

METHODOLOGY AND SPECIFICATIONS GUIDE

World Gasoil and Jet Indexes

(Latest Update: August 2013)

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INTRODUCTION

Platts' methodologies are designed to produce price assessments that are representative of market value, and of the particular markets to which they relate. Methodology documents describe the specifications for various products reflected by Platts' assessments and indexes, the processes and standards Platts adheres to in collecting data, and the methods by which Platts arrives at final assessment values for publication.

Platts discloses publicly the days of publication for its price assessments and indexes, and the times during each trading day in which Platts considers transactions in determining its assessments and index levels. This schedule of publication is available on Platts' website, at the following link: <http://www.platts.com/HolidayHome>.

The dates of publication and the assessment periods are subject to change in the event of outside circumstances that affect Platts' ability to adhere to its normal publication schedule. Such circumstances include network outages, power failures, acts of terrorism and other situations that result in an interruption in Platts' operations at one or more of its worldwide offices. In the event that any such circumstance occurs, Platts will endeavour, whenever feasible, to communicate publicly any changes to its publication schedule and assessment periods, with as much advance notice as possible.

All Platts methodologies reflect Platts' commitment to maintaining best practices in price reporting.

Platts' methodologies have evolved to reflect changing market conditions through time, and will continue to evolve as markets change. A revision history, a cumulative summary of changes to this and future updates, is included at the end of the methodology.

How this methodology statement is organized

This description of methodology for indexes and assessments is divided into seven major parts (I-VII) that parallel the entire process of producing the end-of-day price values.

- Part I describes what goes into Platts indexes and price values,

including details on what data market participants are expected to submit, the process for submitting data, criteria for timeliness of market data submissions, as well as the components of published data.

- Part II describes any security and confidentiality practices that Platts uses in handling and treating data, including the separation between Platts price reporting and its news reporting.
- Part III is a detailed account of how Platts collects bids, offers, trades and other market data, and what Platts does with the data to formulate its indexes and assessments. It includes descriptions of the methods that Platts uses for reviewing data, and the methods used to convert raw data into indexes and assessments, including the procedures used to identify anomalous data. This section describes how and when judgment is applied in this process, the basis upon which transaction data may be excluded from a price assessment, and the relative importance assigned to each criterion used in forming the price assessment. This section describes the minimum amount of transaction data required for a particular price assessment to be published, and the criteria for determining which values are indexes, and which are assessments, based on reported transactions and other market information. Finally, this section describes how Platts addresses assessment periods where one or more reporting entities submit market data that constitute a significant proportion of the total data upon which the assessment is based.
- Part IV explains the process for verifying that published prices comply with Platts' standards.
- Part V lays out the verification and correction process for revising published prices and the criteria Platts uses to determine when it publishes a correction.
- Part VI explains how users of Platts assessments and indexes can contact Platts for clarifications of data that has been published, or to share a complaint. It also describes how to find out more about Platts' complaints policies.
- Part VII is a list of detailed specifications for the trading locations and products for which Platts publishes indexes or assessments

in this commodity. This section describes why specific units of measurement are used, and what conversion factors are used to move between units of measurement, where relevant.

PART I: DATA QUALITY AND DATA SUBMISSION

Platts' objective is to ensure that the submission of transactional information and other data inputs that editors use as the basis for their price assessments is of the highest quality. Ensuring that data used in Platts assessments is of high quality is crucial to maintaining the integrity of Platts' various price assessment processes.

Platts global oil indexes are created using weighted baskets of Platts refined oil products spot market assessments from around the world. As such, Platts standards concerning data quality and data submission in the underlying refined petroleum and petrochemical prices can be found in the specification guides for those commodities.

PART II: SECURITY AND CONFIDENTIALITY

Data is stored in a secure network, in accordance with Platts' policies and procedures.

PART III: CALCULATING INDEXES AND MAKING ASSESSMENTS

Platts publishes its assessments reflecting the currencies and units of measurement in which the products typically trade. For ease of comparison, Platts publishes its global oil market indexes in the three most commonly referenced units of measurement in global markets: US dollars per barrel, US dollars per metric ton and US cents per gallon. Platts also publishes a Price Index, which reflects current world prices, and a Relative Value Index, which expresses the value of the index in relation to gasoil prices in the year 2000.

