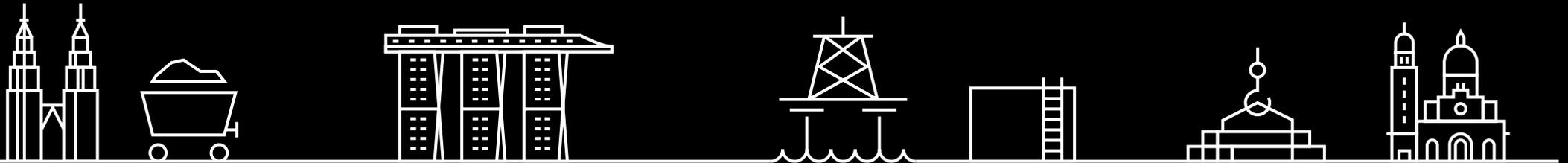


ASEAN: A Region of New Opportunities

ASEAN's markets are developing fast – get the clarity and transparency you need to ensure you're not left behind.



Competing on the World Stage

Strong economic growth is transforming energy and commodities markets across the ASEAN region. This growth is underpinned by high manufacturing output, robust consumer demand and a rapidly growing population.

As the world's third-largest market after China and India, there's increasing demand for goods and services from ASEAN's population of 630 million.

The region is also rapidly becoming a leading manufacturing hub in Asia, pulling investments away from North Asian rivals. The combined result is soaring demand for raw materials, resources and energy.

Rise of the ASEAN Region

5%

Annual growth expected over three years, outpacing economies like Japan, South Korea and Australia.

Source: Association of South East Asian Nations

\$7trn

Investment needed for infrastructure, housing and commercial space by 2030.

Source: McKinsey Global

\$60bn

Annual investment needed for infrastructure projects to keep pace with the growth of bigger neighbors China and India.

Source: Asian Development Bank

\$6trn

Purchasing power parity of the region.

Source: S&P Global Ratings

30^{mn} mt/yr

Amount of LNG demand expected by 2022.

Source: S&P Global Platts Analytics

90^{mn} mt/yr

Expected steel demand by 2019.

Source: S&P Global Platts

ASEAN Energy and Commodity Outlook

Oil demand is set to rise by approximately 1.2 million barrels/day in 2025 from 2015 levels. The region's LNG demand will reach 30 million mt/year by 2022, three times the level of 2016, outstripping production growth and shrinking net exports to 25 million mt.

Coal will account for 26.3% of the energy mix by 2020 before rising to 33% by 2035. Steel consumption in ASEAN will hit at least 90 million mt by 2018-2019.

Electricity demand will grow by 38% by 2025 to 1.42 million GWh, while the region's electricity supply will rise by 35% by 2025 to 4.86 million GWh.

Singapore



LNG demand to grow to
4.6 million mt
by 2022



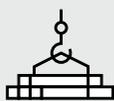
Capacity at SLNG Jurong Island terminal to reach
11 million mt/year
by the end of 2017

Thailand



Biodiesel production to rise to
14 million l/year
by 2036

Vietnam



Steel consumption to double to
36 million mt
by 2025

Malaysia



Oil production fell to
650,000 b/d
since 2010



Most new deepwater projects brought online over the past
10 years



Estimated liquids reserves:
3.6 billion barrels

Indonesia



Coal demand to increase to
240 million mt
in 2019



Coal production to decline to
400 million mt
in 2019

The Philippines



Coal-for-power generation demand to rise by
45%



Thermal coal Demand
20 million mt
Supply
9 million mt
Leaving imports to bridge the gap

Sources: S&P Global Platts Analytics, SEASI, DOE, Indonesian Ministry of Energy and Mineral Resources

Step Into an Uncertain World with Greater Confidence

Turning Risks Into Opportunities

ASEAN's energy and commodity markets are complex, ambiguous and volatile. While government reforms and market liberalization present new opportunities, they also continue to pose significant risk.

