than three million tons/year of ammonia. The company also announced investing up to $60 million to complete an expansion of this facility and $1.5 billion over the next four years to grow its projects in ammonia and other products.
- Methanex Corp. announced plans to move its methanol plant from Chile to Louisiana.
- Santana Textiles LLC decided to build a denim plant in Texas instead of its originally planned destination, Mexico.

Encouraged by government support of shale gas expansion, manufacturers are looking forward to sustained growth in their profit margins. Meanwhile, not everybody in the manufacturing community is on the same playing field. Many remain doubtful that the current trend of low natural gas prices is sustainable. Manufacturers are facing a dilemma: should they capitalize on the current natural gas oversupply and revitalize the abandoned plants in the U.S. (and in many cases move plants back home from international locations), or should they remain on the cautious side and retain what has been very stable, at least from the perspective of costs. Their decision will be based on expectations of whether current low gas prices will be sustained over an extended period of time, and what factors might tilt the current shortage of domestic demand and push prices up.

Disagreement among industrials comes as no surprise — the same events often evoke dissimilar views by different parties leading to a variety of conclusions and courses of action. Thus, some believe that a pending increase in gas exports will lead to growth in the domestic price as a result of equalization with prices in foreign markets (discussed in more details in the July 2012 In-Depth article). Such an increase will diminish benefits for U.S. manufacturers. Those who are certain of this course of events call for government to set restrictions on natural gas exports. Others believe that government interference in the open market can be detrimental, not only from the perspective of creating a case of government meddling with free market forces, but also because reduction in overseas LNG deliveries will affect financial statements and make gas producers unhappy, which will lead to potential cuts in gas production and consequently domestic price increases.

The current state of the market is very favourable to those with gas as a major cost affecting their income statements; however, for longer term investments, especially those involving billions of dollars, the quality of natural gas price projections is of paramount importance. Multiple uncertainties make it very difficult to arrive at a definite conclusion. A
lack of clarity creates a looped logic; investment decisions are based on expectations about future natural gas prices, which in their turn are affected by demand being a direct derivative of these decisions.

Power Generation

The power sector is affected by natural gas prices more than any other sector. While being a major influence on the industry as a whole, the impact of prices differs for different types of generators. No doubt, generators that run on natural gas are the first in line to be affected. A rather large number of this type of generator, compared to other types of generators, have been built since the end of the 90’s as a result of deregulation, the relative ease of construction, and of a fast track approval process. Since then, a somewhat excess number of these generators have been used mostly to serve peak hours and to balance real-time fluctuations in demand and support generators with less flexible operation, especially nuclear and renewables.

With low fuel cost, utilities are using more of the natural gas power plants in their generation portfolios and use them more frequently to serve not only as peakers but as baseload-serving units. Low fuel costs are not the only driver of such an increase. Capital costs are significantly lower than those of nuclear plants. According to the EPA, U.S. natural gas-fired generation produces half as much CO2, less than a third as much NOx, and 1% as much SO2 of the average air emissions from coal-fired generation. The growing burden of environmental compliance can be a decisive factor when choosing between these two types of generation sources, with a preference for natural gas-fired generation over those run on coal.

Nuclear power is not a happy player. Some say that the impact shale gas has had on the nuclear industry is almost equivalent to that of the Fukushima incident. Less costly and less risky natural gas-fired power generation, as an alternative to nuclear technology, is offering power utilities better options. However, some believe that over the long-term, at least over the 50-year cycle of their life span, nuclear generators will prove to be more rational for utilities to have in their generation portfolios for two reasons. First, long-term cost expectations are more stable for nuclear units, given a sustained history of high fluctuation of gas prices. Second, even though it is polluting less than coal, natural gas still emits more pollutants than nuclear power. Southern Co. and Scana Corp. took on this perspective in proceeding with the construction of new nuclear power plants. And, they proposed expansion of existing facilities. Southern’s plan to add two new nuclear units at Power’s Plant Vogtle, near Waynesboro, Georgia, was approved by the Nuclear Regulatory Commission (NRC) on February 9, 2012. Scana proposed to build two units at the V.C. Summer nuclear station site near Jenkinsville, South Carolina, which was granted by the NRC with Combined Construction and Operating Licenses on March 30, 2012. Both approvals pave the way for construction of nuclear power generation that has not seen any addition in the U.S. over the last 30 years.