The assessments that feed into the final index are produced at Platts'

reporting centers across the world. The underlying methodologies for this assessments, including examples of calculation, can be found in the relevant methodology guide, which are available on www.platts.com. Each office follows local holiday schedules, and consequently there are days where one or more of the assessments carried in the index is not published. When a market is not assessed on a particular day, the previous working day's spot assessment is used.

Platts creates its global indexes by first assembling regional indexes, which reflect specific local Platts spot market assessments with proportional weightings that broadly capture the relative demand for each product in the region surrounding the pricing center, expressed as a fraction of regional demand. The global index is created by averaging these regional indexes together, weighted by the proportion of world demand for the product captured in each region.

Platts reviews these weightings regularly, and revises them if significant and sustained changes in world demand patterns are detected.

All aspects of methodology and data for the Platts Gasoil Price Indexes and the Platts Jet Fuel Price Indexes, including the underlying data, are the intellectual property of Platts, a division of the McGraw-Hill Companies.

PART IV: PLATTS EDITORIAL STANDARDS

All Platts' employees must adhere to the McGraw Hill Financial Code of Business Ethics (COBE), which has to be signed annually. The COBE reflects McGraw Hill Financial's commitment to integrity, honesty and acting in good faith in all its dealings.

In addition, Platts requires that all employees attest annually that they do not have any personal relationships or personal financial interests that may influence or be perceived to influence or interfere with their ability to perform their jobs in an objective, impartial and effective manner.

Market reporters and editors are mandated to ensure adherence to published methodologies as well as internal standards that require accurate records are kept in order to document their work.

Platts has a Quality & Risk Management (QRM) function that is independent of the editorial group. QRM is responsible for ensuring the quality and adherence to Platts' policies, standards, processes and procedures. The QRM team conduct regular assessments of editorial operations, including checks for adherence to published methodologies.

McGraw Hill Financial's internal auditor, an independent group that reports directly to the parent company's board of directors, reviews the Platts' risk assessment programs.

PART V: CORRECTIONS

Platts is committed to promptly correcting any material errors. When corrections are made, they are limited to corrections to data that was available when the index or assessment was calculated.

PART VI: REQUESTS FOR CLARIFICATIONS OF DATA AND COMPLAINTS

Platts strives to provide critical information of the highest standards, to facilitate greater transparency and efficiency in physical commodity markets.

Platts customers raise questions about our methodologies and the approach we take in our price assessments, proposed methodology changes and other editorial decisions in relation to our price assessments. These interactions are strongly valued by Platts and we encourage dialogue concerning any questions a customer or market stakeholder may have.

However, Platts recognizes that occasionally customers may not be satisfied with responses received or the services provided by Platts and wish to escalate matters. Full information about how to contact Platts to request clarification around an assessment, or make a complaint, is available on our website, at: <http://www.platts.com/ContactUs/Complaints>.

PART VII: DEFINITIONS OF THE TRADING LOCATIONS FOR WHICH PLATTS PUBLISHES DAILY INDEXES OR ASSESSMENTS

GLOBAL JET FUEL INDEXES

Assessment	US CENTS/GALLON	US \$/BARREL	US \$/MT	RELATIVE VALUE	RELATIVE VALUE (Mavg)	CONTRACT BASIS
Jet Index Global	PJGL007	PJGL008	PJGL009	PJGL000	PJGL003	INDEX
Jet Index Asia & Oceania	PJAS007	PJAS008	PJAS009	PJAS000		INDEX
Jet Index Europe & CIS	PJECI07	PJECI08	PJECI09	PJECI00		INDEX
Jet Index Latin America & Caribbean	PJLAC07	PJLAC08	PJLAC09	PJLAC00		INDEX
Jet Index MidEast & Africa	PJMEA07	PJMEA08	PJMEA09	PJMEA00		INDEX
Jet Index North America	PJNAM07	PJNAM08	PJNAM09	PJNAM00		INDEX

GLOBAL JET FUEL INDEXES

The Platts World Jet Fuel Index is a weighted average of Platts' jet fuel assessments from global trading and supply centers. The weightings in the index represent a broad view of proportional demand for fuel around the world. The weightings are reviewed periodically to keep the index representative of global supply and demand trends.

Platts publishes its assessments reflecting the currencies and units of measurement in which the products typically trade. The Global Jet Fuel Index is published in dollars per barrel, dollars per metric ton and cents per gallon. These values are arrived at by converting each original assessment into a volumetric assessment (barrels and gallons) and gravity-based assessment (metric tons) using local conversion factors. Those factors are listed in the table below. The final index is rolled up and expressed in each unit of measurement after every unique assessment has been converted into each of the three values.

