Energy Demand Dynamics in a Global and Interconnected World: What the Data Can Tell Us

By Aiman El-Ramly and Bruce Colquhoun
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I am not sure what other industry event or announcement could have had a more prominent and extended effect on natural gas markets than the simple contract entered between Russia and China, two countries located on an opposing side of the Earth from North America. Is this contract a disaster or a savior for those economies that have just recently announced their pending dominance in this sector? I think it really depends on how you look at it.

Now, let’s take a quick glimpse at how the story developed. At first, Ukraine and Russia become engaged in a heated fight over the Crimean peninsula, followed by Russia’s actual annexation of the territory. The annexation was undertaken on the premise of “historical fairness” and was caused by internal Ukrainian events resulting in “the wrong people getting power in the wrong manner,” at least according to Russia’s line of reasoning. Then another part of Ukraine became involved in real in-fighting, with real shooting, bombing, and victims. Most of the global parties of interest then jumped on a bandwagon, condemning Russia for stirring up the land that was “otherwise peaceful and quiet.” Global decision makers demanded that Russia stop interfering in Ukraine’s matters and promised isolation and various sanctions against Russia. Russia claimed that it had nothing to do with that. Finally, all matters reached the point I have been awaiting for several months: energy resource matters came into play.

No doubt Russia’s misbehavior has increased an already looming pressure on Europe, given the fact that the European natural gas supply is predominately controlled by Russia. The largest natural gas producer now represents an unreliable party to work with, at least as per Russia’s opponents’ line of reasoning. According to the same line of reasoning, this will effectively create a giant, gaping energy hole in Europe. This hole can be fixed by the North American nations that are now experiencing shale gas production revolutions and boast resources sufficient to meet not only their own domestic demand but also the demand of their friends in need. Hence, the U.S. and Canada are rushing to offer this support to their friends by filling in the expected European energy void and assisting with diversifying their gas imports. LNG is the North American answer to all the energy concerns brewing in far-away countries.

Just take a quick look at all the efficiency and agility of usually not-so-quick on their feet regulatory bodies. LNG terminals received expedited approvals in the U.S. and Canada. March 24, 2014—the U.S. Department of Energy approved Jordan Coves’ LNG export license. March 26, 2014—four LNG...
terminals in British Columbia received similar approvals from the Canadian minister of resources. The U.S. House Energy and Commerce Committee is now pushing legislation that will speed up the approval process of pending applications for LNG exports. Promises of help and support are pouring in from North American friends to their European counterparts. Non-FTA member countries will receive their share of help and support, as U.S. legislation has allocated a cozy spot for them by fast-tracking the approval of export licenses to these countries as well. Non-FTA countries such as Japan, China, and India are probably the most attractive targets, as they have a heavy reliance on imported fossil fuels.

At this moment, Russia and China have struck a $400 billion deal: Russia will supply China with gas for 30 years starting in 2018—a volume of 38 Bcm a year, with an option to increase this volume to 60 Bcm a year. After a decade of consistently failing efforts by these two countries, a contract that has associated with it the construction of gas production and transportation infrastructure, as well as revived industries, labor markets, and territories, has finally been signed following just a few days of negotiations.

Is this the beginning of the imminent dissolution of LNG markets taking over? Some say this is unlikely, and China dropping out from the mix does not necessarily mean the end of all expectations of the U.S. becoming “the Saudi Arabia of natural gas.” There is still Europe left, and Japan, with its complete dependence on gas imports due to a nationwide nuclear freeze. But have you been following the news from Japan? On May 21, 2014, the Japanese court ruled against restarting nuclear power, thus stopping government efforts to end this freeze. Japan’s government announced it will change some top officials at its nuclear regulator, which is interpreted as an attempt to remove those opposed to the restarting of the country’s reactors. Provided the Japanese government finally succeeds at restoring the country’s 48 currently idling reactors, how much will LNG demand be affected? I think quite substantially. What will be left for LNG providers? India, Korea, and Europe, I guess. But then Australia, with its own fossil fuels revolution, is right there, at least geographically.

But forget about natural gas for a second. Are we missing something bigger looming out there? Have you noticed that the Russia-China contract payments will be executed in rubles and yuan, not traditional U.S. dollars? Have you heard that Russia and China are creating a joint credit rating agency due to their frustration over existing systems that seem to be driven by political agendas rather than economic factors? Do you remember BRICS? Have you noticed that BRICS members have been very quiet in their condemnation of Russia over Ukraine and slow in imposing sanctions? Do you remember that India, probably the last desired target for LNG exports, is a member of BRICS?

I do not attempt to judge or forecast, but it seems to me that U.S. expectations of taking over the natural gas markets are getting a serious blow. This blow is somewhat quiet and even has been downplayed for a while by the Western media.

Nonetheless, at the hour of awakening, there may be just too many surprises for those who have been ignoring this quiet and slowly-developing revolution, a revolution in which energy markets have been taken over by those who have been on the “naughty list” so long that their influence has been ignored and overseen for too much time. There is good news for members of the shale gas revolution: procrastination in approving LNG facilities has been good for both countries. Aside from talking and announcing victories, bragging and promising to take over the world, not much has been done; hence, there is not much to lose.

Read an in-depth article in this month’s ZE DataWatch issue that discusses dynamics and shifts in global energy demand.
NGX to Launch Physical Futures for WECC

Effective June 9, 2014, NGX is set to enter the WECC market with physical power futures products in Mid-C, Palo Verde, and Mead. The contracts are executed for daily, balance of the month, and monthly tenors in a lot size of 25 MW.

The benefits of clearing these new WECC physical power products include:

- Improved liquidity through the addition of incremental counterparties for exchange members.
- Allowance for netting of schedules with no Dodd-Frank concerns.
- Straight-through processing via WebICE and ICE’s application for OTC transactions (ICE Block).
- Consummation of transactions via voice brokers and the submission of principal OTC deals directly to NGX for clearing.

See the original announcement.

ZEMA collects a range of North American and European power market data, including many reports from NGX. To learn more about ZEMA’s data library, visit http://www.ze.com/the-zema-solutions/data-coverage/.

South-Western and North-Western European Day-Ahead Markets Coupled

On May 13, 2014, the full coupling of the South-Western Europe (SWE) day-ahead markets was successfully launched. As a result, the SWE and North-Western Europe (NWE) projects stretching from Portugal to Finland now operate under a common day-ahead power price calculation using the Price Coupling of Regions (PCR) solution.

Now, day-ahead transmission capacity on the French-Spanish border has been implicitly allocated through the PCR solution, replacing the previous daily explicit allocation. Full price coupling between the NWE and SWE projects allows for the simultaneous calculation of electricity prices and cross-border flows across the region, which will benefit end consumers.

With the achievement of full coupling of the SWE day-ahead markets, the cross-border capacity of all interconnectors within and between the following NWE and SWE countries will now be optimally allocated in a day-ahead timeframe: Belgium, Denmark, Estonia, Finland, France, Germany/Austria, Great Britain, Latvia, Lithuania, Luxembourg, the Netherlands, Norway, Poland (via the SwePol Link), Portugal, Spain, and Sweden.

The combined day-ahead markets of the NWE and SWE projects account for about 2,400 TWh of yearly consumption. Since the launch of the PCR solution on February 4, the daily average cleared volume over these markets amounted to 3.2 TWh, with an average daily value of over €200m.

The SWE full market coupling represents a further step towards the implementation of the European target model for the Internal Electricity Market in Europe in the day-ahead timeframe.

See the original announcement.

ZEMA collects APX reports containing U.K. power day-ahead market data in a range of granularities. To learn more, visit http://www.ze.com/the-zema-solutions/.
ICE to Introduce New US Power Contracts

On May 12, 2014, ICE Futures U.S. introduced the 28 new power futures and options contracts listed below.

### U.S. Power Futures

- MISO Indiana Hub Real-Time Off-Peak Mini Fixed Price Future
- PJM AEP Dayton Hub Real-Time Peak Mini Fixed Price Future
- PJM AEP Dayton Hub Real-Time Off-Peak Mini Fixed Price Future
- PJM NI Hub Real-Time Peak Mini Fixed Price Future
- PJM NI Hub Real-Time Off-Peak Mini Fixed Price Future
- CAISO SP-15 Day-Ahead Off-Peak Mini Fixed Price Future
- Mid-Columbia Day-Ahead Off-Peak Mini Fixed Price Future
- PJM ATSI Zone Day-Ahead Peak Fixed Price Future
- PJM ATSI Zone Day-Ahead Off-Peak Fixed Price Future
- PJM DEOK Zone Day-Ahead Peak Fixed Price Future
- PJM DEOK Zone Day-Ahead Off-Peak Fixed Price Future
- MISO Minnesota Hub Day-Ahead Peak Fixed Price Future
- MISO Minnesota Hub Day-Ahead Off-Peak Fixed Price Future
- MISO Michigan Hub Day-Ahead Peak Fixed Price Future
- MISO Michigan Hub Day-Ahead Off-Peak Fixed Price Future
- MISO Texas Hub Day-Ahead Peak Fixed Price Future
- MISO Texas Hub Day-Ahead Off-Peak Fixed Price Future
- MISO Texas Hub Real-Time Peak Fixed Price Future
- MISO Texas Hub Real-Time Off-Peak Fixed Price Future
- MISO Arkansas Hub Day-Ahead Peak Fixed Price Future
- MISO Arkansas Hub Day-Ahead Off-Peak Fixed Price Future
- MISO Louisiana Hub Day-Ahead Peak Fixed Price Future
- MISO Louisiana Hub Day-Ahead Off-Peak Fixed Price Future
- SPP North Hub Day-Ahead Peak Fixed Price Future
- SPP North Hub Day-Ahead Off-Peak Fixed Price Future
- SPP South Hub Day-Ahead Peak Fixed Price Future
- SPP South Hub Day-Ahead Off-Peak Fixed Price Future
- ERCOT Capacity Responsive Reserve Future

ZEMA has been collecting ISO data since the advent of power markets’ deregulation; ZEMA is also equipped with a library of analytic formulas which enable ISO market participants to transform market data into market intelligence. The graph below is an example of the type of analysis that can be performed in ZEMA; it shows the difference between peak and off-peak futures prices for hubs in PJM and MISO on the Chicago Mercantile Exchange. This graph was created in ZEMA using the CME Final Clearing Prices report.

![Graph created with ZEMA](image-url)
FEBEG and Belpex Generate the Reserve Capacity Bulletin Board

On May 6, 2014, the Belgian Federation of Electricity and Gas companies (FEBEG) and the Belgian Power Exchange (Belpex) launched the Reserve Capacity Bulletin Board for the Belgian market, which is available for all Belgian market participants active on the reserve capacity market. The Bulletin Board for Reserve Capacity gives market participants the ability to post their buying and selling interests related to the transfer of reserve capacity obligations, and, consequently, to enter into negotiation with a potential counterparty. The Bulletin Board enables the posting of products available on the secondary market related to primary and secondary reserves. The new platform enables parties approved by Belgian Transmission System Operator Elia to provide reserve capacities to the Belgian Grid.

See the original announcement.

ZEMA collects a range of European power market data; these reports include futures price and trading data. To learn more, visit http://www.ze.com/the-zema-solutions/.

Nodal Exchange Launches Power Futures for MISO South

On April 29, 2014, Nodal Exchange introduced 18 new power futures contracts covering 3 hubs in MISO South for the first time: MISO’s new Arkansas, Louisiana, and Texas hubs. The contracts are for both peak and off-peak hours within the month and settle to Real-Time LMP and Day-Ahead LMP for 69 months forward or Day-Ahead Congestion for 14 months forward. Market participants are able to trade MISO South contracts at Nodal Exchange because of this recent expansion of power futures.

See the original announcement.

ZEMA has been collecting ISO data since the advent of power markets’ deregulation. ZEMA collects reports for all organized markets. To book a complimentary ZEMA demonstration, visit http://www.ze.com/book-a-demo/.

Platts Updates Qualifying Lot Size for UK Power

On May 15, 2014, Platts announced that its qualifying lot size for U.K. forward assessments has been changed to 5 MW-20 MW. Qualifying lot sizes for prompt trading remain unchanged at 50-100 MW.

Platts updated its qualifying lot size for forward assessments in view of changing trading patterns in the U.K. power market, including increased cross-border trade as the forward curve continues to migrate to the Gregorian calendar and an evolving regulatory framework that aims to facilitate market access for smaller counterparties.

See the original announcement.

NGX Revises CPA for ERCOT

On April 29, 2014, NGX notified market participants of amendments to the terms of its Contracting Party’s Agreements that will be effective on May 1, 2014. The amendment states that the “ERCOT block size [will] change from 25MW to 1MW”.

Please refer to the NGX website at www.ngx.com under the heading “Regulatory and Compliance – Contracting Party’s Agreement Overview.”

See the original announcement.
Platts to Inaugurate US Clean Tanker Assessments

On August 1, 2014, Platts proposes to launch two new clean medium range tanker freight rate assessments for the U.S. Gulf Coast; these new assessments reflect newly established supply trends of refined products out of the region in the wake of major changes to refining capacity in the southern U.S.

These new assessments—U.S. Gulf Coast to Argentina and U.S. Gulf Coast to Brazil—will reflect strong market interest in these routes for clean medium range tankers. The new assessments will reflect modern MR tonnage.

Each assessment will be published on a worldscale basis to reflect how these routes are traded. Platts will also publish a dollars per metric ton value for these routes. Further details are provided below.

- U.S. Gulf Coast to Argentina: This assessment will reflect a 38,000-mt clean MR tanker from the U.S. Gulf Coast to Argentina; it will also reflect the increased amount of refined products leaving the U.S. Gulf Coast. The assessment will reflect loadings from Houston, Texas City, and the Port of Louisiana and discharge into major Argentine ports, including Buenos Aires and La Plata.

- U.S. Gulf Coast to Brazil: This assessment will reflect a 38,000-mt clean MR tanker from the U.S. Gulf Coast to Brazil, and reflect the increased amount of refined products leaving the U.S. Gulf Coast. The assessment will reflect loadings from Houston, Texas City, and the Port of Louisiana and discharge into Santos, Tramandai, and Salvador.