S&P Global Platts is committed to bringing clarity and transparency to ASEAN's energy and commodity markets. We know that data is key to decision making, but information alone isn't informative: it can be interpreted in many ways and inform drastically different decisions. The in-depth knowledge and extensive experience of our people makes the difference, providing the invaluable context you need to turn data and information into actionable insight.

Our goal is to help you manage risk, uncover new commercial opportunities and gain a competitive edge.



You're exposed to fluctuating commodity prices. Mitigate the risks.

Volatile markets impact your bottom line. If you understand your risk exposure, you can better manage it. Data and insight are crucial to helping you understand your liabilities and managing that risk.



Act before your competitors. Identify opportunities.

Better data gives you the edge. Without it you can't make informed decisions, which can lead to missed opportunities, reduced margins and less competitive products.



Data gaps leave you exposed. Become more efficient.

Incomplete data leads to incomplete knowledge. If your data is fragmented and inconsistent, more time and money is required to verify, cross-check and reconcile it. This drives up operational costs and drives down efficiency.

A Price is More Than Just a Number

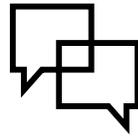
What Is a Price Assessment?

A price assessment is the published value of a specific commodity. These prices are your reference point when negotiating deals, making procurement decisions or marking your books. So, having a number you can count on is crucial to your success.

A Price Assessment Is Just the Tip of the Iceberg

Can you be sure that the prices you use reflect true market value? And why should you trust a given price assessment? Our price assessments are established through a transparent, rigorous and market-tested methodology. This means they can be relied upon to mitigate your risk exposure and ensure your business retains a competitive edge.

5 Reasons Why Price Assessments Matter to Your Business



Negotiate From a Position of Knowledge

Be confident that the price you're using is the market value



Protect Your Margins

Unclear pricing can badly affect margins



Spot Prices are Vital

Spot prices are the basis for term contracts, future settlements and derivatives



Comply with Regulations

Mark your books with respected information



Benchmark Your Position

Set benchmarks for your business with impartial and independent information

Integrity is Fundamental to Everything We Do

We use open and transparent methodologies to create price assessments that reflect a commodity's true value. Our Survey, Index and Market on Close methodologies bring consistency and robustness to our price assessments through principles and parameters that guide our market specialists at every stage of the process.

Many Price Assessments, Three Approaches



Survey

S&P Global Platts market reporters contact buyers and sellers to discover deals they have closed, buying and selling interest or notional values that will contribute to the daily price assessment

Survey approach yields transactional data and other market information that inform the price assessment

Fact based, but judgment plays a role



Index

Reliant upon transactional data-reporting from a back office

Assessment process involves volume weighting of the data, with various tests applied

Dependent on substantial volumes of completed transactions and a standardized commodity

Application of judgment is still part of the process



Platts Market on Close

S&P Global Platts market reporters gather data by phone, instant messenger or Platts eWindow, our online communications tool

Data is published in real-time all day until the "window," a 30–45 minute period before market close when no new bids or offers are accepted into the process