The NRC is currently reviewing applications for nearly twenty nuclear units. Since the NRC review process takes at least four years, utilities will not start construction any time soon. The permits, if granted by the commission, are viewed by utilities as options to be exercised in case natural gas economics change.

Coal power generators, after dominating the power generation base in the U.S. for decades, are facing very difficult times. Being cheap, abundant, and domestic, they once had an overwhelming advantage over other power generation resources. Environmental concerns and deteriorating air quality took precedence over low electricity prices and the many jobs created in mining and transportation. Things have changed and coal generators are losing their competitiveness against natural gas generators. They are losing not only in terms of fuel cost, but also in their capacity to comply with environmental regulation requirements that are becoming more rigorous and strictly regulated. This is rather unfortunate for the coal industry, especially given the fact that coal prices have remained stable over the last couple years as shown in Figure 1 and are expected to maintain low levels in the future as shown in the forward curves in Figure 2.

Figure 1: EIA-Reported Coal Prices for Different Basins

Graph created with ZEMA
The EPA has put in a significant amount of effort to reduce damage to the environment from the fossil fuel-run power generators, and especially those fueled by coal. The Cross-State Air Pollution Rule (CSAPR) requiring reduction of NOx emission by 54% and SO2 by 73% from 2005 levels, finalized by EPA in July 2011, has been gone through a series of challenges in courts and requests to delay compliance deadlines. Finally, coal-fueled power generators got a break in August 2012 when the U.S. Court of Appeals for the District of Columbia struck down CSAPR. However, knowing the EPA’s perseverance, we will likely see another version of the rule at some point in the future; but it is yet too early to guess when and with what breadth.

Regardless, even with delayed implementation, compliance requirements are becoming stricter, and upgrades to emission controls so to be in compliance can be prohibitively costly. In wake of a tightening regulatory burden and already existing and mounting costs of environmental compliance, some plants have chosen to shut down their operations. Even though those retirement decisions were reached before the CSAPR was dismissed from the regulatory desk, revised regulation is yet to come and likely will still have a dampening effect on coal power plants.

According to a FERC report, the suite of EPA regulations on electric utility generators could shut down up to 81,000 MW of coal-fired power generation.

The American Electric Power Co., the nation’s largest producer of power from coal, is closing 5 of its 21 coal-powered generators. Dominion Virginia Power announced that is would convert the oldest coal-fired plant, Bremo Power Station, to run on natural gas by 2013. The company has already closed one merchant coal power plant, is planning to retire three old coal plants by 2015 and is converting three small stations to biomass by 2014. Black Hills Power will suspend operations of two coal stations in Colorado and South Dakota by the end of 2012 and another by 2014. To account for the lost capacity, the company is building a natural gas-fired station in Wyoming that will come online in 2014. The companies cited the cost of retrofitting equipment for environmental compliance as the main reason for retirement and conversion.

FirstEnergy Corp. is planning to reduce the number of hours when its coal power station in Ohio, Sammis, is online. After retrofitting the plant with pollution controls for almost $2 billion, the operator cannot compete with the gas-fired units in cost of production.

In the Northwest, low natural gas prices are coupled with the cost of environmental compliance and by wholesale electricity prices that are heavily suppressed by government-subsidized, wind-powered generation. This combination of factors leaves coal-power generation with almost no chance for survival.

PPL Montana announced retirement of a Corette power plant in Montana by 2015, and PGE is closing the Boardman plant in Oregon by 2020. Also in 2020, TransAlta will start its staged retirement of Centralia in Washington state.