These new assessments will be published in Platts Clean Tankerwire and Platts Tanker Alert pages PGT 1912.

Platts to Create New Linden Distillate Assessments

On June 2, 2014, Platts will introduce new middle distillate assessments in the U.S. Atlantic Coast that reflect the value of jet fuel, ultra-low sulfur diesel, and ultra-low sulfur heating oil delivered at the final destination of the Colonial Pipeline into Linden, New Jersey.

Platts will launch assessments for delivery into Linden reflecting minimum volumes of 25,000 barrels, for deliveries into the first full pipeline cycle available for trade in the market. 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 6 cycles per month, for a total of 72 cycles per year. Platts proposes to assess the first full shipping cycle, which would be the next cycle after each prompt cycle delivering into Linden.

These additions to Platts’s coverage are a response to evolving market conditions. Upgrades to refinery production and evolving fuel standards in the U.S. mean that the supply and trade of these fuels in Linden is increasingly common in the Northeastern U.S.

New assessments will be included in Platts Global Alert pages 480, 481, 482, and 410 as well as US Marketscan and Platts Oilgram Price Report.

See the original announcement.

ZEMA collects over 600 Platts reports, including many refined product reports. To gain more informed insight regarding Platts’s new clean tanker assessments, apply analytic ZEMA formulas to Platts’s data. To learn more, visit http://www.ze.com/the-zema-solutions/.

ZEMA collects multiple Platts reports, including distillate data. To gain more informed insight regarding Platts’s new Linden distillate assessments, view ZEMA’s Platts reports. To learn more, visit http://www.ze.com/the-zema-solutions/.
Platts Begins New USAC ULS HO Barge Assessment

On June 2, 2014, Platts will launch an FOB barge assessment in New York Harbor for ultra-low sulfur heating oil. This new ULSHO assessment will reflect barge clip sizes 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 3 to 7 days forward on Monday-Wednesday, and 5 to 9 days forward on Thursday and Friday.

Platts will add this assessment as a response to evolving market conditions. Upgrades to refinery production and evolving fuel standards in the U.S. mean 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.

This assessment can be found on Platts Global Alert pages 482 and 410, as well as in US Marketscan and Platts Oilgram news.

See the original announcement.

To receive the latest updates regarding new heating oil assessments, use ZEMA, ZE’s best-in-class data management solution for oil market participants. Learn more at http://www.ze.com/the-zema-solutions/.

Platts Publishes Shale Value Chain Fractionation Assessments

On May 19, 2014, following an extensive period of market consultation, Platts launched several new daily assessments and calculations collectively known as the Shale Value Chain.

The additions are in response to evolving market conditions and a shift in petrochemical cracker feedstock to natural gas liquids and away from naphtha. The foundations of the Shale Value Chain assessments lie in the benchmark natural gas prices that Platts assesses daily, as well as its daily natural gas liquids assessments.

Platts will launch the following:

- Gulf Coast Ethane Fractionation Spread: The price differential between prompt purity ethane at Mont Belvieu non-LST and the Houston Ship Channel daily natural gas price.
- Gulf Coast E/P Mix Fractionation Spread: The price differential between prompt ethane/propane mix at Mont Belvieu non-LST and the Houston Ship Channel daily natural gas price.
- E/P Mix Midcontinent to Rockies Fractionation Spread: The price differential between prompt ethane/propane mix at Conway, Kansas, and the CIG, Rocky Mountains daily gas price.
- E/P Mix Midcontinent Fractionation Spread: The price differential between prompt ethane/propane mix at Conway, Kansas, and Natural Gas Pipeline Co. of America, Midcontinent.
- National Raw NGL Basket Price: Comprises Mont Belvieu non-LST prices for purity ethane, propane, normal butane, isobutene and natural gasoline that are weighted by the general composition of a typical NGL barrel.

These assessments will be published daily in Platts Market Data, on Natural Gas Alert, and in Gas Daily.

See the original announcement.

To receive the latest updates on the U.S. natural gas boom, use ZEMA, ZE’s data management solution for natural gas market participants. ZEMA collects data from over 700 natural gas reports on a daily basis. ZEMA users can then transform this data into customized visual outputs using ZEMA’s extensive library of analytic formulas. To learn more, visit http://www.ze.com/the-zema-suite/.

Platts Begins Assessing Daily Coking Coal Swaps Forward Curve

On May 12, 2014, Platts began assessing a daily coking coal swaps forward curve that complements its suite of physical metallurgical coal assessments.

Platts assesses the value of swaps at the 5:30 p.m. close in Singapore (0930 GMT) for contracts 3 months forward, 3 quarters forward, and 1 calendar year forward, with a settled basis of the Platts Premium Low Vol FOB Australia assessment.

These values are published in SBB Steel Markets Daily and Coal Trader International; they are also available through Platts Market Data.

See the original announcement.

To learn how to automate the collection and analysis of coal market data, book a free ZEMA demo today at http://www.ze.com/book-a-demo/.
Platts to Launch FOB USGC LSR Naphtha Barge Assessment

On May 1, 2014, Platts announced it is seeking comments regarding the introduction of an FOB light straight run naphtha assessment for barges loading at U.S. Gulf Coast terminals on an FOB basis effective August 1, 2014. The proposed assessment would be published as a differential to the Platts non-Targa Mont Belvieu natural gasoline assessment. The assessment is set to reflect the value of a 50,000-barrel barge loading 10-30 days forward from the date of publication.

See the original announcement.

ZEMA is equipped with advanced data collection capabilities, and has the capacity to collect all assessment information generated by Platts. To learn more, visit http://www.ze.com/the-zema-solutions/.

Argus Adds Colonial Line Gasoline Assessments

On May 22, 2014, Argus added two new gasoline assessments to its Argus US Products publications and data modules. Relevant information will be added to the DHP and DHPS files in the DUSPR folder of server ftp.argusmedia.com.

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<td>2</td>
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<td>Gasoline Colonial line space Line01 cycle</td>
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</table>

See the original announcement.

To receive up-to-date gasoline price data, utilize ZEMA, ZE’s enterprise data management solution. ZEMA collects data from many Argus reports containing information on petroleum products. To learn more, visit http://www.ze.com/the-zema-solutions/data/.

Argus Adds DeWitt Toluene, Xylenes, and Isomers/PET Weekly Data Series

Effective May 16, 2014, Argus introduced new DeWitt Toluene, Xylenes, and Isomers/PET data reports. The new data codes are price type 8, have a time stamp of 0, and a continuous forward rate of 1. New data codes were added to the dtxweekly data file in the DATA/DTXWeekly folder of server ftp.argusmedia.com.

See the original announcement.

To gain more informed insight regarding Argus’s new coal assessment, view ZEMA’s Argus’s reports and coal reports. To learn more, visit http://www.ze.com/the-zema-solutions/.

Argus to Add New Series to Coal Daily International

On June 2, 2014, Argus will add a new series to the Argus Coal Daily International publication and data module. New codes are price type 8, have a time stamp of 8, and continuous forwards of 1, 2, 3, and 4. New code details will appear in the DCI module in the DCOAL folder of server ftp.argusmedia.com.

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<td>PA0013278</td>
<td>Coal south China 5500 cfr swaps month</td>
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<td>Coal south China 5500 cfr swaps quarter</td>
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<td>PA0013280</td>
<td>Coal south China 5500 cfr swaps year</td>
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See the original announcement.
New Argus DeWitt Toluene and Xylenes Daily Assessment

Effective May 16, 2014, Argus introduced a new daily DeWitt Toluene and Xylenes daily data report. The new data code has a price of type 8, a time stamp of 2, and a continuous forward rate of 1. It will be added to the dtxdaily data file in the DATA/DTXDaily folder of server ftp.argusmedia.com.

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<td>PA0014011</td>
<td>Paraxylene US contract split settlement month</td>
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See the original announcement.

Argus Generates US Refined Products Forward Curve

On May 15, 2014, Argus launched forward curve prices for U.S. refined products markets. These forward assessments provide a hedging tool to evaluate performance, measure profit and loss and calculate risk exposure.

See the original announcement.

Argus Adds New Naphtha and Natural Gasoline Assessments

Effective from May 12, 2014, Argus added assessments to its Argus US Products publication and data module. Added data codes are price types 1, 2, 6, and 7 and have a time stamp of 2. Amended codes also have continuous forward rates of 1 and 2. The following data codes listed below will be added to the DHP and DHPS folder of server ftp.argusmedia.com.

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<td>PA0013941</td>
<td>Naphtha light straight run/virgin USC/USG</td>
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<tr>
<td>PA0000397</td>
<td>Natural gasoline Mt Belvieu Non-Targa (Non-Dynegy) month</td>
</tr>
</tbody>
</table>

See the original announcement.

Argus Institutes New Crude Assessments

Effective May 2, 2014, Argus introduced new assessments to its crude publication and data module. New data codes are price types 1, 2, and 3, have a time stamp of 8. New codes also have a continuous forward rate of 1. The following data codes listed below were added to the DMC module in the DCRDEASIA folder of server ftp.argusmedia.com.

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<tr>
<td>PA0013899</td>
<td>Das month</td>
</tr>
<tr>
<td>PA0013900</td>
<td>Upper Zakum month</td>
</tr>
</tbody>
</table>

Additionally, the following price assessment code has a price type of 8 and time stamp of 0. This code will appear in the DMC and DLC module in the DCRDEASIA folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0013925</td>
<td>Das Official price</td>
</tr>
</tbody>
</table>

See the original announcement.

ZEMA collects a range of Argus crude assessment data, including data from Middle Eastern Crude (Spot Prices) report and the Argus Crude report. To learn more, visit http://www.ze.com/the-zema-solutions/.
**EEX to Re-Launches Its Coal Market**

Effective May 21, 2014, EEX re-launched its coal market. EEX coal products are now available for trade registration through the following brokers:

- GFI Securities Limited, Spectron Energy Services Ltd.
- Marex Spectron Group
- Tradition Dubai Limited and Tullett Prebon (Europe)

Other brokers are expected to participate thereafter.

See the original announcement.

ZEMA’s advanced data collection and analytic functionalities equip coal market participants with useful visualizations of market data, like the one displayed below. This particular graph was created with ZEMA Market Analyzer using EEX data. The graph shows declining historical weekly coal future settlement prices from January 2012 to January 2014.

*Graph created with ZEMA*
Tankard Introduces New 16:30 Indices for NBP and TTF Natural Gas Hubs

On May 12, 2014, Tankard—a collaboration between ICAP Energy, Marex Spectron, and Tullett Prebon—began publishing four new 16:30 indices (Tankard 16:30) in addition to its 15:30 indices (Tankard 15:30) for two leading traded natural gas hubs: the U.K. National Balancing Point (NBP) and Dutch Title Transfer Facility (TTF). The new Tankard 16:30 indices will be published daily at 16:45 and will comprise day-ahead and weekend-ahead indices for NBP and TTF using electronic trades executed between 16:25:00 and 16:29:59. Tankard 16:30 will be available on www.tankardindex.com and on Bloomberg under the code <TNKD>. New Tankard 16:30 indices include the following:

- Tankard 16:30 Day-Ahead NBP
- Tankard 16:30 Weekend-Ahead NBP
- Tankard 16:30 Day-Ahead TTF
- Tankard 16:30 Weekend-Ahead TTF

The Tankard indices cover the four leading traded natural gas hubs in Europe—NBP, TTF, NetConnect Germany (NCG), and GASPOOL. Each Tankard index is calculated exclusively using transaction prices for contracts for physical delivery at their respective hub, executed via one of the three brokers that comprise Tankard.

See the original announcement.

To receive the latest updates on the natural gas boom, use ZEMA, ZE’s data management solution for natural gas market participants. ZEMA collects data from over 700 natural gas reports on a daily basis. ZEMA users can then transform this data into market intelligence using an extensive library of analytic formulas. To learn more, visit http://www.ze.com/the-zema-suite/.

ICE Futures Europe: New Oil, Petrochemical, and Natural Gas Futures and Options

Effective May 12, 2014, ICE Futures Europe launched 24 new oil futures, 1 oil option, 6 petrochemical futures, and 1 natural gas liquid option. They are listed on the ICE trading platform and cleared by ICE Clear Europe. The contract names, codes, and location of corresponding rules can be found in the table below.

