

Frequently Asked Questions: Latin America IPPs

What is an Import Parity Price (IPP)?

An Import Parity Price shows the value of a product imported at a specific location on the day of publication. It takes into account the product's price, as well as the cost to transport it from the production location to the delivery hub. It also includes fees associated with moving the product into a terminal, like inspection and storage.

Are IPPs assessments?

IPPs are calculations that include many factors, including freight, demurrage, taxes and other fees, added to the product. These factors represent many of the costs borne by importers, most of which would not normally be included in an international cargo market transaction.

Why does Platts publish IPPs for Latin America?

Latin America is a growing hub for refined product imports from around the world, especially from the US Gulf Coast. The region's energy sector is undergoing significant change, with private companies now importing a significant volume of refined products.

Platts has launched these prices to offer better insight into these growing markets.

What is the specification for these products?

All the prices factor in an adjustment to meet each country's quality specification for ULSD, jet fuel and gasoline. The gasoline price represents fuel that meets the country's specifications before blending with an oxygenate or other additives. The LPG IPPs use 70% US Gulf Coast propane and 30% butane.

Where are the IPPs published?

The IPPs are published in Latin American Wire and on Platts Global Alert pages 166 and 169. The LPG IPPs can also be found in the LPGaswire.

Where can I find more information?

All IPP codes and related methodology can be found in the Specifications Guide for Americas refined oil products: <https://www.spglobal.com/platts/en/our-methodology/methodology-specifications/oil/americas-refined-oil-products>

Contact Platts support:

E-mail: support@platts.com; Americas: +1-800-752-8878; Europe & Middle East: +44-20-7176-6111; Asia Pacific: +65-6530-6430

© 2020 S&P Global Platts, a division of S&P Global Inc. All rights reserved.

The names "S&P Global Platts" and "Platts" and the S&P Global Platts logo are trademarks of S&P Global Inc. Permission for any commercial use of the S&P Global Platts logo must be granted in writing by S&P Global Inc.

You may view or otherwise use the information, prices, indices, assessments and other related information, graphs, tables and images ("Data") in this publication only for your personal use or, if you or your company has a license for the Data from S&P Global Platts and you are an authorized user, for your company's internal business use only. You may not publish, reproduce, extract, distribute, retransmit, resell, create any derivative work from and/or otherwise provide access to the Data or any portion thereof to any person (either within or outside your company, including as part of or via any internal electronic system or intranet), firm or entity, including any subsidiary, parent, or other entity that is affiliated with your company, without S&P Global Platts' prior written consent or as otherwise authorized under license from S&P Global Platts. Any use or distribution of the Data beyond the express uses authorized in this paragraph above is subject to the payment of additional fees to S&P Global Platts.

S&P Global Platts, its affiliates and all of their third-party licensors disclaim any

and all warranties, express or implied, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use as to the Data, or the results obtained by its use or as to the performance thereof. Data in this publication includes independent and verifiable data collected from actual market participants. Any user of the Data should not rely on any information and/or assessment contained therein in making any investment, trading, risk management or other decision. S&P Global Platts, its affiliates and their third-party licensors do not guarantee the adequacy, accuracy, timeliness and/or completeness of the Data or any component thereof or any communications (whether written, oral, electronic or in other format), and shall not be subject to any damages or liability, including but not limited to any indirect, special, incidental, punitive or consequential damages (including but not limited to, loss of profits, trading losses and loss of goodwill).

Permission is granted for those registered with the Copyright Clearance Center (CCC) to copy material herein for internal reference or personal use only, provided that appropriate payment is made to the CCC, 222 Rosewood Drive, Danvers, MA 01923, phone +1-978-750-8400. Reproduction in any other form, or for any other purpose, is forbidden without the express prior permission of S&P Global Inc. For article reprints contact: The YGS Group, phone +1-717-505-9701 x105 (800-501-9571 from the U.S.).

For all other queries or requests pursuant to this notice, please contact S&P Global Inc. via email at support@platts.com.