Carbon capture technologies, as a solution to the coal generators emissions, even though supported by governmental initiatives, do not seem to be getting much traction. On March 27, 2012, EPA proposed a Carbon Pollution Standard for New Power Plants that will apply to fossil-fuel-fired boilers, integrated gasification combined cycle (IGCC) units and stationary combined cycle turbine units that are larger than 25 MW. According to this rule, new coal or petroleum coke-fired units should implement carbon capture and sequestration (CCS). The units can emit 1000 lbs of CO2 per MWh. A generator is permitted to emit more CO2 in the early years as it optimizes the controls over time. While the EPA continues reviewing the proposal, the industry is concerned about whether the pending rule will actually be implemented. With natural gas prices sinking to the lowest level in ten years, there is little incentive for utilities to even consider new plants with the costs weighted down by CCS, especially when the existing plants, coal or gas-fired, are exempt from the requirements.

Even with government support, those few CCS projects targeting coal power generation that are under development in the U.S., are facing difficult times. Out of ten large-scale power...
plant CCS projects in the U.S., four have been cancelled. Because of the high price tag, ConocoPhillips did not proceed to the second phase of the $4.1 billion Sweeney Gasification Project in Texas, which was expected to support operations of the 680 MW power plant. Tenaska’s Taylorville Energy Center in Illinois, originally intended to cook coal into methane, capture CO2 through CCS and use the methane for 602 MW of power production, has proven to be prohibitively expensive (more than $3 billion), and has been reconsidering plans to abandon the CCS element and retain the gas-fuel technology only for a fraction of the originally estimated total cost. The coal portion of the project is being deferred until gas synthetically derived from coal becomes significantly cheaper than natural gas. The first version of FutureGen, a US government sponsored project originally announced in 2003, was rejected in 2008 on the basis of high costs leading to the DoE retrieving funding. The $1.3 billion FutureGen 2.0 that was announced in 2010 and expected to start in 2015, is already being delayed until 2017.

The Government of Alberta allocated $2 billion to four large-scale CCS projects in 2008 and had one project, Pioneer, cancelled in 2012, which revised Alberta’s investment in CCS to $1.55 billion.

Such economics call into question the commercial viability of other CCS projects for coal-fueled generation, even though there are not so many of them under development.

However, not all utilities are abandoning the coal ships. Quite frequently, power plants have been strategically placed near coal mining sources, which reduce risks associated with transportation and storage. Mine-mouth operation allows the plant to capitalize on the convenience of location and lower fuel costs. Those operators who decide to convert some of the coal units to burn natural gas instead of coal usually choose a reversible conversion, which allows them to switch back to coal when natural gas prices rise. As in the case of nuclear fuel, coal prices are stable throughout the life of supply contracts, which are typically long-term, while natural gas contracts are usually linked to the spot markets. Thus, PacifiCorp is converting its Naughton, Wyoming, coal-fired plant to be run on gas to lower its environmental compliance cost. A similar approach is being considered by the utility for Jim Bridges coal units. The conversion of just a part of the plant to gas-fuelled generator reduces fuel risk; in the case of natural gas price increases, coal might just enjoy a comeback.

Gas will remain the default fuel for power generation as long as gas prices remain low. However, cognizant of the history of natural gas price movements, many power producers remain sceptical that natural gas will sustain these levels over the long term. There is always a chance that it will spike making coal, with all that burden of regulatory compliance, cheaper. On the other hand, if or when federal laws restricting emissions are passed, it will have an impact on all fossil fuel generators.

Even though natural gas does not emit as much pollution as coal, it does hold second place after coal in volume of emissions. This will make nuclear technology, which emits almost nothing, more attractive than natural gas.

Another concern is dependence on a transportation infrastructure. A relatively rigid system of gas pipelines with very long lead times for construction and expansion does not allow for any flexibility in cases of transmission disruptions and restricted capacity when demand exceeds supply. These occurrences even prompted FERC to take on a new initiative and to develop a coordination policy for electricity and natural gas sectors to resolve transportation constraints at times of emergencies.

Similar to manufacturers, some power utilities are not confident about the longevity of the current trend in natural gas prices. Many are hesitant to make bold moves in investing in gas-fired generators on a larger scale. Some participants believe that in the long term, prices of other fuels, such as coal and nuclear, will remain lower than natural gas given the historic profile of these prices. Similar to manufacturing, this creates a causal loop logic in the supply/demand balance.