<table>
<thead>
<tr>
<th>Physical Code</th>
<th>Contract Name</th>
<th>Rule Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARW</td>
<td>Argus Mars vs WTI Trade Month Future</td>
<td>C</td>
</tr>
<tr>
<td>AVT</td>
<td>Argus WTI vs WTI Trade Month Future</td>
<td>C</td>
</tr>
<tr>
<td>MLT</td>
<td>Argus WTI Midland vs WTI 1st Line Future</td>
<td>C</td>
</tr>
<tr>
<td>B00-B0U</td>
<td>Brent 1st Line vs Dubai 1st Line (Platts) Balmo Future</td>
<td>C</td>
</tr>
<tr>
<td>DDM</td>
<td>Dated Brent (Platts) vs Mediterranean Dated Strip (Platts) Future</td>
<td>C</td>
</tr>
<tr>
<td>TMR</td>
<td>TMX SW 1a Index Future</td>
<td>C</td>
</tr>
<tr>
<td>B20-B2U</td>
<td>WTI 1st Line vs Brent 1st Line Balmo Future</td>
<td>C</td>
</tr>
<tr>
<td>NVV</td>
<td>USGC 3% Fuel Oil (Platts) vs 3.5% FOB Rotterdam Barges Fuel Oil (Platts) Future (in mts)</td>
<td>C</td>
</tr>
<tr>
<td>JCU</td>
<td>Gulf Coast ULSD (Platts) vs Gulf Coast Jet Fuel (Platts) Future</td>
<td>C</td>
</tr>
<tr>
<td>DFF</td>
<td>Diesel 10ppm FOB Rotterdam Barges (Platts) vs New York Harbour ULSD Future</td>
<td>C</td>
</tr>
<tr>
<td>S1A-S24</td>
<td>Singapore Gasoil 10ppm (Platts) Balmo Future</td>
<td>A</td>
</tr>
<tr>
<td>LVB</td>
<td>Low Sulphur Gasoil 1st Line vs Brent 1st Line Mini Future (in bbls)</td>
<td>B</td>
</tr>
<tr>
<td>ULD</td>
<td>Low Sulphur Gasoil 1st Line vs Brent 1st Line Average Price Option (in bbls)</td>
<td>F</td>
</tr>
<tr>
<td>JBM</td>
<td>Jet CIF NWE Cargoes (Platts) vs Brent 1st Line Mini Future</td>
<td>B</td>
</tr>
<tr>
<td>TMN</td>
<td>ULSD 10ppm CIF Med Cargoes (Platts) vs New York Harbour ULSD Future</td>
<td>C</td>
</tr>
<tr>
<td>TNN</td>
<td>ULSD 10ppm CIF NWE Cargoes (Platts) vs New York Harbour ULSD Future</td>
<td>C</td>
</tr>
<tr>
<td>RAM</td>
<td>RBOB Gasoline 1st Line vs Argus Eurobob Oxy FOB Rotterdam Barges Mini Future</td>
<td>C</td>
</tr>
<tr>
<td>GV5-GVZ</td>
<td>RBOB Gasoline 1st Line vs Argus Eurobob Oxy FOB Rotterdam Barges Mini Future</td>
<td>C</td>
</tr>
<tr>
<td>S90-S9U</td>
<td>Singapore Mogas 97 Unleaded (Platts) Balmo Mini Future</td>
<td>A</td>
</tr>
</tbody>
</table>
S25-S2Z Soybean Oil Penultimate Day 1st Line Balmo Future
BRI Argus Biodiesel RME FOB ARA Range (RED Compliant) vs Low Sulphur Gasoil 1st Line Future
BFZ Argus Biodiesel FAME Zero FOB ARA Range (RED Compliant) vs Low Sulphur Gasoil 1st Line Future
A90-A9U Argus Eurobob Oxy FOB Rotterdam Barges Balmo Mini Future
NBA Naphtha CIF NWE Cargoes (Platts) Future (in bbls)
NBB Naphtha CIF NWE Cargoes (Platts) vs Brent 1st Line Future (in bbls)
ETH Ethylene, PCW Mont Belvieu Future
PPL Polymer Grade Propylene (PGP), PCW Mont Belvieu Future
M00-M0U Ethylene, PCW Mont Belvieu Balmo Future
P10-P1U Polymer Grade Propylene (PGP), PCW Mont Belvieu Balmo Future
BUC Benzene, PCW US Contract Price Future
BUI Benzene, PCW US Index Price Future
ECC Average Price Option on Ethane in E/P Mix, OPIS Conway In-Well, Fixed Price Future

See the original announcement.

ZEMA is a useful tool for oil market participants charting fluctuations in derivatives. ZEMA’s many graph customization options help market participants see data in a new way. As an example, the following graph shows the difference between a Gulf Coast Ultra-Low Sulfur Diesel Swap and RBOB Calendar Swap future. This graph was created in ZEMA using the CME NYMEX Futures Settlement report.

*Graph created with ZEMA*
ICE Trading Platform Adds ICE Endex Dutch and Belgian Spot Markets

On April 30, 2014, IntercontinentalExchange Group (ICE) announced the successful transition of ICE Endex Dutch and Belgian natural gas spot markets to the ICE Trading Platform. ICE Endex operates the natural gas spot markets in Belgium, the Netherlands, and the United Kingdom, along with the natural gas storage markets in the Netherlands and the United Kingdom. Following the successful transition, spot contracts are available for trading on ICE’s front end trading system, WebICE, alongside ICE’s portfolio of more than 800 energy contracts.

ICE completed the trading and clearing transition for the ICE Endex futures markets to the ICE platform and ICE Clear Europe in October 2013, which involved 123 trading firms and 15 clearing member firms with approximately 466,983 contract sides and €90 million margin being transferred to ICE Clear Europe. This move increased the average daily volume for the ICE Endex futures markets by almost 50% in 6 months after the migration.

To learn more about gas prices in Europe and the U.S., use ZEMA to view reports from the Intercontinental Exchange (ICE). To book a complimentary ZEMA demonstration, visit http://www.ze.com/book-a-demo/

Platts Ceases NBP Day-Ahead Midday Assessment

Effective May 1, 2014, Platts ceased its 12:00 p.m. London midday assessment of U.K. NBP day-ahead gas (Day-Ahead Midday). This assessment was published on European Power Alert on page 611 and in Platts Market Data in dispatch category EG under the code GNCMV00. It has been replaced with an 11:00 a.m. London intraday assessment for U.K. NBP day-ahead gas with the code GNDAV00.

See the original announcement.

Platts Discontinues Imperial Crude Postings

Effective May 1, 2014, Platts ceased providing posted prices for Canada’s Edmonton light sweet (Par), Cromer light sour (LSB), Hardisty Bow River, and Hardisty mixed sour (MSO), as Imperial Oil stopped providing posted prices for these products.

Platts previously published Imperial Oil postings on Platts Global Alert page 252, in the Oilgram Price Report, the Crude Oil Marketwire, and the North American Crude and Products Scan. Platts also published Imperial postings in Market Data under the following codes: Edmonton light sweet (PSAST09), Cromer light sour (PSATY00), Hardisty Bow River (PSAUB00), and Hardisty mixed sour (PSAUG00).

Platts also discontinued its Canada Crude Postings Average for Par Crude, since Imperial has published its final April prices, and the current Par Crude average was based solely on Imperial’s posted price. The Par Crude average was published on PGA page 253, in the Oilgram Price Report, the Crude Oil Marketwire, and the North American Crude and Products Scan. The Par Crude average was published in Market Data under the codes PCAEZ00 and PCEJ00.

See the original announcement.

Platts to Discontinue NWE Average Styrene CP

On June 2, 2014, Platts will discontinue its average contract price assessment for Northwest European styrene. This follows the discontinuation of the FD Northwest Europe and FOB Rotterdam styrene contract price on January 1, 2014.

Platts will continue to publish assessments for FOB ARA styrene barge contract prices. These assessments are published under the symbol code AASRM00 in Petrochemical Alert on PCA376 and the Europe and Americas Petrochemical Scan.

See the original announcement.
Argus Removes Several Crude Series

On May 30, 2014, Argus removed several series from its Argus Crude publication and data module. Affected assessments will be removed from the DHC and DHCA folders in the DCRDEUS folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Time Stamp</th>
<th>Price Type</th>
<th>Continuous</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0000185</td>
<td>2</td>
<td>1, 2, 6, 7</td>
<td>0</td>
<td>Oriente</td>
</tr>
<tr>
<td>PA0000188</td>
<td>2</td>
<td>1, 2, 6, 7</td>
<td>0</td>
<td>Oriente USWC</td>
</tr>
<tr>
<td>PA0002325</td>
<td>2</td>
<td>1, 2, 6, 7</td>
<td>0</td>
<td>Napo</td>
</tr>
</tbody>
</table>

See the original announcement.

Argus to Terminate Global Markets Codes for Crude and Ethanol

Effective May 16, 2014, Argus ceased numerous global markets codes. Removed data codes were price types 1, 2, 6, 7, and 8 and had a time stamp of 2.

The following data codes listed below were removed from the DAGM files in the DATA/DAGM folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0000036</td>
<td>Basrah Light USGC</td>
</tr>
<tr>
<td>PA0000200</td>
<td>Qua Iboe USGC</td>
</tr>
<tr>
<td>PA0004969</td>
<td>Saharan Blend USGC</td>
</tr>
<tr>
<td>PA0004970</td>
<td>Escravos USGC</td>
</tr>
<tr>
<td>PA0004971</td>
<td>Forties del USGC</td>
</tr>
<tr>
<td>PA0005616</td>
<td>Nemba del USGC</td>
</tr>
<tr>
<td>PA0005617</td>
<td>Kissanje del USGC</td>
</tr>
</tbody>
</table>

See the original announcement.

Argus Withdraws Crude Codes

Effective May 16, 2014, Argus suspended series in the Argus Crude publication and data module. Removed data codes were price types 1, 2, 6, and 7 and had a time stamp of 2.

The following data codes listed below were removed from the DHC and DHCA folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0000036</td>
<td>Basrah Light USGC</td>
</tr>
<tr>
<td>PA0000200</td>
<td>Qua Iboe USGC</td>
</tr>
<tr>
<td>PA0004969</td>
<td>Saharan Blend USGC</td>
</tr>
<tr>
<td>PA0004970</td>
<td>Escravos USGC</td>
</tr>
<tr>
<td>PA0004971</td>
<td>Forties del USGC</td>
</tr>
<tr>
<td>PA0005616</td>
<td>Nemba del USGC</td>
</tr>
<tr>
<td>PA0005617</td>
<td>Kissanje del USGC</td>
</tr>
</tbody>
</table>

See the original announcement.

Argus Discontinues US Ethanol Codes

Effective May 9, 2014, Argus ceased publishing the following codes in the Argus US Ethanol publication and data module. Obsolete data codes were price types 1 and 2 and had a time stamp of 2.

The following data codes listed below were removed from the DUSE files in the DUSEthanol folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0003071</td>
<td>Ethanol Los Angeles delivered</td>
</tr>
</tbody>
</table>

See the original announcement.

Platts to Amend European Diesel and Gasoil Methodology

On January 2, 2015, Platts proposes to introduce a series of amendments to the typical bids and offers that are published in its Market on Close assessment process for European ultra-low sulfur diesel and gasoil barges.

These changes will further standardize information considered in Platts final assessments, and allow for more efficient publishing and interpretation of physical market data.

Proposals for various aspects of Platts’s current middle distillate barge methodology are listed below:

- Volumes: In diesel and 0.1% gasoils, Platts proposes to reflect bids and offers of 1,000-3,000 mt, amended from the current 1,000-5,000 mt range. Under this proposal, the only size range considered for assessment purposes will be 1,000-3,000 mt. Fixed volume bids and offers will no longer
be reflected. Buyers will retain the right to nominate a volume when expressing an intention to lift such an offer, and likewise when a seller expresses interest in a published bid. In 50 ppm gasoil, Platts’s assessments already reflect 1,000-3,000 mt.

- Loading Dates: In diesel and 0.1% gasoil, Platts proposes to publish bids and offers for fixed laycans of five days each—front, middle, and back-end dates reflected in its assessments. Currently, any laycan within the 3-15 days (Monday-Tuesday) or 5-15 days (Wednesday-Friday) assessment period can be bid or offered. Under this proposal, a buyer will retain the right to nominate a barge loading on one specific day within the 5-day laycan agreed at time of trade, following the end of the MOC process. Platts’s 50 ppm gasoil barge assessment already reflects fixed loading periods of 5 days each—front, middle, and back-end dates.

- Loading Ports: Platts does not have any plans to modify the loading ports reflected in its 0.1% gasoil and diesel barge assessments. These ports include Flushing, Amsterdam, Rotterdam, Antwerp, and Ghent. However, for 0.1% gasoil and diesel barges, Platts proposes to standardize all published bids and offers to Amsterdam-Rotterdam-Antwerp. Under this proposal, deliveries from Flushing and Ghent will still be possible under an alternative delivery scheme that will compensate a buyer for associated increases in freight costs. Proposals on the alternative delivery options are welcome. The 50 ppm gasoil barge assessment already reflects ARA-only indications.

- Pricing Options: Platts does not intend to modify the pricing options that can be reported for bids and offers submitted for publication in the European diesel and gasoil barge markets. These include outright price, floating price, and the Exchanges of Futures for Physical.

See the original announcement.

Platts to Increase CIF ARA Diesel Cargo Size

On January 2, 2015, Platts will increase the cargo size reflected in its CIF ARA ultra-low sulfur diesel cargo assessment. Under this change, the cargo size reflected in this Platts benchmark assessment will be increased to 10,000-40,000 mt plus/minus 10%, up from 10,000-35,000 mt plus/minus 10%.

The following assessments will be affected:
- CIF ARA diesel cargoes (AAVBG00)
- CIF NWE (Le Havre) diesel cargoes (AAWZC00)
- CIF UK diesel cargoes (AAVBH00)
- FOB ARA diesel cargoes (AAVBF00) FOB NWE (Le Havre) diesel cargoes (AAWZD00)

The basis of the assessment will remain 20,000 mt plus/minus 10%, but cargoes from 35,000-40,000 mt plus/minus 10% will also be considered for assessment. The current approach of normalizing the price of different cargo sizes back to the value of a 20,000 mt plus/minus 10% cargo will be maintained.

This larger cargo size better reflects changing flows into Europe, where larger cargo sizes are increasingly seen in the market as regional refining runs at low rates, or closes entirely.

See the original announcement.

Platts to Extend Distillate Derivatives Curve

On August 1, 2014, Platts will extend its ultra-low sulfur diesel, gasoil, and jet derivative assessments beyond January 2015.

As well, on April 29, ICE said it would suspend its low sulfur gasoil futures contract from next year. ICE also said that its legacy gasoil futures contract would be extended and would reflect the ultra-low sulfur diesel specification from the February 2015 contract onwards. As such, Platts withdraws its proposal to launch new derivative assessments against the ICE low sulfur gasoil futures contract, dated February 11.

See the original announcement.

Platts Adjusts Date Range for WAF Crude Assessments

Effective July 1, 2014 and following an extensive review process, Platts will adjust the range of loading dates reflected in its West African crude assessments to reflect the value of cargoes loading 25-55 days forward from the date of publication, further forward than the current 15-45 days forward currently reflected.

At the same time, Platts will assess all its West African crude assessments on a pricing strip reflecting 5 days after Bill of Lading pricing, commensurate with Platts’s view of how the Nigerian, Angolan, and Congolese crude markets price.

