

Frequently Asked Questions: Trading Implieds via eWindow

What is the implieds trading functionality on Platts eWindow?

An implied order is a system-generated order, which is created using the two best tradable orders that are live on screen on the eWindow communication tool. These system-generated orders will be displayed with ‘*IMPLIED’ under the BUYER/SELLER column on the screen. Each implied order will be available to be traded like any other named order published via the eWindow tool and will be subject to existing credit settings and restrictions if trading bilaterally, or to regular margin checks if trading ICE Cleared.

Is the implieds trading functionality available only via the Platts eWindow trading software?

Implieds are system-generated orders that represent the value for a specific instrument as implied by bids and offers for related instruments. These are only available to be traded via the Platts eWindow tool.

Which eWindow markets offer implieds functionality?

In Singapore, implied spreads on eWindow are available for Singapore Gasoil, Jet fuel, High Sulfur Fuel Oil and Marine Fuel 0.5%S derivatives markets. In London, implied spreads on eWindow is available for the Cash BFOE market.

Does a MOC market participant need to do anything extra to enable the implied functionality on eWindow?

MOC participants/companies need not do anything extra to have the implied functionality enabled to trade using the Platts eWindow tool on ICE. The implied functionality is automatically enabled for the Market on Close markets for which it is available.

How will implied trades be reflected in the assessment process?

Implied trades will be treated like any other trades in the Platts MOC assessment process. In the event of a cross between outright price bids, offers and trades and intermonth spread bids, offers and trades – either implied or otherwise – Platts will continue to give precedence to outright price bids, offers and trades.

The existence of implied spreads will however make crosses between outright prices and spreads less likely.

Are there any time limits or cut-off times in the MOC for implied orders?

There will be no time limits or cut-off times for implied orders during the Platts MOC assessment process. Implied orders will typically exist where there are two best tradable orders live on screen, and price changes can occur till the close of the MOC process at 4:30:00.999 Singapore time.

Will implied bids and offers generate headlines on Platts Global Alert?

Implied orders will not generate headlines on Platts Global Alert or on eWindow unless they are traded. When an implied order is traded headlines will be generated both on PGA and on eWindow with the prefix “IMPLIED TRADE” together with a System ID. Each implied trade will have more than one headline associated with it. These headlines will accurately capture details of the related instruments associated with that trade. The System ID allows to link the related implied trade headlines together to create a clear sequence of events.

Platts has introduced a new term “TOOK,” which identifies the specific action that triggered the chain of events involved in an implied trade.

Will orders from the same entity/MOC participant generate an implied order?

More than one order from the same entity on different instruments will generate an implied order. Such an order is referred to as a “Resultant Order.” This is in accordance with Platts methodology and principles of full transparency on all tradable orders.

When a Resultant Order is traded, only one leg of the order will result in a trade, creating a net position on one component for the Entity. This will prevent the possibility of a “self-trade” from a Resultant Order.

All non-traded orders attached to the Resultant Order will be removed from the eWindow screen and a “IS REMOVED” headline will be published on both PGA and eWindow. The trader will have the ability to repeat the legs of both orders in the event these are removed.

What does a Pink Trade Confirm Window mean?

A Pink Trade Confirm Window results when an order is automatically withdrawn from eWindow due to a Resultant

Trade. Such a withdrawal will be accompanied by a headline on both PGA and on eWindow with the prefix “IS REMOVED.” The company may repeat the withdrawn order, but will be subject to the prevailing repeatability and timing guidelines for the market.

Can I unwind an implied trade if it is traded in error?

Implied trades executed as a result of an error can be unwound just like any other derivatives trades in the MOC process. The only difference between unwinding an implied

trade and a standard derivatives trade is that the former may involve up to three counterparties.

How will ICE fees work in the implied feature?

Each implied trade will result in a single clearing fee from ICE, even if you are trading with two different entities. For example, if you are buying an implied spread, you will still only be charged for one trade even though you are technically buying from more than one counterparty.

S&P Global Platts

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

© 2021 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.