Natural Gas Vehicles (NGV)

Transportation is an area that the natural gas glut might affect most. High oil prices, a natural gas production boom and government support make this fuel option very attractive and create a potential to change the whole landscape of the industry. Aside from being cheaper in heating equivalent at the current state of markets, gas emits about 25%-30% less CO2 than petroleum or diesel.

Natural gas can be used in several ways to power engines. Compressed natural gas (CNG) and LNG are a direct form of natural gas used as a fuel. Indirect approaches are also possible when gas is converted to liquid (GTL) for engines or power for electric vehicles. GTL requires heat and chemistry to convert gas into liquid, like diesel or kerosene. As oil prices are soaring, the expansion of GTL is increasing.

Most NGVs introduced to the market have been targeting industrial, construction and other heavy-duty applications. Ford has been manufacturing NGVs for the last three years. Chrysler just started manufacturing the CNG Ram 2500 heavy duty pickup. The vehicle has dual fuelling options, CNG, which is used as the primary fuel alternates automatically with gasoline. GM is planning to start releasing two pickups in late
2012, Chevrolet Silverado and GMC Sierra 2500 HD, both will run on CNG and petroleum. The only light NGV version is offered by Honda; its Civic has been produced over the last 14 years and sold primarily as a fleet car.

While the prospect of NGV seems promising and has support from environmentalists, this technology is incorporated in less than 1% of all vehicles. The application of natural gas as a transportation fuel is restricted (3% of produced natural gas is used by transportation), and there are many issues associated with a gas-fuelled vehicle.

The major stumbling blocks in the way of NGV expansion have to do with technological aspects, costs, and refuelling infrastructure. CNG has to be stored under pressure, which makes the fuel tank significantly larger than that used for gasoline. Vehicles have to be retrofitted to accommodate gas as a fuel and this is rather expensive. Vehicle retrofitting increases the cost by $20k in the case of Ram and in the Civic by $10k.

The fuelling infrastructure is limited as shown in Figure 3; that’s why the use of NGV has been mainly restricted to centralized fleets, such as trucks, buses and heavy duty vehicles. More than half of the CNG fuel stations are privately owned.

Figure 3: Compressed Natural Gas Fuel Stations (EIA)

Many municipalities operate NGV bus fleets. Dallas-Fort worth airport has a fleet of maintenance vehicles run on gas. AT&T is planning to build the largest CNG vehicle fleet. One of the solutions to resolve the refuelling conundrum is proposed by Clean Energy Fuels, an initiative by T. Boone Pickens, which promises to establish NG fuelling options at truck stops nation-wide.

The hope that this sector will grow rests primarily on government incentives. A new tax incentive is being considered by the Obama administration to support the use of natural gas in commercial vehicles and to build up the re-fuelling infrastructure. If approved by Congress, it might just do the trick by lowering the cost of production and increasing demand. The State Natural Gas Act of 2012, currently being reviewed in the senate, promotes the use of natural gas as a transportation fuel, as well as public and private investment in natural gas vehicles and the associated transportation infrastructure. The proposed legislature covers the whole cycle of NGV, from the production of vehicles to their purchase and fuel costs. The act calls for $100 million in grants to build a refuelling infrastructure, and increase the existing $7,500 tax credit to $10,000 for NG-run automobiles and heavy-duty and medium vehicles through 2016.

As in most cases of government subsidies, there are unhappy and happy parties. No doubt, not all taxpayers are pleased with the prospect of supporting this initiative. Manufacturers, electricity and natural gas users are seen as losing parties in this arrangement with money being directed towards expansion of only one sector, thus leading to a distorted increase in demand. This might just impact competitiveness and put a cost pressure on manufacturing and electricity industries.