All Platts West African crude differentials will be published as a differential to this strip, which will be called the “30-60 Day Dated Strip” and will reflect forward Dated Brent 30-60 days ahead of the day of publication.

All outright West African crude assessments will be the sum of the individual crude’s differential to Dated Brent loading 30-60 days ahead of the day of publication and the 30-60 Day Dated Strip.

The West African Strip, on which Nigerian and Congolese crudes are currently assessed, currently reflects 18-48 days ahead, in line with pricing reflecting 3 days after Bill of
Lading. The Angolan Strip, on which Angolan are currently assessed, currently reflects 15-45 days ahead, in line with pricing reflecting 2-1-2 around Bill of Lading. The West African Strip (AALDH00) will be discontinued January 2, 2015, and the Angolan Strip (AALGM00) will continue to be published under the new name of 15-45 Day Dated strip effective July 1.

See the original announcement.

**Platts Revises BFOE CFD eWindow Timing**

Effective May 1, 2014, Platts reminded its subscribers that it is updating the time that price changes can be made in the Market on Close assessment process for BFOE CFDs to a maximum of $0.05/b per minimum of every 20 seconds. However, it should be mentioned that incrementability does not apply to bids and offers that are moving away from market value.

This increases from a maximum of $0.05/b 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.

See the original announcement.

**Argus Changes Description for Naphtha Assessment**

On May 12, 2014, Argus will change the following price assessment code. This assessment is published in Argus US Products.

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Old Description</th>
<th>New Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0001049</td>
<td>Naphtha 70 para USGC</td>
<td>Naphtha light straight run/virgin USD/t</td>
</tr>
</tbody>
</table>

See the original announcement.

**NGX Revises CPA for Natural Gas**

On April 29, 2014, NGX notified market participants of amendments to the terms of their Contracting Party’s Agreements (CPA), which were effective from May 1, 2014. The amendment identified the following changes to the CPA:

US NATGAS HUB name changed from TGT-SL (FT) and TGT-Z1 (FT) to TGT-SL and TGT-Mainline US NATGAS Index 1 Publication changed from Platts Inside FERC to Platts Insider FERC, East Texas HSC; and changed from Platts Gas Daily to Platts Gas Daily East Houston Katy

Please refer to the NGX website at www.ngx.com under the heading “Regulatory and Compliance – Contracting Party’s Agreement Overview”.

See the original announcement.

**Extension of ICE Gasoil Futures (‘G’) Contract and Change in Specification to Low Sulphur Gasoil**

Effective January 2015, the ICE Gasoil futures and options contract (code: G) will be extended beyond the January 2015 month. The exchange also proposed to change the contract specification to 10ppm low Sulphur Gasoil futures and options, with effect from the February 2015 contract month.

See the original announcement.

**ICE Updates Contract Specifications for Heating Oil Swap Futures**

Recently, ICE removed the specification “non-common pricing applies” from its rules regarding final settlement prices for the following four futures contracts:

- CRUDE DIFF–ARGUS LLS VS WTI 1ST LINE SWAP FUTURE
- CRUDE DIFF–ARGUS MARS VS WTI 1ST LINE SWAP FUTURE
- DIESEL DIFF–GULF COAST ULSD VS HEATING OIL 1ST LINE SWAP FUTURE
- DIESEL DIFF–GULF COAST ULSD (PLATTS) VS HEATING OIL 1ST LINE BALMO FUTURE

See the original announcement.
NYMEX Enhances Henry Hub Natural Gas Last Day Financial Futures Contract

On June 1, 2014, the New York Mercantile Exchange (NYMEX) will implement enhancements to the CME Globex trading platform which will enable the Henry Hub Natural Gas Last Day Financial Futures contract (Rulebook Chapter 508; commodity code: NN) to be traded in MMBtu/per month under the CME Globex code “NNE.” This enhancement is in addition to the Henry Hub Natural Gas Last Day Financial Futures contract that is currently available, which can be traded in MMBtu/per day under the existing CME Globex code “NN.”

The Exchange will insert non-reviewable ranges regarding this trading enhancement on CME Globex in NYMEX Rule 588.H (“Non-Reviewable Trading Ranges”) as provided below in blackline format:

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Globex Symbol</th>
<th>Non-Reviewable Range (NRR) in Globex format</th>
<th>NRR including Unit of Measure</th>
<th>NRR Ticks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Henry Hub Natural Gas Last Day Financial Futures (Monthly)</td>
<td>NNE</td>
<td>100</td>
<td>$.10 per MMBtu</td>
<td>100</td>
</tr>
<tr>
<td>Henry Hub Natural Gas Last Day Financial Futures (Daily)</td>
<td>NN</td>
<td>100</td>
<td>$.10 per MMBtu</td>
<td>100</td>
</tr>
</tbody>
</table>

In addition to the CME Globex trading platform, this contract is also listed for trading on the NYMEX trading floor and is available for submission for clearing through CME ClearPort.

See the original announcement.
New Platts Assessment Commentaries for Biofuels in Americas/Asia/Europe

Effective June 2, 2014, Platts will begin publishing separate assessment rationales for more biofuels assessments in Asia, Brazil, Europe and North America. The new rationales will appear in *Platts Biofuelscan* and on relevant existing commentary pages on *Platts Biofuels Alert (PBF)*.

For a complete list of existing commentary pages, click here.

ZEMA collects over 600 Platts reports and many reports about biofuels. To learn more about the biofuels reports ZEMA collects, visit [http://www.ze.com/the-zema-solutions/data-coverage/](http://www.ze.com/the-zema-solutions/data-coverage/).

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Argus Announces New Steel Feedstocks

On May 23, 2014, Argus introduced new steel feedstocks. New codes have a price type of 8 and have a time stamp of 8. This code appears in the *DSteelFeedstocks* module in the *DSteelFeedstocks* folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0013951</td>
<td>Iron ore lump cfr Qingdao 2-6 weeks - 63% Fe</td>
</tr>
</tbody>
</table>

See the original announcement.

ZEMA collects over 150 reports on metals markets. To learn more about ZEMA’s extensive data coverage, visit [http://www.ze.com/the-zema-solutions/data-coverage/](http://www.ze.com/the-zema-solutions/data-coverage/).

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Argus Creates New SME FOB Argentina Upriver and SBO Biofuel Assessments

Effective May 16, 2014, Argus made changes to their biofuels publication and data module when SME FOB Argentina upriver and SBO assessments began to reflect the previous day’s Houston closing prices. The following series with a Houston close timestamp were added to the *DBIO* files in the *DBIOFUELS* folder of server ftp.argusmedia.com.

<table>
<thead>
<tr>
<th>PA-Code Description</th>
<th>Start Date</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0006253 Biodiesel SME Argentina fob upriver</td>
<td>15-May-2014</td>
<td>Daily</td>
</tr>
<tr>
<td>PA0008338 Soybean oil Argentina diff to CBOT soybean oil</td>
<td>15-May-2014</td>
<td>Daily</td>
</tr>
</tbody>
</table>

See the original announcement.

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ICE to Launch New Biofuel Contracts

On May 12, 2014, the IntercontinentalExchange (ICE) introduced many new energy futures and options contracts. The new contracts are available for trading at either ICE Futures Europe or ICE Futures U.S. and cleared at ICE Clear Europe. New contracts include biofuel futures and options.

The following contracts will be introduced:

**Biofuel Futures**

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Argus Biodiesel FAME Zero FOB ARA Range (RED Compliant) vs Low Sulphur Gasoil 1st Line Future</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Argus Biodiesel RME FOB ARA Range (RED Compliant) vs Low Sulphur Gasoil 1st Line Future</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soybean Oil Penultimate Day 1st Line Balmo Future</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

See the original announcement.

Argus Removes London Time-Stamped Biofuel Assessments

Effective May 16, 2014, Argus made changes to their biofuels publication and data module when SME FOB Argentina upriver and SBO assessments began to reflect the previous day's Houston closing prices.

Changes applied to the DBIO files in the DBIOFUELS folder of server ftp.argusmedia.com.

The following series with a London close timestamp were stopped, with a final publication date on May 15, 2014. Obsolete data codes are price types 1, 2, 6, and 7 and have a time stamp of 6.

<table>
<thead>
<tr>
<th>PA-Code</th>
<th>Description</th>
<th>Start Date</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0006253</td>
<td>Biodiesel SME Argentina fob upriver</td>
<td>09-Mar-2009</td>
<td>Daily</td>
</tr>
<tr>
<td>PA0008338</td>
<td>Soybean oil Argentina diff to CBOT soybean oil</td>
<td>01-Sep-2010</td>
<td>Daily</td>
</tr>
</tbody>
</table>

See the original announcement.

Platts to Change Biodiesel FOB ARA Assessment Laydays and Cancecling Dates

Effective June 2, 2014, the assessment laydays and cancelling dates for biodiesel FOB ARA will account for barges loading between 3 and 15 days forward (on Mondays and Tuesday) or 5 and 15 days (from Wednesdays to Fridays) forward from the day of publication, rather than the current 10-25 days forward currently reflected.

The change in specification will affect the following assessments:

- AAXNV00 Biodiesel Europe Premium (non-RED) FAME 0 FOB ARA $/Mt
- AAXNW00 Biodiesel Europe Premium (non-RED) RME FOB NWE $/Mt
- AAXNY00 Biodiesel Europe Premium PME FOB ARA T2 $/Mt
- AAXNT00 Biodiesel Europe Premium RED FAME 0 FOB ARA $/Mt
- AAXNU00 Biodiesel Europe Premium RED RME FOB NWE $/Mt
- AAXNX00 Biodiesel Europe Premium RED SME FOB ARA T2 $/Mt
- AAWGI00 Biodiesel FAME 0 (RED) FOB ARA Barge $/mt
- AAXQL00 Biodiesel FAME 0 FOB Rdam Barge $/mt
- AAWGH00 Biodiesel FAME -10 (RED) FOB ARA Barge $/mt
- AAWGY00 Biodiesel FAME -10 FOB Rdam Barge $/mt
- AAWGK00 Biodiesel RME (RED) FOB ARA Barge $/mt
- AAUCA00 Biodiesel RME FOB ARA Barge $/mt
- AAWGJ00 Biodiesel SME (RED) FOB ARA Barge $/mt
- AAUCB00 Biodiesel SME FOB ARA Barge $/mt
- AAXNZ00 Biodiesel Europe outright price PME FOB ARA T2 $/Mt

See the original announcement.

Platts to Implement Changes to RED Spec for Biodiesel FOB ARA

Effective June 2, 2014, the specification for FOB ARA biodiesel will include only material registered under one of the EU voluntary schemes and not material registered only with one of the member states’ national schemes.

Affected assessments include the following:

- AAXNT00 Biodiesel Europe Premium RED FAME 0 FOB ARA $/mt
- AAXNU00 Biodiesel Europe Premium RED RME FOB NWE $/mt
- AAXNX00 Biodiesel Europe Premium RED SME FOB ARA T2 $/mt
- AAWGI00 Biodiesel FAME 0 (RED) FOB ARA Barge $/mt
- AAWQI00 Biodiesel FAME 0 FOB Rdam Barge $/mt
- AAWGH00 Biodiesel FAME -10 (RED) FOB ARA Barge $/mt
- AAWGK00 Biodiesel RME (RED) FOB ARA Barge $/mt
- AAUCA00 Biodiesel RME FOB ARA Barge $/mt
- AAWGJ00 Biodiesel SME (RED) FOB ARA Barge $/mt
- AAUCB00 Biodiesel SME FOB ARA Barge $/mt
- AAXNZ00 Biodiesel Europe outright price PME FOB ARA T2 $/Mt

See the original announcement.
Platts to Change Water Content Specification for FAME Biodiesel FOB ARA

Effective June 2, 2014, Platts will reflect material with a maximum water content of 350ppm in its FAME 0 and FAME -10 FOB ARA biodiesel assessments. Platts previously reflected material allowed for a maximum water content of 500ppm. The change in specification will affect the following assessments:

- AAXNV00 Biodiesel Europe Premium (non-RED) FAME 0 FOB ARA $/Mt
- AAXNT00 Biodiesel Europe Premium RED FAME 0 FOB ARA $/Mt
- AAXNU00 Biodiesel Europe Premium RED RME FOB NWE $/Mt
- AAXX00 Biodiesel Europe premium RED SME FOB ARA T2 $/Mt
- AAWG100 Biodiesel FAME 0 (RED) FOB ARA Barge $/mt
- AAXQL00 Biodiesel FAME 0 FOB Rdam Barge $/mt
- AAWGH00 Biodiesel FAME -10 (RED) FOB ARA Barge $/mt
- AAWGY00 Biodiesel FAME -10 FOB Rdam Barge $/mt
- AAUC00 Biodiesel RME FOB ARA Barge $/mt
- AAWGJ00 Biodiesel SME (RED) FOB ARA Barge $/mt
- AAUCB00 Biodiesel SME FOB ARA Barge $/mt
- AAXNZ00 Biodiesel Europe outright price PME FOB ARA T2 $/Mt

See the original announcement.

Platts Amends FAME-10 Biodiesel FOB ARA Calculation

On May 22, 2014, Platts proposed to assess non-RED and RED FAME-10 biodiesel FOB ARA as a calculation using FAME 0, RME, PME, and SME assessments. Following further industry feedback, Platts proposed to determine its non-RED and RED FAME-10 assessments using the following calculation based on the assessments of its more liquid constituent blendstocks: the assessments for non-RED and RED FAME -10 will be calculated as the most competitive method of replacement using proportions of other biodiesel grades, plus logistical costs. The competitive methods of replacement to be compared in the calculation include:

- 10% FAME 0 and 90% RME
- 15% SME and 85% RME
- 8% PME and 92% RME

Logistical costs will be fixed at $5/mt, which reflects re-circulation and re-testing costs. In the event that price indications for FAME -10 are received, then Platts may also reflect those in the assessments. The assessments affected by this change include AAWGY00 - Biodiesel FAME -10 FOB ARA Barge and AAWGH00 - Biodiesel FAME -10 (RED) FOB ARA Barge.

