

ASIAN PETROCHEMICAL MARKET ON CLOSE (MOC) REPORTING GUIDELINES

When reporting bids, offers or trades to S&P Global Platts through the Market on Close process there are several reporting guidelines that Platts expects market participants to follow.

What is the Platts Market on Close assessment process?

Platts Market On Close (MOC) is a process S&P Global Platts market reporting staff use to inform the assessed value of commodities. The MOC approach is based on the principle that price is a function of time. A MOC is a structured, highly transparent process in which bids, offers and transactions are submitted by participants to Platts editors and published in real-time throughout the day until the process close. Following the close, Platts editors analyse the data gathered through the day, conduct their analysis and determine price assessments that reflect an end-of-day value for the respective commodity.

What is the MOC window?

Of the data gathered throughout the day, data published in the MOC window directly preceding market close is of the highest quality for assessment purposes due to the principle of price being a function of time. This formal environment is exclusive to participants that seek to have their transparent bids/offers and trades used to form the final price assessment published by Platts.

Are there guidelines to participate in the MOC window?

There are guidelines and levels of performance that Platts expects MOC participants to commit to when publishing firm indications to trade in the MOC window. Platts requires participants to execute trade with counterparties participating in the window when interest is communicated in their bids and/or offers.

The main guidelines for participation in Platts MOC windows are summarized below. They also include guidance for participation via the eWindow tool which is used to manage the information flow in Platts more liquid MOC processes.

1. Market participants can report bids and offers and interest in a published bid or offer for publication either directly through the eWindow tool or via communication with Platts editors. Platts will only accept new bids or offers before 16:00 hours Singapore. Platts will only accept new bids or offers that include full and correct details (product, quantity, price, location, laycan) submitted up to 16:00 hours. Please note that Platts applies the timing deadlines strictly so

prompt with submissions is encouraged. Platts may not publish bids, offers or trades that are not communicated clearly and in advance of timing cut-offs. In case of reporting the details to Platts editors, bids or offers may be submitted in the following format:

Toluene S1) AFCO offer H2 Jan at \$683/mt FOB Korea

Benzene: B1) SIETCO bids H2 Jan at \$806/mt FOB Korea 3kt, bb YOU, L/C at sight

Platts MTBE 3kt FOB Spore Jan3-Jan7, SIETCO SELLS TO TRAFI \$674.00 for 3 8:30:14.142 GMT

PX: S1) Wanxiang offers Feb at \$870/mt CFR TND, 5kt, L/C 30 days

PX: YISHENG TRADES B1) GS Caltex bids Jan at \$850/mt CFR DNT, 5kt, LC 30/45/60 days

PX: Sietco KEEN ON B2) GS Caltex bids Mar at \$909/mt CFR TND, 5kt, L/C 30/45/60 days

When a company wishes to withdraw their live bid or offer, this is published in the following format: "WITHDRAWS: Company A offers Feb at \$870/mt CFR TND, 5kt, L/C 30 days."

2. Platts publishes bids and offers that meet all editorial guidelines on Platts Petrochemical Alert Page 5 (PCA0005).
3. After 16:00 hours, Platts will only publish amendments to the prices of existing bids and offers. Platts will not publish any amendments to other terms. MOC participants cannot change any of the conditions except prices after 16:00 hours but they can withdraw their bids and offers at any time and they can also retreat their bids and offers.
4. Platts editors engage with the market throughout the day. When publishing information for MOC purposes Platts will only publish bids and offers that reflect realistic and reasonable price levels. In practice, this means that bids should be typically not significantly lower than where market value is observed to be and should not start above value, while offers should be typically not be above where market values are observed to be, or below value. Platts may not publish bids or offers that fall outside of this range. Platts reviews this range depending on market volatility.

5. Platts may not publish price changes in excess of typical market movements. Typically this will mean that market participants should not submit improvements to the prices bid or offered in excess of \$1/mt per minute (per 30 seconds in the case of MTBE which is managed via eWindow). Platts may update this increment depending on market volatility.
 6. Platts will not publish price changes received after 16:28 (except in the case of MTBE which is managed via eWindow). Bids or offers can be withdrawn at any time, but will be assumed to remain live until 16:30 unless otherwise communicated.
 7. Participants may submit interest in a standing bid or offer either through a Platts editor or through the eWindow tool (for MTBE). This interest will be published on Platts PCA Page 0005. Participants should confirm the trade with their counterparty after communication of interest to Platts if either counterparty is not using eWindow. Both counterparties should then communicate confirmation to Platts.
 8. All bids and offers are firm from the moment of reporting to Platts either via a Platts editor or via eWindow (for MTBE), to the moment they are traded, the window period closes or the bid/offer is withdrawn by the participant. The eWindow clock or Platts synchronized internal clock will be used to determine the correct sequence of events when a bid or offer is amended, withdrawn, or traded by an interested counterparty. Bids or offers submitted by phone, or any other medium, such as instant messaging software, shall be clocked at the time the bid, offer or trade indication is actually transmitted through the Platts eWindow system or published by Platts.
 10. Any company that has been editorially reviewed and approved by Platts may submit their interest in standing bids or offers; companies do not need to have standing bids or offers in order to participate. The ability to trade bilaterally with other participants is established during the entry review. Platts should be notified of any change to an entity's counterparty credit restrictions should they change. In such instances please provide written notification at least one hour prior to the close of the MOC process to moc_review@spglobal.com, pricegroup@spglobal.com and petchems@spglobal.com.
 11. If a bid or offer is traded, the market maker may repeat with the same conditions within one minute (30 seconds for MTBE in eWindow) from the trade. The price should be either the same or a retreat i.e. in case of a bid; prices can be the same as the trade or can be lower. In case of an offer; prices can be the same as the trade or can be higher.
 12. If a market maker repeats a bid or offer in the last minute before close, the MOC process is extended by one minute so that the fresh order can be fully tested.
 13. Platts expects all participants to be fully contactable during the MOC period. Platts may withdraw/remove bids or offers if the counterparty is not contactable.
- If you have any comments, suggestions or questions regarding Platts Market on Close Reporting Guidelines please email moc_review@spglobal.com, pricegroup@spglobal.com and petchems@spglobal.com.

For more information, please visit us online or speak to one of our sales specialists:

www.platts.com | support@platts.com

NORTH AMERICA
+1-800-PLATTS8 (toll-free)
+1-212-904-3070 (direct)

EMEA
+44-(0)20-7176-6111

LATIN AMERICA
+55-11-3371-5755

ASIA-PACIFIC
+65-6530-6430

RUSSIA
+7-495-783-4141