**Conclusion**

Ever since the U.S. natural gas industry was opened to competition, high volatility of natural gas prices has remained steady. Unexpected natural gas price fluctuations have been caused mostly by weather, natural disasters, and transportation disruptions. At the same time, a closed system of pipelines with known capacities and demand projections that are developed and updated on an ongoing basis by government agencies have been leaving not much room for guesswork. Still, with not so many inputs, price forecasts have proven to be a difficult task; forward curves developed on exchange-traded futures have not been following spot prices accurately. Analysts, risk managers, and decision makers found it difficult to predict market movements.

Now we are facing even more challenging times. An increase in natural gas supplies, boosted by expansion of shale plays exploration, poses more questions and creates more uncertainty for those businesses and industries that rely on natural gas for their operations. In some cases uncertainty contributes to changes in supply of shale gas, and in other cases it affects demand for the growing volume of this fuel.

The U.S. government sees natural gas expansion from shale plays as a solution for achieving energy independence that it
has sought for 40 years. However, government support alone will not determine the future of the natural gas supply, the need for more natural gas is affected by many factors. The major driver of accelerating demand is the degree to which it can be exported in a liquefied form, LNG. This venture, so attractive for gas producers, faces growing opposition from those who believe that exports will exhaust supplies sooner and push domestic prices up. Calls for imposing government control over volumes of LNG exports are getting louder in Congress. If government control is imposed, it will have a dampening effect on gas production.

Aside from potential restrictions imposed on gas supply, the global nature of LNG has its own constrains and concerns. Given that the primary target buyers in Asia are remote markets, U.S. natural gas will remain competitive globally if its production is cost efficient. Global prices, unpredictable political events and shifts in LNG trading patterns have to be examined closely to avoid over or under production, as well as to ensure that trade partnerships remain profitable. As well, the cost of production, which encompasses several components (delivery, liquefaction, shipping, storage and regasification), infrastructure and the rate at which LNG terminals are being constructed also affect the volume of LNG exports.

Another source of growing demand for natural gas is its use as an alternative fuel by the transportation industry.

The popularity of vehicles fueled by natural gas in its condensed or liquefied form is growing; however, costs for these vehicles remain high. Besides, the expansion of natural gas-fueled vehicles is restricted by a limited infrastructure of filling stations. An inherently high cost of retrofitting, as well as a lack filling infrastructure, can be offset by government subsidies. Moreover, the use of natural gas as a transportation fuel is primarily driven by the cost of petroleum, which currently remains high. But, will the oil stay expensive forever? Crude oil price projections, with multiple factors and shortage of publicly available information, are a topic for a separate analytical research.

Some manufacturers and power industry representatives are looking at cheap gas as a panacea; however, a long history of price volatility keeps many of them hesitant to expand production capacities fueled by natural gas.

Shale gas production itself faces constraints and uncertainties. Reserve estimations prepared by different parties, government and industry, differ dramatically and have been questioned and criticized by opposing sides. As uncertainty remains about actual reserves, the cost and rate of production can be affected by applied technologies and cost of compliance with regulations on fracturing.

To cap it all, environmental regulations, those in effect and in the making, as well as those being considered, will affect both
sides of the equation. Depending on which are approved and implemented, the power generation mix, natural gas recovery, and use of natural gas as an alternative fuel can be altered dramatically and shifting input parameters into unknown territory.

It is not so easy to predict the expanse and direction of the future of natural gas use given the interrelationship of future price movements by market participants, investments in natural gas-supported sectors, and government subsidies for the industry. For now, these are the factors arising from shale gas expansion that have or might have an impact on natural gas prices.

Figure 4: Drivers Affecting Natural Gas Prices Arising from Shale Gas Expansion

ENVIRONMENTAL REGULATIONS

ENERGY INDEPENDENCE

**SUPPLY**
- Reserves
- Technology/ cost and rate of production
- Regulations on fracking /cost of compliance
- Infrastructure (transportation & storage)

**DEMAND**
- Manufacturing
- Power generation
- coal displacement
- nuclear displacement
- renewable expansion
- Gas Vehicles
- cost of petroleum
- fueling infrastructure
- Subsidies
- LNG
- Supply
- global prices/demand
- used as an alternative fuel

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ZE is an experienced software and strategic consulting firm that combines energy industry expertise with advanced software development capabilities. 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.

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