See the original announcement.

Platts to Reflect 100% Virgin Vegetable Oil Spec in Biodiesel FOB ARA

Effective June 2, 2014, Platts will reflect only material from 100% virgin vegetable oil, and reflections will apply to physical material and sustainability certifications delivered to the buyer.

This change in specification will affect the following assessments:

- AAXNV00 Biodiesel Europe Premium (non-RED) FAME 0 FOB ARA $/Mt

See the original announcement.
ICE Futures US Revises Sugar, Coffee, and Cotton Contract Symbols

On September 8, 2014, ICE Futures U.S. will revise the contract symbols used for listing new Sugar No. 11, Coffee “C”, and Cotton No. 2 weekly options contracts. The new symbols are:

- Sugar No. 11: SBW
- Coffee “C”: KCW
- Cotton No. 2: CTW

The first weekly option expirations that will utilize the new contract symbols are:

- Sugar No. 11: Friday, September 26, 2014
- Coffee “C”: Friday, October 3, 2014
- Cotton No. 2: Friday, October 3, 2014

Prior to this change, for each set of products 5 contract symbols were used; the first 2 characters in the symbol denoted the underlying future product, and the 3rd character in the symbol denoted the week of the month in which the respective option expired. For example, the current contract symbols for cotton weekly options are “TC1”, “TC2”, “TC3”, “TC4”, and “TC5”, and symbol “TC3” indicated that the option was on Cotton No. 2 futures and it expired in the third week of the named contract month. All weekly options contracts that have been listed under the old symbols prior to September 8, 2014 will remain listed under those symbols through their expiration. No changes to the actual terms and conditions of the weekly option contracts have been made.

See the original announcement.

NYMEX/COMEX Implement Rulebook Amendments for COMEX Aluminum Futures

Effective May 5, 2014, the New York Mercantile Exchange (NYMEX) and Commodity Exchange (COMEX) integrated the terms and conditions of Chapter 7 of the NYMEX/COMEX Rulebook for the delivery of the new COMEX Aluminum futures contract. The new contract will be listed on CME Globex and the COMEX trading floor, and will be cleared through CME ClearPort. Significant amendments include the provision of indoor and outdoor storage space for aluminum deliverables against the COMEX Aluminum futures contract, the requirement of these storage facilities to carry Warehouseman’s Legal Liability insurance for stored aluminum, and specifications around load-out rates.

See the original announcement.

ZEMA’s sophisticated display functionalities enable metals market participants to compare data in unique ways. As an example, the graph below shows the price difference between Aluminum and Aluminum Alloy on the London Metal Exchange over the last thirty days. This graph was created in ZEMA using the LME Official Prices report.
ICE Launches New Regional Greenhouse Gas and Carbon Allowance Futures

On May 12, 2014, ICE Futures U.S. introduced the 4 new environmental futures and options contracts listed below.

<table>
<thead>
<tr>
<th>North American Environmental Futures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Greenhouse Gas Initiative Future - Vintage 2015</td>
</tr>
<tr>
<td>Regional Greenhouse Gas Initiative Future - Vintage 2016</td>
</tr>
<tr>
<td>California Carbon Allowance Future-Vintage 2017</td>
</tr>
<tr>
<td>California Carbon Allowance Future-Vintage 2018</td>
</tr>
</tbody>
</table>

See the original announcement.

EPA Creates Ecosystem Mapping Tool, EnviroAtlas

Effective May 7, 2014, the U.S. Environmental Protection Agency (EPA) launched EnviroAtlas, a web-based interactive ecosystem mapping tool designed to educate people on the impact of decisions on ecosystems and their ability to provide goods and services. EnviroAtlas combines over 300 layers of data from the EPA, the U.S. Geological Survey, the U.S. Forest Service, other federal, state, and non-profit organizations, and a number of universities.

The results are customizable maps, information, and tools that analyze the implications of plans and new policies on ecosystems and the communities that are dependent on the economic, social, and environmental health of these ecosystems. Key components of EnviroAtlas are the following:

- A multi-scaled Interactive Map with data for the lower 48 states and fine-scale data for selected communities
- The Eco-Health Relationship Browser, which shows the linkages between ecosystems, the services they provide, and human health
- Ecosystem services information, GIS, and analysis tools

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/.
Argus Introduces New California Carbon Emission Products

Effective May 1, 2014, Argus announced new codes to the Argus Air Daily for California CO2 allowances. The codes, which are part of module USEmiss, will appear in the dusem files within DATA\DADR folder on ftp.argusmedia.com. The new products are in USD/t.

<table>
<thead>
<tr>
<th>PA Code</th>
<th>Description</th>
<th>Start Date</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA0013889</td>
<td>CO2 California Carbon allowances month</td>
<td>01-May-14</td>
<td>Daily</td>
</tr>
<tr>
<td>PA0013890</td>
<td>CO2 California Carbon offsets seller guaranteed</td>
<td>02-May-14</td>
<td>Weekly</td>
</tr>
<tr>
<td>PA0013891</td>
<td>CO2 California Carbon offsets 3 year invalidation</td>
<td>02-May-14</td>
<td>Weekly</td>
</tr>
</tbody>
</table>

See the original announcement.

ZEMA collects an extensive amount of Argus assessment data. The ZEMA solution also helps emissions market participants visualize this data. As an example, the graph below shows the spread between 2014 and 2015 European Union Emission Allowances (EUA) on EEX, as well as how the spot prices compare to the futures prices. This graph was created in ZEMA using the EEX Emission Future Prices report and the Emission Spot Prices report.

*Graph created with ZEMA*
NASDAQ OMX Creates MiQ Business Intelligence Product

On May 20, 2014, NASDAQ OMX announced the launch of a new business intelligence solution for capital market operators around the globe: MiQ.

MiQ provides exchanges, clearinghouses, central security depositories, and other financial market operators with a centralized data management solution tailor-made for supporting the trade lifecycle, reducing the challenges associated with data volumes, processing, storing and retrieval, and speed of extraction. In its first version, developed in partnership with Datawatch, a global provider of visual data discovery software, MiQ allowed organizations to better visualize cross-system data dynamically as their markets evolved.

Some of the functionalities MiQ performs include the following:

- Merges multiple data sources in one context, including corporations’ client-specific information
- Features pre-defined dashboards and reports
- Leverages a centralized master database infrastructure

See the original announcement.

ETF Securities Lists New Chinese Equity ETF on Euronext

On May 19, 2014, ETF Securities listed the ETFS-E Fund MSCI China A GO UCITS ETF on Euronext. This ETF is the first physical UCITS ETF to track the MSCI China A Index.

This new ETF gives investors cost-efficient exposure to local Chinese stocks on the Shanghai and Shenzhen stock exchanges.

See the original announcement.

TriOptima: New Cross-Currency triReduce Compression Cycle

On May 6, 2014, TriOptima announced the first ever triReduce cross-currency compression cycle which eliminates ¥12.318 trillion ($120 Billion) notional in JPY/USD cross-currency swaps with 12 participating institutions. Later in 2014, TriOptima is set to launch a EUR/USD triReduce cycle with additional cross-currency pairs.

See the original announcement.

ZEMA collects over 300 financial market reports. To learn more about ZEMA’s vast data coverage, visit http://www.ze.com/the-zema-solutions/data-coverage/.

NASDAQ OMX: SMARTS for Global FX Surveillance

On May 15, 2014, NASDAQ OMX announced the launch of its SMARTS FX Trade Surveillance for global foreign exchange (FX) trading. The SMARTS FX Trade Surveillance module gives surveillance and compliance teams the ability to monitor trading in FX products for possible manipulation of rate fixes, insider trading/front-running, unusual pricing, and other suspect behaviors.

In order to help clients monitor and mitigate risks associated with the FX market, the new SMARTS FX offering provides a visualization of all trading in individual currency pairs. This includes spot, forward, and non-deliverable forward (NDF) instruments, with forthcoming extensions for FX options.

SMARTS also enables firms to compare their trading activities against feeds from multiple market data providers, as well as their own firms’ quoted spread in a single view, thus eliminating clients’ sole dependency on the content of any single market data provider. The SMARTS offering is equipped with direct customized exchange feeds and drop copy connections as well.

See the original announcement.

ZEMA, ZE’s enterprise 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/.
TMX Group Introduces New Mobile Version of TMXmoney

Effective May 2, 2014, TMX Datalinx introduced a new mobile version of its financial portal, TMXmoney. TMXmoney offers information on North American equities markets, portfolio tools and alerts, and company stock quotes and corporate information. The mobile version offers a selection of the most popular features of the desktop version, some of which include:

- Mobile-optimized quotes and charts
- Company data
- Historical price data
- Portfolio management tools

See the original announcement.

Euronext Lists World’s First Index-Based Exchange for Physicals

On April 30, 2014, Euronext notified market participants that it will be the world’s first regulated market to launch an index based Exchange for Physicals CAC 40 and AEX-Index Futures, a centrally cleared solution to facilitate the trading of Exchange for Physicals (EFP) on index futures. The service is expected to be fully operational in the first quarter of 2015. Euronext is expected to offer this EFP solution to its clients to trade CAC 40 and AEX-Index Futures simultaneously against their underlying contracts.

See the original announcement.

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

CME Permits Block Trading on Five Equity Index Futures

Effective May 18, 2014, CME began to permit block trades in 5 equity index futures at a block trade minimum threshold of 50 contracts. A complete listing of CME and CBOT products in which block trading is permitted is available in Section 13 of the original announcement.

ZEMA helps financial market participants visualize fluctuations in futures prices. As an example, the graph below displays CME data: the average block price versus quantity for equities futures from October 15, 2013 to February 8, 2014.

Graph created with ZEMA
CME Expands Listing Schedule for E-Mini S&P and S&P 500 Futures

Effective May 18, 2014, the Chicago Mercantile Exchange (CME) permitted block trades at Index Close (BTIC) for the products listed below for the following trade date, pending all relevant CFTC regulatory reviews. The products listed below are available for submission for clearing through CME ClearPort.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Title</th>
<th>BTIC Block Trade Entry Symbol</th>
</tr>
</thead>
<tbody>
<tr>
<td>ME</td>
<td>E-mini S&amp;P MidCap 400 Futures</td>
<td>EMT</td>
</tr>
<tr>
<td>SMC</td>
<td>E-mini S&amp;P SmallCap 600 Futures</td>
<td>SMT</td>
</tr>
<tr>
<td>SU</td>
<td>S&amp;P 500 / Value Futures</td>
<td>SUT</td>
</tr>
<tr>
<td>SG</td>
<td>S&amp;P 500 / Growth Futures</td>
<td>SGT</td>
</tr>
<tr>
<td>BQ</td>
<td>E-mini NASDAQ Biotechnology Futures</td>
<td>BIT</td>
</tr>
</tbody>
</table>

See the original announcement.

NYSE Arca and NYSE MKT Announce Trading and Liquidity Enhancements for ETPs

On April 28, 2014, NYSE Arca and NYSE MKT announced a set of enhancements designed to increase liquidity and market quality in Exchange Traded Products (ETPs), while advancing the listing and trading experience of the ETP community. Each of the initiatives is pursuant to rules filed with the U.S. Securities and Exchange Commission (SEC).

On May 5, 2014, NYSE MKT also began trading certain ETPs listed on other markets, including NYSE Arca, through the Unlisted Trading Privileges (UTP) program, creating a substantial new liquidity pool supported by NYSE MKT Designated Market Makers (DMMs). Additionally, NYSE Arca received regulatory approval from the SEC to introduce the Crowd Participant Program pilot, which will provide issuers of new and already-listed ETPs with an opportunity to utilize an alternative incentive program designed to encourage daily quoting activity. NYSE Arca also recently announced the commencement of its Retail Liquidity Program (RLP) to encourage price improvement for individual investors’ retail order flow.

See the original announcement.

New Eurex Futures on TASE’s Main Index

Effective June 9, 2014, the Eurex Exchange, supported by the Tel-Aviv Stock Exchange (TASE), will list index futures based on the TA-25, Israel’s blue chip index, in U.S. dollars. It should be mentioned that TA-25 index is one of the most heavily traded regional equity indexes. According to the Eurex website, the year-to-date 2014 average daily volume in TA-25 index derivatives traded at TASE was around 200,000 contracts, the tenth most traded index options worldwide. Learn about the TA-25 Index here.

See the original announcement.

Eurex/TAIFEX Link Launched

On May 15, 2014, Eurex and the Taiwan Futures Exchange (TAIFEX) successfully launched the Eurex/TAIFEX Link. Through the Eurex/TAIFEX Link, Eurex lists TWD-denominated daily futures on TAIEX futures (TX) and TAIEX options (TXO) for trade after the Taiwanese market has closed. By using the link, traders will be able to trade daily futures products that are underpinned by TX and TXO on Eurex after the Taiwan market closes.

TAIEX futures and options are the two flagship products of TAIFEX. The Eurex/TAIFEX Link extends the trading hour and creates an overnight market for Taiwan investors. It also enables international traders to access liquid Taiwanese equity derivatives.

See the original announcement.

Deutsche Börse Introduces Real-Time Analytics for Eurex Futures Contracts

On May 19, 2014, Deutsche Börse Market Data and Services announced the introduction of real-time analytics for the most liquid futures contracts traded on Eurex through “Eurex Real-Time Analytics.” This service provides market participants with
in-depth trade and order information based on the full Eurex order book for the first time. The information currently com-
prises more than 25 order- and trade-related analytics that are calculated for Eurex’s leading futures contracts, including DAX and EURO STOXX 50 Index Futures, VSTOXX Futures, and benchmark interest rate derivatives.

Analytics are calculated and disseminated at different time intervals, ranging from real time to every 60 seconds. All order and trade information is aggregated and anonymized.

Eurex Real-Time Analytics will be included in the existing information products Eurex and Eurex Ultra.

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/.

