

**PRESS RELEASE: 16/07/2012**

**FOR IMMEDIATE RELEASE**

**World's first cleared LNG swap trades – settles on ICIS East Asia Index**

London, 16 July 2012 - The world's first cleared LNG swap traded on 16 July. The contract settles on the ICIS East Asia Index (EAX) for physical LNG. The deal was brokered by Tradition over the CME Direct trading platform and has been cleared by CME Europe.

The deal was done for September at \$13.90/MMBtu.

From 16 July the NYMEX also launched the East Asia Index (ICIS Heren) Swap futures contract for open outcry trading, having received approval from the Commodity Futures Trading Commission (CFTC). The product is to be cleared through CME ClearPort.

Four ICIS Heren LNG swaps, including the East Asia Index swap, were already available for clearing through CME Clear Europe, from 16 April.

"ICIS has been supporting trade in natural gas markets for over 18 years, since the first Heren Energy reports were launched. In 2007 we launched the first LNG spot market assessments. Since then, the growing volume of spot trade and market confidence in the ICIS prices have helped lay the foundation for this new era in LNG trade," said Christopher Flook, Managing Director, ICIS.

Up to this point, there has been a very small over-the-counter swaps market for LNG, with a limited pool of counterparties and no clearing services.

"Clearing services and more active broking should accelerate liquidity growth in this market," said Louise Boddy, Head of Gas, Power, Emissions and Coal at ICIS.

"The entrance of CME and Tradition promise to bring new counterparties and liquidity, helping the swaps to become more effective hedging tools. The ICIS EAX also provides the market with its first really accurate, transparent and reliable price benchmark."

ICIS is the world leader in providing transparency for physical LNG trade. It publishes five regional indices and 21 country-specific assessments for spot LNG delivered into the world's major LNG import terminals. It also publishes FOB assessments for all major producing regions and FOB reload assessments.

The EAX is an index for the DES price into Japan, South Korea, China and Taiwan. The prices for the four countries are also assessed separately. The price series has been published daily since June 2010. Relevant bids, offers and deals are also published.

For further details and comment please contact:

Karin Hausmann

Marketing

+44 207 911 1929

[karin.hausmann@icis.com](mailto:karin.hausmann@icis.com)

To find out more about ICIS LNG market coverage, visit our website.

[http://www.icis.com/energy/channel-info-about/lng-markets-daily/?cmpid=SOC|ENER|CHHNT-2012-1607-GLOBAL-Ingswaptrade\\_pr&sfid=701200000004rrA](http://www.icis.com/energy/channel-info-about/lng-markets-daily/?cmpid=SOC|ENER|CHHNT-2012-1607-GLOBAL-Ingswaptrade_pr&sfid=701200000004rrA)

## **About ICIS**

ICIS has been providing LNG spot market information to the global industry since 2005 and was the first publisher to assess LNG spot prices, when Heren Energy launched weekly Asian assessments in 2007. ICIS assessments and indices have been the most widely used price benchmarks in Europe since gas and power markets started to trade in the 1990s. Our specialist LNG coverage goes further than any other in bringing transparency to the still growing LNG markets. Our LNG reports are tightly focused on LNG spot trade, providing readers with daily assessments and indices for all of the world's major LNG delivery and reload locations, bid/offer and deal information, shipping information and online news.

ICIS is also the world's largest petrochemical market information provider, with over 600 employees across 12 global locations. It is a division of Reed Business Information, owned by global publishing house Reed Elsevier PLC. The ICIS business is built on providing companies in global commodities markets with trusted pricing data and high-value news and analysis, enabling them to make better-informed trading and planning decisions.