Platts also publishes a Price Index, which reflects current world prices, and a Relative Value Index, which expresses the value of the index in relation to jet fuel prices in the year 2000.

The Platts World Jet Fuel Index is published daily on Platts Global Alert, and once a week on the website of the the International Air Transport Association.

The following table described the components of this index, and the weightings that they are assigned in each regional index.

The final index values are compared with average spot prices in 2000, similarly weighted by estimated uplift during that period, to generate a percentage figure reflecting the overall rise in markets compared to the base period. As an example, an index value of 200% reflects a doubling of price since the year 2000.

Global Jet Fuel Index: Five major regions are represented in the global index: Asia & Oceania; Europe and the Commonwealth of Independent States; the Middle East & Africa; North America; and Latin and Central America. The current proportional weighting of each index is shown in the following table:

Asia & Oceania	21.74%
Europe & CIS	28.47%
Middle East & Africa	7.10%
North America	38.61%
Latin & Central America	4.08%

Regional jet fuel index composition

The index for each of the regions is comprised of assessments of the value of jet fuel at specific trading locations. Each of the individual Platts assessments is given a weighting by Platts in the regional baskets, based primarily on uplift data and trading volume.

Platts assessment	Code	ConversionRegion	Weighting
Jet CIF Japan	PJAAN00	7.9Asia & Oceania	23.00%
Jet FOB Singapore	PJABF00	7.9Asia & Oceania	63.50%
Jet C+F South China	PJABQ00	7.9Asia & Oceania	13.50%
Jet CIF NWE	PJAAU00	7.88Europe & CIS	50.00%
Jet FOB ARA	PJABA00	7.88Europe & CIS	50.00%
Jet FOB AG LR2	AAKNZ00	7.9Middle East & Africa	50.00%
Jet FOB Med	AAIDL00	7.88Middle East & Africa	50.00%
Jet 54 USG Waterborne	PJABM00	7.9North America	25.00%
Jet 55 USG Waterborne	PJABN00	7.9North America	25.00%
Jet LA Pipe	PJAAP00	7.9North America	25.00%
Jet NYH Cargo Spot	PJAAX00	7.86North America	25.00%
Jet FOB Caribs	PJAAD00	7.7Latin & C. America	100.00%

GLOBAL GASOIL INDEXES

Assessment	US CENTS/GALLON	US \$/BARREL	US \$/MT	RELATIVE VALUE	RELATIVE VALUE (Mavg)	CONTRACT BASIS
Gasoil Index Global	PGGL007	PGGL008	PGGL009	PGGIV00	AAIY000	INDEX
Gasoil Index Asia	PGASI07	PGASI08	PGASI09	PGIAV00		INDEX
Gasoil Index Europe	PGEUR07	PGEUR08	PGEUR09	PGEIV00		INDEX
Gasoil Index Russia	PGRUS07	PGRUS08	PGRUS09	PGRIV00		INDEX
Gasoil Index MidEast and Africa	PGMEA07	PGMEA08	PGMEA09	PGMIV00		INDEX
Gasoil Index Americas	PGAME07	PGAME08	PGAME09	PGAIV00		INDEX
Gasoil Index Australia	PGAUS07	PGAUS08	PGAUS09			INDEX
Gasoil Index China	PGCHN07	PGCHN08	PGCHN09			INDEX
Gasoil Index India	PGIND07	PGIND08	PGIND09			INDEX
Gasoil Index Latin America	PGLAT07	PGLAT08	PGLAT09			INDEX
Gasoil Index Med	PGMED07	PGMED08	PGMED09			INDEX
Gasoil Index NW Europe	PGNWE07	PGNWE08	PGNWE09			INDEX
Gasoil Index Singapore+Japan+Korea	PGSJK07	PGSJK08	PGSJK09			INDEX
Gasoil Index US and Canada	PGUSC07	PGUSC08	PGUSC09			INDEX

GLOBAL GASOIL INDEXES

The Platts World Gasoil Index is a weighted average of Platts' gasoil assessments from major global trading, supply and demand centers. The weightings in the index represent a broad view of proportional demand for gasoil and diesel around the world. The weightings are reviewed periodically to keep the index representative of global supply and demand trends.