BM&FBOVESPA Sets the Third Preview for Ibovespa and Other Indexes

On May 2, 2014, BM&FBOVESPA previewed the BOVESPA Index Theoretical Portfolio for the third time based on the closing of the April 30, 2014 session, which will be valid for the period of May 5-August 29, 2014. The preview registers the entrance of MMXM3 (MMX MINER ON) onto the Ibovespa portfolio, which is now made up of 71 stocks from 67 companies.

The third preview for indexes is usually disclosed in the last trading session or the last month of the existing portfolio.

The 5 stocks with the heaviest weight in this index in this preview are:

- Itauunibanco PN (10.059%)
- Bradesco PN (7.592%)
- Petrobras PN (7.536%)
- Ambev S/A ON (5.758%)
- Vale PNA (5.94%).

See the original announcement.

CME Delists Euro Interest Rate Swap Futures

On May 19, 2014, the Board of Trade of the City of Chicago (CBOT) delisted Euro Interest Rate Swap (IRS0 futures (2-Year, 5-Year, and 10-Year) contracts from its open outcry trading venues. These contracts were initially launched on trade date April 14, 2014, and will continue to be available for trading on CME Globex and for submission of block trades for clearing through CME ClearPort.

The following contracts have been delisted:

- CBOT Rulebook Chapter 55

2-Year Euro Interest Rate Swap futures (commodity codes T1E and T2E)
- CBOT Rulebook Chapter 56
5-Year Euro Interest Rate Swap futures (commodity codes F1E and F2E)
- CBOT Rulebook Chapter 57
10-Year Euro Interest Rate Swap futures (commodity codes N1E and N2E)

See the original announcement.

CME Modifies Block Trading on ClearPort for E-Mini Futures

Effective May 18, 2014, Chicago Mercantile Exchange (CME) allowed block trade reporting via CME ClearPort for E-Mini NASDAQ Biotechnology Index and E-Mini S&P MidCap 400 Stock Price Index futures at a minimum block trade threshold of 50 contracts, pending all relevant CFTC regulatory reviews.

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BQ/ BIO</td>
<td>E-MINI NASDAQ BIOTECHNOLOGY FUTURES</td>
</tr>
<tr>
<td>ME/ EMD</td>
<td>E-MINI S&amp;P MIDCAP 400 STOCK PRICE INDEX FUTURES</td>
</tr>
</tbody>
</table>

See the original announcement.

CME Revises Price Limit for CNX Nifty Index Futures

Effective April 30, 2014, the Chicago Mercantile Exchange (CME) amended price limits for E-Mini CNX Nifty Index Futures and E-Micro Nifty Index Futures commencing with the May 2014 contract month. These contracts are listed for trading on CME Globex and for clearing through CME ClearPort. Contract specifications are listed below:

<table>
<thead>
<tr>
<th>CME Code</th>
<th>Description</th>
<th>Rulebook Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMF</td>
<td>E-mini CNX Nifty Index Futures</td>
<td>381</td>
</tr>
<tr>
<td>MNF</td>
<td>E-micro CNX Nifty Index Futures</td>
<td>382</td>
</tr>
</tbody>
</table>

The price limits were effective for trade date May 1, 2014, at 10%, 15%, and 20% (up and down) for 660, 990, and 1,320 respectively.

See the original announcement.
ICE Futures Europe Announces Futures Trading Rules for US Agency DTCC GCF Repo Index

Recently, ICE Futures Europe outlined the following rules for the trading of futures on its US Agency DTCC GCF Repo Index:

<table>
<thead>
<tr>
<th>Contract Specifications</th>
<th>The contract grade shall be 100 minus the average daily US Agency GCF Repo Index rate for the delivery month. The average daily US Agency GCF Repo Index rate is a simple average of the US Agency GCF Repo Index rounded to the nearest tenth of a basis point and rounded up in the case of a tie. For days for which the US Agency GCF Repo Index is not computed (e.g., Saturdays, Sundays and legal holidays) the rate shall be the rate determined on the last business day for which a rate was determined. The US Agency GCF Repo Index is subject to change by DTCC.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading Specifications—Trading Schedule</td>
<td>The hours of trading for Futures on the US Agency DTCC GCF Repo Index shall be determined by the Exchange. On the last day of trading in an expiring Futures Contract, the expiring Futures shall close at 3:00 pm Eastern Time.</td>
</tr>
<tr>
<td>Trading Specifications—Trading Unit</td>
<td>Interest on a US Agency DTCC GCF Repo having a face value of $5,000,000 for one month calculated on a 30-day basis at a rate equal to the average US Agency DTCC GCF Repo Index rate for the Delivery Month.</td>
</tr>
<tr>
<td>Trading Specifications—Price Increments</td>
<td>Bids and offers shall be quoted as 100 minus the average daily US Mortgage-Backed Securities DTCC GCF Repo Index rate. (For example, a rate of 2.5 percent shall be quoted as 97.50.) The minimum price fluctuation shall be one-half of one basis point (.005), equal to $20.835 per contract (½ of 1/100 of one percent of $5,000,000 on a 30-day basis, rounded up to the nearest cent per contract).</td>
</tr>
<tr>
<td>Trading Specifications—Position Accountability</td>
<td>Position accountability will apply to trading in Futures on the US Agency DTCC GCF Repo Index.</td>
</tr>
<tr>
<td>Trading Specifications—Termination of Trading</td>
<td>The last day of trading shall be the last business day of the Delivery Month. After trading in Futures in the current Delivery Month has ceased, outstanding Futures for such delivery shall be liquidated by cash settlement as prescribed in Rule DDDD.4.</td>
</tr>
<tr>
<td>Settlement Procedures</td>
<td>Delivery shall be by cash settlement through the Clearing House following normal variation margin procedures. The final settlement price will be calculated on the Business Day that the US Agency GCF Repo Index is calculated on the Last Day of Trading. The final settlement price shall be 100 minus the average US Agency GCF Repo Index rate for the Delivery Month as set forth in DDDD.2(a), rounded to the nearest one-tenth (1/10) of one basis point.</td>
</tr>
</tbody>
</table>

See the original announcement.

NASDAQ OMX and Arab Common Exchange Holding Sign MOU

On April 29, 2014, NASDAQ OMX and Arab Common Exchange (ACX Holding) signed a Memorandum of Understanding (MOU) initiating the beginning of a long-term strategic partnership that will facilitate the collaborative development of Arab capital markets. This pan-Arab network of exchanges will have active participation from the private sector. Under the MOU, NASDAQ OMX will share its experience and best practices with ACX Holdings. ACX Holdings will provide sufficient financing and investment opportunities for local Arab markets, as well as promote the participation of Arab citizens and foreign investments.

An initial taskforce created under the MOU will work on a framework for establishing and operating an independent exchange in Bahrain. Various types and sizes of companies will be listed on the exchange which will have both conventional and Islamic-compliant platforms.

See the original announcement.
Bloomberg Establishes Bloomberg Politics

Effective May 4, 2014, Bloomberg Media Group and Bloomberg News introduced Bloomberg Politics, the first in a series of new digital-led, multi-platform brands designed to deliver more targeted Bloomberg coverage. Bloomberg Politics will be available across digital, video, print and live platforms, delivering detailed political and policy coverage. The new brand will be created, launched, and overseen by Mark Halperin and John Heilemann, two political journalists.

See the original announcement.

ZEMA, ZE’s enterprise data management solution, contains advanced display functionalities which enable users to easily align news updates from Bloomberg Politics next to their own internal, corporate data. For further information, visit http://www.ze.com/the-zema-suite/dashboard/.

Leverage the power of centralized energy and commodity market data.

About ZEMA ➤
Baltic Exchange to Amend Capesize Vessel Description and Routes

Effective May 6, 2014, the Baltic Exchange made significant amendments to its capesize index, including a change to its vessel description, amendments to the route weightings, and the addition of 3 new routes.

The move follows a trial which began in February and formal consultation with the dry bulk market.

The basis of the new Baltic Exchange capesize vessel description will be as follows:

- 180,000 mt dwt on 18.2 m SSW draft
- Max age 10 years
- 198,000cbm grain
- LOA 290m Beam 45m
- 15 knots ballast/14 knots laden on 62mt fuel coil (380 cst), no diesel at sea

The following new routes were launched:

<table>
<thead>
<tr>
<th>Route</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>C14</td>
<td>Delivery Qingdao spot or retroactive up to a maximum 15 days after sailing from Qingdao, round voyage via Brazil, redelivery China-Japan range, duration 80-90 days. Basis the Baltic Capesize 2014 vessel. 5% total commission</td>
</tr>
<tr>
<td>C15</td>
<td>Richards Bay-Guangzhou. 150,000mt coal, 10% more or less in owner’s option, free in and out trimmed, scale load / 30,000mt Sundays + holidays included discharge. 18 hrs turn time at loading port, 24 hrs turn time at discharge port. Laydays/cancelling 25/35 days from index date. Age max 15 yrs. 5% total commission</td>
</tr>
<tr>
<td>C16</td>
<td>Delivery north China-south Japan range, 3-10 days from index date for a trip via Australia or Indonesia or US west coast or South Africa or Brazil, redelivery UK-Cont-Med within Skaw-Passer range, duration to be adjusted to 65 days. Basis the Baltic Capesize 2014 vessel. 5% total commission</td>
</tr>
</tbody>
</table>

The timecharter average figure provided by the Baltic Exchange to facilitate both the forward freight agreement (FFA) and physical market is weighted as follows:

<table>
<thead>
<tr>
<th>Route</th>
<th>Description</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>C8_14</td>
<td>Transatlantic RV</td>
<td>25%</td>
</tr>
<tr>
<td>C9_14</td>
<td>Fronthaul</td>
<td>12.5%</td>
</tr>
<tr>
<td>C10_14</td>
<td>Pacific RV</td>
<td>25%</td>
</tr>
<tr>
<td>C14</td>
<td>China-Brazil RV</td>
<td>25%</td>
</tr>
<tr>
<td>C16</td>
<td>Revised backhaul</td>
<td>12.5%</td>
</tr>
</tbody>
</table>

Parallel reporting of the old and new suites of timecharter routes will continue until there is no further open interest in either forward freight agreements (FFAs) or options to be settled.

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 away from each other. NYMEX data showed that Brent crude prices increased modestly by 0.2%, whereas WTI dropped by 1% by the last Monday of May 2014 when compared to previous month. This led to a $4 USD/Bbl Brent-WTI spread (the light blue area in the graph above) in May 2014, which is $2 USD/Bbl wider than the April 2014 spread.

While the prompt-month contract for Brent prices increased to $104 USD/Bbl, WTI settled at just above $100 USD/Bbl. It should be mentioned that the past 12-month averages for Brent and WTI on NYMEX are $105 USD/Bbl and $100 USD/Bbl, respectively. Meanwhile, the Brent-WTI spread was $5 USD/Bbl on average over the past year.

WTI prices fluctuated a lot in May 2014 and, when compared to last month, decreased. In the first two weeks of May 2014, WTI crude dropped while supplies remained at a record seasonal high and the euro slipped against the dollar.1 In mid-May, U.S. oil prices hit a one-month high after a report from the Energy Information Administration (EIA) indicated that U.S. crude oil supplies had dropped by 7.2 million Bbl in the week ending May 16—the result of decreased crude imports.2 It should be mentioned that this drop of 7.2 million Bbl was larger than analysts expected.

Brent crude traded higher in May 2014 after Chinese manufacturing data showed some signs that the country is economically recovering. China is the world’s second-largest oil consumer.3

On the New York Mercantile Exchange (NYMEX), futures contracts for crude oil benchmarks moved in opposite directions in May 2014. This month, the NYMEX Brent forward curve for delivery by the end of May 2016 (represented by the blue line in the graph above) slightly decreased by $1 USD/Bbl to $102 USD/Bbl. On the other hand, Texas Light Sweet in May (the red line in the graph above) averaged just above $92 USD/Bbl for the same delivery period. Brent stayed at $10 USD/Bbl (the light blue area in the graph) premium to WTI on average for the next two years.

For the second month in a row, WTI averaged around $92 USD/Bbl for delivery over the next 24 months. Although HSBC and Markit’s PMI reading for China in May 2014 exceeded the median estimate of market analysts, the downside is that this prediction makes any stimulus package less likely to be developed.4 A data point such as this will preserve the status quo, as the market requires a stronger indication before becoming bearish or bullish.

Brent forward prices dropped as worries over the Ukraine eased for the time being. After the Ukraine’s presidential election on May 25, exit polls revealed a decisive victory for pro-European candidate Petro Poroshenko. Russian President Vladimir Putin pledged to respect the results of the Ukrainian election, and Poroshenko vowed to restore order in the country.5

4 Grant Smith, “Brent Trades Near 11-Week High on China Factory Data; WTI Steady.”
North American Natural Gas Spot Prices (ICE)

On the Intercontinental Exchange (ICE), natural gas prices fluctuated as spring settled in. After the harsh winter in 2014, during which prices skyrocketed (especially in the Eastern United States), the market returned to its usual seasonal cycle this May. However, the drop in New York’s Transco Zone-6 prices was significant when comparing prices in all four observed North American markets in May 2014 to prices in April 2014. On ICE, monthly average gas prices fell in New York’s Transco Zone-6 by 15% to $3.7 USD/MMBtu, in Chicago Citygates by 80% to $4.8 USD/MMBtu, and in both Henry Hub and California’s PG&E Citygate by 1% to $4.6 USD/MMBtu and $5.1 USD/MMBtu, respectively.

For the week ending May 28, 2014, EIA’s “Natural Gas Weekly Update” reported that Northeast prices reached 20-month lows. At Transcontinental Pipeline’s Zone 6 trading point for New York City delivery, prices reached their lowest levels since September 2012.

According to the EIA’s report, increased production drives supply gains, and dry gas production averaged 68.0 Bcf/d, 4.6% greater than the same time last year. Total demand declined 1% in the final week of May 2014 when compared to the previous week, as residential and commercial consumption declined by 20.6%.