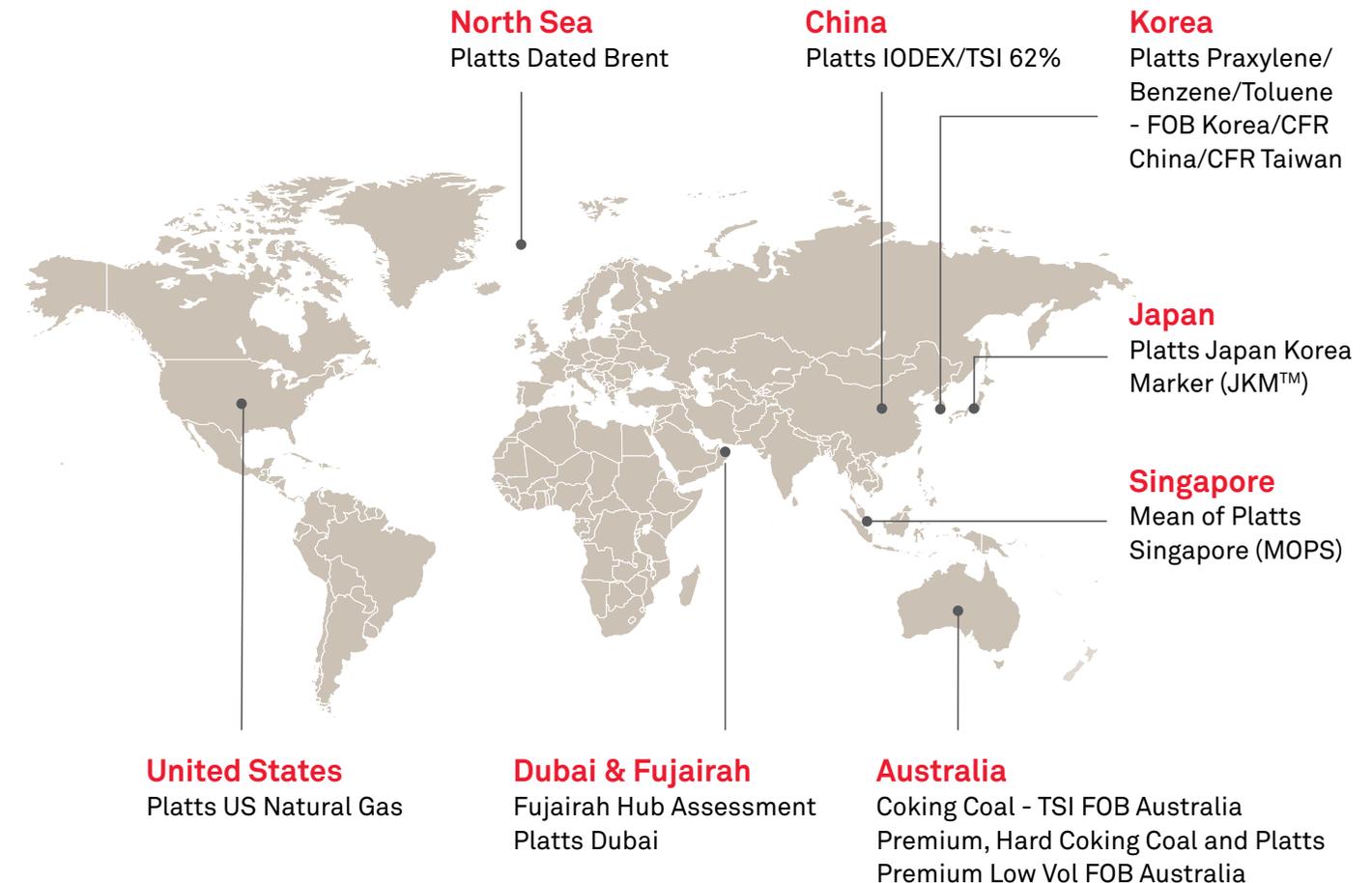
At market-close, S&P Global Platts reporters use data and judgment to produce a time-stamped price assessment

Our Benchmarks

Negotiating on Price Would Be a Minefield Without a Reference Point

Many of our price assessments have become “benchmarks” – the market accepts them and participants use them to write contracts, monitor their markets and achieve full transparency for transactions.