Global Gasoil Index values are arrived at by converting each original assessment into a volumetric assessment (barrels and gallons) and gravity-based assessment (metric tons) using local conversion factors. Those factors are listed in the table below. The final index is rolled up and expressed in each unit of measurement after every unique assessment has been converted into each of the three values.

The following table described the components of this index, and the weightings that they are assigned in each regional index.

The final index values are compared with average spot prices in 2000, similarly weighted by estimated uplift during that period, to generate a percentage figure reflecting the overall rise in markets compared to the base period. As an example, an index value of 200% reflects a doubling of price since the year 2000.

Regional gasoil index composition

The index for each of the regions is comprised of assessments of the value of gasoil at specific trading locations. Each of the individual Platts assessments is given a weighting by Platts in the regional baskets, based primarily on uplift data and trading volume.

Platts assessment	Code	Conversion	Region	Weighting
Gasoil ARA 50ppm FOB barge	AAUQC00	7.46	Northwest Europe	40%
ULSD 10ppm CIF NWE cargo	AAVBG00	7.46	Northwest Europe	25%
Gasoil 0.1% FOB ARA Barge	AAYWT00	7.46	Northwest Europe	35%
Gasoil 0.1% CIF Med Cargo	AAVJJ00	7.46	Mediterranea Europe	18%
ULSD 10ppm CIF Med Cargo	AAWYZ00	7.46	Mediterranean Europe	82%
Gasoil 10PPM FOB Spore	AAQVC00	7.62	Asia (Singapore, Japan, Korea)	22%
Gsl 50ppm FOB Spore Crg	AAPPF00	7.62	Asia (Singapore, Japan, Korea)	1%
S'pore Gasoil .05% Crgo	AAFEX00	7.45	Asia (Singapore, Japan, Korea)	30%
Gsl .25% S'pore Cargo FOB	AACUE00	7.45	Asia (Singapore, Japan, Korea)	14%
GasOil S'Pore Crgo	POABC00	7.45	Asia (Singapore, Japan, Korea)	20%
Gsl.5 Kor Crg 1 5-30 Days	POAIE00	7.45	Asia (Singapore, Japan, Korea)	12%
GasOil LP .5 S China Crgo C&F	POAFA00	7.45	China	95%
Gasoil 0.2% C&F S China Crg	AALEK00	7.45	China	5%
Gsl 10 PPM CFR Australia	AAQUD00	7.62	Australia	100%
Gsl 10 PPM MOP W India	AAQWQ00	7.62	India	20%
Gsl 500 PPM MOP W India	AAQWQ00	7.45	India	80%
No2 US Gulf Pipe	POAED00	7.33	North America	3%
ULSD FOB USGC Pipe	AATGY00	7.19	North America	19%
NO2 NY Barge Spot	POAEG00	7.19	North America	10%
ULSD Spot NYH Brg	AATGX00	7.19	North America	51%
LA ULSD (EPA) pipe	POAET00	7.31	North America	10%
No2 Carbs LA Pipe	POAAK00	8.45	North America	7%
Gasoil Argentina Spot	POAFH00	6.29	Latin & Central America	10%
Gasoil Carib Spot	POAAU00	7.4	Latin & Central America	30%
No2 US Gulf Water	POAEE00	7.33	Latin & Central America	60%
Russian Diesel 0.1% FCA PFC	AAUD000	7.42	CIS	50%
Russian Diesel 0.1% FCA CFD	AAUDT00	7.42	CIS	50%

Global Gasoil Index:Ten regions are represented in the index:

Northwest Europe; Mediterranean Europe, Asia (Singapore, Japan and Korea), China, Australia, India, Middle East & Africa, North America, Latin and Central America and the Commonwealth of Independent States. The current proportional weighting of each index is shown in the following table:

Northwest Europe	12%
Mediterranean Europe	8%
Asia (Singapore, Japan & Korea)	16%
China	12%
Australia	2%
India	5%
Middle East & Africa	14%
North America	18%
Latin & Central America	10%
Commonwealth of Independent States	3%

REVISION HISTORY

August, 2013: Platts revamped all Oil Methodology And Specifications Guides, including its Global Gasoil Index and Global Jet Fuel Index guides, in August 2013. The two guides were merged together into a single guide through this process. This revamp was completed to enhance the clarity and usefulness of all guides, and to introduce greater consistency of layout and structure across all published methodology guides.

Methodologies for market coverage were not changed through this revamp, unless specifically noted in the methodology guide itself. Global index calculations described in this guide were not changed through the June 2013 review.