7 Ibid.

8 Ibid.

Henry Hub Natural Gas Forward Curve (ICE)

On the Intercontinental Exchange (ICE), natural gas futures available for trade in the next 12 months at Henry Hub were relatively flat in May 2014, although prices were higher for prompt month delivery this month. Although natural gas futures on ICE increased by 2% in May 2014 when compared to the previous month, the spread between current and previous month contracts (represented above by the red bar) was almost negligible. For the next 12 months, Henry Hub natural gas futures in May 2014 had an average price of $4.68 USD/MMBtu.

Although natural gas supplies were expected to be strong due to high domestic production levels, a severe U.S. winter drained natural gas stockpiles to an 11-year low. Henry Hub natural gas futures for prompt month delivery in June 2014 experienced the largest gain, since hot weather across the United States was projected to increase gas-generated electricity demand for air conditioning at a time when producers usually replenish depleted supplies. This pushed the season of rebuilding stocks to a shaky start.

Actual Weather (AccuWeather)

From April 2014 to the last Monday of May 2014, the temperature increased in all four observed North American cities. The monthly average temperature rose in San Diego by 2 degrees Celsius (C) to 21C, in Chicago by 7 degrees to 14C, and in the city of New York by 7 degrees to 18C.

In May 2014, the two-year average in all observed cities excluding San Diego was colder. When comparing the past two-year average of May temperatures to the current year’s May temperatures, May 2014 feels colder than the two-year average in Chicago by 3 degrees, in New York by 0.3 degrees, and in San Antonio by 3 degrees. In May 2014, though, San Diego city felt 3 degrees warmer than the city’s past two-year temperature average.

Electricity: Day-Ahead Prices (ICE)

On the Intercontinental Exchange (ICE), electricity day-ahead prices fell in NYISO and Entergy (Texas), while PJM North and CAISO-SP15 experienced the opposite when compared to last month. From April 2014 to May 2014 (May 26, 2014), the observed day-ahead monthly average prices on ICE dropped in NYISO by 16% to $45 USD/MWh and in Entergy by 3% to $27 USD/MWh. By contrast, prices increased in PJM North by 16% to $47 USD/MWh and moderately in CAISO-SP15 by 1% to $47 USD/MWh.

May 2014 prices in PJM North, Entergy, and NYISO were below the past 12-month average by $6 USD/MWh, $6 USD/ MWh, and $39 USD/MWh, respectively. However, CAISO-SP15 was above the 12-month average by $1 USD/MWh for the same period.
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 April issue of *ZE DataWatch*:

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<th>Report</th>
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<td>Metering - Load Profiles</td>
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<td>ASX Energy</td>
<td>AU Arbitrage</td>
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<tr>
<td>B.C. Government</td>
<td>Production and Distribution of Natural Gas in B.C. (Summary)</td>
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<td>Drilling Productivity Report</td>
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PEGAS to Extend Services to 24/7 on French PEGs and to Launch Belgian Gas Contracts

Paris, May 22, 2014: PEGAS, the natural gas platform launched jointly by EEX and Powernext, will introduce new products and services to assist the gas community. 24/7 trading on the French PEG Spot Markets and contracts on Belgian hubs are scheduled to be launched on 9 July 2014, depending on member readiness.

Five and a half years after the launch of its Spot gas market in France, and following members requests for extended trading hours within the scope of the gas target model directives on balancing, Powernext will make its Spot services available on a 24/7 basis. Trading during off hours and weekends will be possible on the three French hubs (PEG Nord, PEG Sud and PEG TIGF), joining the pre-existing 24/7 service offered by EEX on GASPOOL, NCG and TTF Spot market areas.

In addition, trading of individual days will be introduced for all PEGAS Spot market areas (GASPOOL, NCG, PEG Nord, PEG Sud, PEG TIGF and TTF) in order to facilitate trading during weekends but also on and around UK, French and German bank holidays. “We are very satisfied with Powernext extending its opening hours to 24/7, as it will help GRTgaz and its customers to fulfill the Balancing Network Code requirements, performing balancing activities later during the day and over the weekend. This will also increase the activity on the French hubs and thereby secure the whole gas system”, said Olivier Edmont, Head of the GRTgaz gas system division.

On the same day, PEGAS will enter into the next phase of its development with the launch of exchange products on Belgian hubs for the Spot and Derivatives Market. Spot contracts will be introduced on Belgium Zeebrugge Trading Points for high and low gas qualities (ZTP and ZTPL) on a 24/7 basis, including the new Spot maturities. All relevant locational spreads with other European hubs, including the ZTP / TTF spread will also be listed. “We are contemplating a European-wide coverage of our gas offer. We now have the opportunity to launch Belgian products as a first step, and further extensions will follow” comments Jean-François Conil-Lacoste, CEO of Powernext.

The new offering includes the first monthly contract maturity for trading with delivery on ZTP, enabling trading of Futures contracts on ZTP through an anonymous, cleared and regulated organized market for the first time. “Having PEGAS operating on ZTP will help in growing the liquidity on this developing hub. Fluxys especially welcomes the introduction of a front month contract as a key contribution towards the creation of transparent market price references specific to the Belgian market”, noted Rudy Van Beurden, Fluxys’s Communication Manager.

In a second step, Spot and Futures contracts on Zeebrugge Beach (ZEE) and National Balancing Point (NBP) will be introduced later in 2014 on PEGAS, including the “basis spread” product (ZEE/NBP).
About PEGAS – Pan-European Gas Cooperation:

PEGAS is a cooperation between the European Energy Exchange (EEX) and Powernext. In the framework of this cooperation, both companies combine their natural gas market activities to create a pan-European gas offering. Members benefit from one common Trayport gas trading platform with access to all spot and derivatives market products offered by the two exchanges for the German, French and Dutch market areas. Furthermore, spread products between these market areas are tradable on the same trading platform. For more information: www.pegas-trading.com.

About Powernext:

Powernext SA manages complementary, transparent and anonymous energy markets. Powernext Gas Spot and Powernext Gas Futures were launched on 26 November 2008 in order to hedge volume and price risks for natural gas in France and in the Netherlands. Powernext manages the National Registry for electricity guarantees of origin in France since 1 May 2013. Powernext owns 50 % in EPEX SPOT and 20 % in EEX Power Derivatives. For more information: www.powernext.com.

About EEX:

The European Energy Exchange (EEX) is the leading European energy exchange. It develops, operates and connects secure, liquid and transparent markets for energy and related products on which power, natural gas, CO2 emission allowances, coal and guarantees of origin are traded. In the context of its majority shareholding in Cleartrade Exchange (CLTX), EEX additionally offers the markets for freight, iron ore, fuel oil and fertilizer. Clearing and settlement of all trading transactions are provided by the clearing house European Commodity Clearing AG (ECC). EEX is a member of Eurex Group. For more information: www.eex.com.
PEGAS: April Volumes Increase by 174 Percent Year-on-Year

New Monthly Record on TTF Futures

Leipzig, Paris, May 7, 2014: PEGAS, the natural gas platform commonly established by the European Energy Exchange (EEX) and Powernext, announced that a total volume of 42.5 TWh was traded in April 2014. It represents an increase of 174 percent compared to 15.6 TWh traded on the natural gas markets of EEX and Powernext in April 2013.

Spot Markets

Overall trading volumes on the Spot Markets amounted to 18.8 TWh in April. The German spot markets (market areas GASPOOL and NCG) recorded a volume of 8.8 TWh which represents an increase of 82 percent compared to the previous year (April 2013: 4.8 TWh). This volume included 1.6 TWh traded in quality-specific gas products in April. The French spot markets (market areas PEG Nord, PEG Sud, PEG TIGF) registered a total of 6.0 TWh in April which represents an increase of over 21 percent compared to the previous year (April 2013: 5.0 TWh). The volume on the Dutch TTF spot market more than tripled to 4.0 TWh compared to the previous year (April 2013: 1.3 TWh). The overall Spot Market volume included 1.5 TWh traded in spread products.

Derivatives Markets

In April, trading volumes on the PEGAS Derivatives Markets amounted to 23.7 TWh. The volume traded on the German Futures markets (GASPOOL and NCG market areas) almost doubled to 4.6 TWh compared with the previous year (April 2013: 2.4 TWh). The TTF Futures market reached a new monthly volume record with 16.0 TWh in April which represents an increase of 59 percent compared to the previous record of 10.0 TWh traded in March 2014. In the French market areas, a total of 3.2 TWh was traded on PEG Nord and PEG Sud Futures which is more than double the volume traded in April 2013 (1.4 TWh).

Details on the natural gas volumes and prices are available in the enclosed monthly report.

About PEGAS–Pan-European Gas Cooperation:

PEGAS is a cooperation between the European Energy Exchange (EEX) and Powernext. In the framework of this cooperation, both companies combine their natural gas market activities to create a pan-European gas offering. Members benefit from one common Trayport gas trading platform with access to all spot and derivatives market products offered by the two exchanges for the German, French and Dutch market areas. Furthermore, spread products between these market areas are tradable on the same trading platform. For more information: www.pegas-trading.com

About EEX:

The European Energy Exchange (EEX) is the leading European energy exchange. It develops, operates and connects secure, liquid and transparent markets for energy and related products on which power, natural gas, CO2 emission allowances, coal and guarantees of origin are traded. In the context of its majority shareholding in Cleartrade Exchange (CLTX), EEX additionally offers the markets for freight, iron ore, fuel oil and fertilizer. Clearing and settlement of all trading transactions are provided by the clearing house European Commodity Clearing AG (ECC). EEX is a member of Eurex Group. For more information: www.eex.com

About Powernext:

Powernext SA manages complementary, transparent and anonymous energy markets. Powernext Gas Spot and Powernext Gas Futures were launched on 26 November 2008 in order to hedge volume and price risks for natural gas in France and in the Netherlands. Powernext manages the National Registry for electricity guarantees of origin in France since 1 May 2013. Powernext owns 50 % in EPEX SPOT and 20 % in EEX Power Derivatives. For more information: www.powernext.com
# PEGAS – Monthly Figures Report for April 2014

## Volumes

<table>
<thead>
<tr>
<th>Spot Market</th>
<th>Derivatives Market</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Apr 2014 in MWh</td>
</tr>
<tr>
<td>GASPOOL</td>
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<tr>
<td>NCG</td>
<td>5,155,922</td>
</tr>
<tr>
<td>PEG Nord</td>
<td>4,222,160</td>
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<tr>
<td>PEG Sud</td>
<td>1,724,950</td>
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<tr>
<td>PEG TIGF</td>
<td>47,640</td>
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<tr>
<td>TTF</td>
<td>4,022,338</td>
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<td>Total</td>
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## Indices

<table>
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<tr>
<th>Spot Market</th>
<th>Index Name</th>
<th>Apr 2014 Index Value (min. / max. in EUR/MWh)</th>
</tr>
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<tbody>
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<td>GASPOOL</td>
<td>EEX Daily Reference Price</td>
<td>19.480 / 22.254</td>
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<tr>
<td>NCG</td>
<td>EEX Daily Reference Price</td>
<td>19.414 / 22.233</td>
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<tr>
<td>PEG Nord</td>
<td>Powernext Gas Spot DAP</td>
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<td>Powernext Gas Spot EOD</td>
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<td>PEG Sud</td>
<td>Powernext Gas Spot DAP</td>
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<td></td>
<td>Powernext Gas Spot EOD</td>
<td>20.61 / 24.81</td>
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<table>
<thead>
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<th>Index Name</th>
<th>May 2014 Index Value (in EUR/MWh)</th>
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<tbody>
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<td>EGIX (European Gas Index) – Monthly Average</td>
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<td>GASPOOL</td>
<td>EGIX – Monthly Average</td>
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<td>Powernext Gas Futures Monthly Index</td>
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South-Western and North-Western Europe Day-Ahead Markets Successfully Coupled: A Significant Step towards an Integrated European Power Market

May 13, 2014: In a landmark move towards an integrated European power market, the full coupling of the South-Western Europe (SWE) day-ahead markets was successfully launched today. As a result, the SWE and North-Western Europe (NWE) projects, stretching from Portugal to Finland, now operate under a common day-ahead power price calculation using the Price Coupling of Regions (PCR) solution.

Today, for the first time, the day-ahead transmission capacity on the French-Spanish border has been implicitly allocated through the PCR solution, replacing the previous daily explicit allocation. Full price coupling between the NWE and SWE projects allows the simultaneous calculation of electricity prices and cross-border flows across the region. This will bring a benefit for end-consumers derived from a more efficient use of the power system and cross-border infrastructures as a consequence of a stronger coordination between energy markets.

With the achievement of full coupling of SWE day-ahead markets, cross-border capacity of all interconnectors within and between the following NWE and SWE countries will now be optimally allocated in the day-ahead timeframe: Belgium, Denmark, Estonia, Finland, France, Germany/Austria, Great Britain, Latvia, Lithuania, Luxembourg, the Netherlands, Norway, Poland (via the SwePol Link), Portugal, Spain and Sweden.

The combined day-ahead markets of the NWE and SWE projects account for about 2,400 TWh of yearly consumption. Since the launch of the PCR on 4 February, the daily average cleared volume over these markets amounted to 3.2 TWh, with an average daily value of over €200m.

The SWE full market coupling represents a further step towards the implementation of the European target model for the Internal Electricity Market in Europe in the day-ahead timeframe. Following the NWE-SWE full coupling, further extensions of the market coupling with the PCR solution are envisaged.

About the projects:

South-Western Europe (SWE) Price Coupling Project is a joint project between the French, Spanish and Portuguese TSOs, RTE, RREE, REN, and the Power Exchanges OMIE in Spain and Portugal and EPEX SPOT operating the French market. This project aims to define the pre-coupling, post coupling and exceptional situations processes that are necessary to allow the implementation of Price coupling between NWE region and the Iberian day-ahead markets.