Key Benchmarks Which Impact ASEAN’s Commodity Markets Include:



Stimulating Trade and Supporting Economic Growth

Our Benchmark Prices are Used By Governments Across the ASEAN Region to Set Product Pricing

Country

Product Price Setting



Cambodia

Changed every 10 days – on the 1st, 11th and 20th of the month, based on how much international prices have moved



Indonesia

Platts FOB Kalimantan 5900 GAR price for HBA, the coal reference price based on which Indonesian miners pay royalty to the government



Malaysia

Change in MOPS price in current month will be reflected from the 1st day of the next month



Philippines

Previous week MOPS average pricing for current week



Singapore

MOPS price accounts for one-third of the listed retail gasoline price



Thailand

Import parity formula priced off MOPS



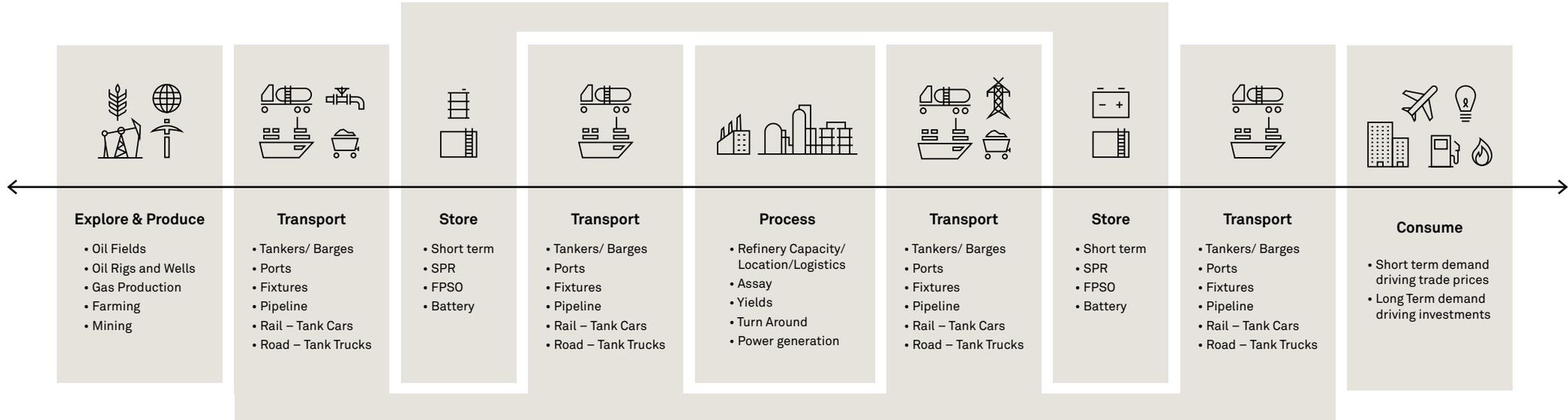
Vietnam

Uses Singapore spot prices to set fuel prices based on MOPS Gasoil, 92 RON and 95 RON

Bringing the Whole Supply Chain Into Perspective

ASEAN's energy and commodity markets are diverse, some established and others emerging. The region is home to mature oil and gas industries, long-established LNG exporters, first generation biofuels producers, major petrochemical demand centers and the world's largest coal exporter.

To properly understand one commodity market, you need to understand the complex interactions with other markets across the supply chain. We deliver a single and consistent view across all commodities to give you a clear picture of the markets that matter to your business.



Underpinning Success

S&P Global Platts: A Leading Provider of Essential Intelligence



We produce

10,000+

daily price assessments



We're a global team with

1,200+

people working across



S&P Global Platts serves

12,000+

companies in



S&P Global Platts underpin

1,500+

cleared financial
contracts



19

offices



190

countries



215+

S&P Global Platts
price assessments are
benchmarks

Make Decisions with Confidence

The ASEAN region is entering an exciting new era, full of opportunities. But to exploit them you need access to independent data and analysis, so you have confidence to act with conviction.

S&P Global Platts gives you that confidence, as well as tools to increase your operational efficiency, strengthen your margins and improve your financial risk management. We talk to the market every day, gather data and publish price assessments to make successfully navigating ever-changing markets easier for you.

Get in touch

Talk to us today and get the data, insight and analysis you need to conduct your business with less risk and greater confidence.

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