North-Western Europe (NWE) Price Coupling is a project initiated by the Transmission System Operators and Power Exchanges of the countries in North-Western Europe. The 17 partners of this project comprise APX, Belpex, EPEX SPOT and Nord Pool Spot from the Power Exchanges’ side; 50Hertz, Amprion, Creos, Elia, Energinet.dk, Fingrid, National Grid, RTE, Statnett, Svenska Kraftnät, TenneT TSO B.V. (Netherlands), TenneT TSO GmbH (Germany) and TransnetBW from the TSO side. The cooperation is dedicated to the price coupling of the day-ahead wholesale electricity markets in this region, increasing the efficient allocation of interconnection capacities of the involved countries and optimising the overall social welfare. A single algorithm, calculating simultaneously the electricity market prices, net positions and flows on interconnectors between bidding zones will be used, based on implicit auctions and facilitated through the Price Coupling of Regions solution.

Price Coupling of Regions (PCR) is the initiative of seven European Power Exchanges (APX, Belpex, EPEX SPOT, GME, Nord Pool Spot, OMIE and OTE), to develop a single price coupling solution to be used to calculate electricity prices across Europe and allocate cross-border capacity on a day-ahead basis. This is crucial to achieve the overall EU target of a harmonised European electricity market. The integrated European electricity market is expected to increase liquidity, efficiency and social welfare. PCR is open to other European Power Exchanges wishing to join. Following NWE and SWE operations, the PCR solution will also be adopted by the Italian Borders market coupling project (IBWT) and by the Czech-Slovakian-Hungarian-Romanian market coupling (4M MC).

To find out more about the PCR project and the regional price coupling implementation projects in SWE and NWE, visit the following websites:

SWE project:
www.epexspot.com
www.omie.es
clients.rte-france.com
www.ree.es
www.ree.pt

NWE project:
www.apxgroup.com
www.belpex.be
Argus Launches US Refined Products Forward Curves

Houston, May 15, 2014: Global energy and commodity price reporting agency Argus has launched forward curve prices for the US refined products markets. These prices provide hedging tools that reflect real commodity market activity, free from distortion and are representative of fair market values.

The US refined products markets are changing rapidly and the traditional supply and demand landscape has been altered dramatically. The need to export products, fueled by the expansion of shale drilling in the US and growing access to domestic crudes, is being intensified by weakening domestic demand. Now, more than ever, there is a demand for in-depth knowledge of forward curves pricing in the US refined products markets.

Argus US Refined Products Forward Curves offer a comprehensive look into the refined products market’s financial term structure. Companies with exposure to refined product price volatility can utilize Argus’ forward price curves to evaluate performance, measure profit and loss and calculate risk exposure. Paired with the Argus North American Crude Oil Forward Curves the user can see a complete picture of the petroleum value chain informed by the widely respected Argus methodology.

Derived from the rich array of physical transactions that are reported to Argus on a daily basis, as well as Argus’ cash market indexes and assessments, the Argus US Refined Products Forward Curves are constructed using market data, as well as proprietary statistical models and algorithms. Argus currently assesses and publishes 29 US refined product forward curves.

“Hedging risk exposure in the refined products markets is more important than ever,” Argus Media chairman and chief executive Adrian Binks said. “Argus forward assessments provide an essential tool to help our customers make sound investment and trading decisions in a fast-paced business environment.”

Request more information regarding Argus US Refined Products Forward Curves.
Argus Acquires Metal-Pages, Extends Metals Coverage

Singapore, May 6, 2014: Global energy and commodity price reporting agency Argus has bought Metal-Pages, a specialist pricing, news and analysis service focusing on speciality metals, rare earths and ferro-alloys. The acquisition will greatly increase the range of Argus information available to the metals sector.

Metal-Pages was established in 2000 and publishes 230 individual metals prices on a twice-weekly basis. Its coverage is international with a particular strength in Asia, where it operates a Chinese language website with domestic prices and news. Metal-Pages also has contributors in India, South Africa, the US, South America and Europe, complementing Argus’ global network of offices.

Metal-Pages price assessments are used by producers, consumers and trading companies as a reference price in spot and term contracts as well as to value stock and evaluate new projects and opportunities. In addition to price information, Metal-Pages publishes information on supply and demand fundamentals, news and analysis and runs market-leading conferences. Metal-Pages staff will join Argus’ international team.

Argus Media chairman and chief executive Adrian Binks said: “Metal-Pages is a great fit with Argus’ existing product range. We have been growing our metals business in recent years, reporting on steel feedstocks, iron ore and coking coal markets, and Metal-Pages will help us to increase our level of service significantly. Metal-Pages is a dedicated, expert provider of information on opaque markets and as such ties in well with the rest of the Argus business.”

Metal-Pages founder and chief executive Nigel Tunna said: “Argus is growing rapidly and we feel excited at the prospect of using its distribution network, contacts and resources to grow our coverage and expand our service further. Independent, reliable price information and other information services are greatly valued by the metals industry and we have many mutual ideas about how we can develop our products further, both in terms of content and also enhanced delivery and usability options.”

Terms of the acquisition were not disclosed.

Argus and IHS Launch New API Coal Index in Asia-Pacific

Singapore, May 2, 2014: Global energy and commodity price reporting agency Argus and IHS (NYSE:IHS), a leading global source of critical information and insight, today announced the expansion of the API coal indexes in Asia-Pacific.

The new API 12 coal price index will assess multi-origin, mid-quality coal imported to east India from South Africa, Indonesia, Australia and other exporters. The index will be launched today.

API 12 reflects 5,500 kcal/kg NAR (net as received) coal delivered to east India. Coal accounts for around 80pc of India’s power generation, with demand growing by more than 10pc/yr. Thermal coal demand is also growing from cement makers and sponge iron producers as India embarks on massive infrastructure projects. Imports are expected to account for 21pc of overall Indian coal demand of 770mn t in the 2013/14 fiscal year, according to the Reserve Bank of India.

Indonesia supplied as much as 76pc of India’s coal imports in the past three years while South Africa accounted for 19pc. Indonesian fob price references already exist for the 5,500 kcal/kg NAR grade, as well as API 3 for those of South African origin and API 5 for Australian origin.

All the Argus and IHS McCloskey indexes are calculated by averaging the relevant Argus and IHS coal price assessments. The methodologies used to derive these prices are available online at www.argusmedia.com/methodology and www.mccloskeycoal.com.

“We are pleased to be able to meet demand from market participants for an additional reliable, independent benchmark,” Argus Media chairman and chief executive Adrian Binks said. “This is the latest in the API thermal coal index series, which 90pc of the world’s internationally traded coal derivatives settle against.”

“This is an exciting addition to the API benchmarks and underlines the markets changing focus towards 5,500 kcal/kg NAR products, particularly in Asia-Pacific,” IHS Energy senior director John Howland said. “From Australia to China and Richards Bay to India, API benchmarks can be used to track and trade this increasingly vibrant market for 5,500 kcal/kg NAR thermal coals.”
For energy commodities such as power, natural gas, and coal, weather was a principal driver of demand, and hence price. However, in a world that is increasingly interconnected, once predictable pricing patterns are becoming more nuanced. Globally fungible commodities are extremely elastic and can display regional idiosyncrasies. Every company is competing in a global market, no matter how regional they think their customers are. Under these circumstances, access to a diverse stream of data and the ability to efficiently interpret it is more crucial than ever.

Exploration and production technologies have recently played a major role in driving market price, and this driver of change is accelerating. For example, the cost of solar power is reduced by 30% with each doubling of panel production capacity, and wind by 7.4%. We have seen what happened to the cost of gas with improvements in fracking technology. The laggards are coal and nuclear, with the latter actually seeing its costs rise. Utilities in particular will be challenged by attempting to manage this transition in the energy mix, as power generation continues to be the largest consumer of energy supplies, and substitution between coal, gas, and renewables occurs, particularly during peak demand. Utilities must have extremely advanced abilities to manage this data underlying their purchasing decisions.

Communications technologies have also consolidated the markets. With no limit in bandwidth, process speed, or data storage, analysts and traders using these technologies are now able to analyze, correlate, and forecast infinite...
intra-commodity relationships to maximize their profits on commodity transactions and take advantage of arbitrage opportunities without the constraints of geography or time zones. And with options such as Software as a Service (SaaS) available, hardware is also not a constraint for analysts and traders who must have access to all the data they require to make informed trade decisions. As 90% of all the data ever created has been created in the last two years, and a fiftyfold increase is expected by 2020 (IDC), it is not surprising that many traders’ worldviews have changed dramatically in the last few years. Markets can expect this global interconnectivity to intensify. As the global data repository grows exponentially, those who are able to quickly extract trends and key observations will experience market success—that is, the proverbial wheat pulled from the chaff (this is a favorite ag quote).

It is clear that accessing and storing market and internal data is a significant and growing challenge; however, this is not the lynchpin to corporate success. It is an analyst’s world, and with instant access to data, there are instant supply and demand effects. The biggest players, whether corporate or political, know this, and are constantly jockeying to best their competitors in data management and analysis. They are investing heavily in the data and analytical tools they need to make proper market assessments and avoid costly mistakes. In the end, they hope to map the inter-dependencies between energy and commodity markets to make more timely and accurate decisions. These organizations understand that success will not be the result of sifting through the exhaust of big data, but will be the result of meticulous data mapping that incorporates fuel substitutions, infrastructure constraints, market distortions, and supply shifts—data mapping upon which models and simulations can be built. Integrated energy curves, not individual fuel and technology cost curves, will prove to be a more accurate determinant of price.

The shale gas technology ripple is an example of the ways in which those who can visualize the connections that exist between all world commodity markets can recognize risks and opportunities more clearly. Recently, gas displaced coal in the U.S., and the U.S. increased coal exports to Europe to displace gas, which was itself feeling the squeeze from renewables, despite nuclear shutdowns. View the impact on pricing in Figure 1: Henry Hub Natural Gas Prices vs. CAPP Coal Prices.

**Figure 1: Henry Hub Natural Gas Prices vs. CAPP Coal Prices**

![Graph created with ZEMA](https://example.com/graph.png)

In hindsight, this ripple effect seems obvious, but at the time, many were surprised by the impact that a once regional energy asset (U.S. gas) was having globally. To view an example of the impact gas has had on oil prices, see Figure 2: Henry Hub Natural Gas Prices vs. Brent and WTI Oil Prices.
New market scenarios like the one described above continuously reshape the energy landscape, and if organizations could make strategic decisions with the benefit of hindsight, market dislocations would not be an issue. This is not the case, though. The reality is that many organizations live and die by their ability to collect, process, and effectively act upon the plethora of internal and market information in a timely fashion, as information arises.

As gas prices fall and rise, fuel switching affects alternate fuels such as coal, LNG, and oil. This in turn drives prices for agricultural products and metals. Recently, dramatic evidence of commodity connectivity was seen in highly elastic crops such as corn and soy, which can be used for food or energy production. This is shown in Figure 3: Corn, Ethanol, Henry Hub Natural Gas, and Brent Oil Prices.

**Figure 3: Corn, Ethanol, Henry Hub Natural Gas, and Brent Oil Prices**
When energy prices soared in certain regions, gas tanks were filled and mouths went hungry. As witnessed during the Arab Spring and the Ukrainian uprising, hungry people with high energy costs quickly get angry. Their anger, as in the instances mentioned above, can have dramatic global ramifications, both politically and on commodity markets.

Meanwhile, energy-intensive industries that can take advantage of cheap gas are presently doing so, while those tied to the price of oil see no respite in costs. One sector that is seeing a major geographical shift in production is the petrochemical business, which is eyeing an abundance of low cost NGLs in North America set to grow for the foreseeable future. The shale effect has been so strong that even with falling prices for shale products, margins for many products (for example, ethylene) have hit record highs.

This is just the tip of a U.S. manufacturing renaissance that could add $80-120 billion in economic output according to Boston Consulting. However, possibly large structural adjustments will have to be made to the large petrochemical industry in Asia and Europe.

These shifts in global energy markets are not occurring in a vacuum, as the rebalancing of energy demand from West to East and the geopolitical ramifications that will occur as a result add further volatility to markets. By 2015, the Asia Pacific region will account for 38% of the world’s energy consumption, up from 27% in 1995. In addition, China recently surpassed the U.S. as the world’s largest oil importer. China’s imports of other commodities such as iron ore, copper, coal, and soy also hit record highs earlier in the year, even in the face of a slowdown in manufacturing. China’s importance in so many commodity markets will likely add to the cyclical nature of each of them, and any signs of weakening in the Chinese economy will send shudders through these markets.

The China effect will only add to the complexity of risk calculations underlying investments in the energy sector—for example, LNG export terminals, as China, Japan, and South Korea have become disproportionate targets. View Figure 4: Mont Belvieu Ethane (OPIS) Swap Prices vs. Japan C&F Naphtha Prices.

Figure 4: Mont Belvieu Ethane (OPIS) Swap Prices vs. Japan C&F Naphtha Prices

Should China develop its shale formations as rapidly as it hopes and Japan reverse its moratorium on nuclear power, there may be a lot of LNG looking for a new home at prices lower than anticipated. China’s attempt to wean itself off of coal, while toothless at the moment, may gain momentum due to environmental concerns putting added pressure on coal exporting companies in Australia, Indonesia, and the U.S.

Competition among the various economies in Asia for energy will only add to volatility, as was recently witnessed when China set up an oil rig off the coast of Vietnam, an act which sparked protests in that country. If China enforces more assertively their claims in the South China Sea, which extends as far south as Malaysia, then sporadic crises will become more common. The underlying
risk in this scenario is an escalation into broad regional conflict. These conflicts might, in turn, push China to bolster its strategic oil reserves, which will have an immediate effect on spot prices.

In light of this multifaceted interplay, tools that can effectively generate and manage complex curves—tools such as ZEMA—will become indispensible to organizations that must dynamically monitor the pricing of both raw inputs and finished products. Organizations—whether a utility in Germany juggling its energy mix, or a petrochemical facility in Asia looking at its fundamental raw material costs—must feed models that accurately reflect dynamic markets with data and curves. With time, new drivers of pricing will again cause structural shifts in the energy markets, and those organizations that have built resiliency and dynamism into their data, trade, and risk systems will more effectively take advantage of the arbitrage opportunities that will emerge.

**About ZE PowerGroup Inc.:**
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.

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

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