S&P Global Platts Opens Further Consultation on Brent Benchmarks Transition

- Plans to change existing core FOB Dated Brent benchmark and related assessments deferred
- Allow time for the fullest possible discussion of new, constructive suggestions

LONDON, March 10, 2021 /PRNewswire/ -- S&P Global Platts ("Platts"), the leading independent provider of information and benchmark prices for the commodities and energy markets, announced that it is opening a further consultation on the transition Dated Brent and its related components. This reflects extensive feedback following its announcement on 22 February that the basket would reflect WTI Midland and be amended to a CIF delivered Rotterdam basis from June 2022 loadings. Changes to the core Dated Brent benchmark and related assessments, including Cash BFOE, will be deferred. This means that Dated Brent and all related assessments, including Cash BFOE will remain unchanged on an FOB basis. Platts will focus on incorporating WTI Midland into its existing CIF Dated Brent assessment for deliveries from July 2022, as previously announced.

S&P Global
Platts

Vera Blei, Head of Oil Markets Price Reporting, S&P Global Platts, said *"Platts takes its stewardship of the Dated Brent benchmark and its on-going collaboration with the industry very seriously. Since changes to the complex were announced in February, we received extensive feedback from market participants in support of introducing WTI Midland into the basket but there is not agreement on how it would be fully reflected into the wider Brent complex. We have listened to this feedback and believe the best route forward is to defer changes to the core FOB Dated Brent complex and to keep Dated Brent and all related assessments, including Cash BFOE unchanged on an FOB basis. This allows the opportunity for a widespread consultation with market participants so that we act on constructive suggestions to safeguard the future of the benchmark."*

Platts will continue to focus on incorporating Midland WTI into its existing CIF Dated Brent assessment (PCAKM00) for deliveries from July 2022, as previously announced. This step will bring transparency to the pricing of the existing basket grades combined with WTI Midland crude on a delivered basis, which is the way WTI Midland typically trades when delivered to the market.

Platts will also continue with its plans to form an industry working group to consult on revised terms and conditions for voluntary use to reflect the inclusion of WTI Midland in the Brent complex. This will allow considerations of CIF terms and conditions, as well as any alternatives that will ensure continued connectivity between Dated Brent and Cash BFOE in light of the upcoming incorporation of Midland WTI into the complex.

These efforts are designed to result in core terms and conditions that Platts would reflect in its Brent complex of assessments. This will be subject to further public consultation ahead of being published as a final document.

The full subscriber note can be found here: https://www.spglobal.com/platts/en/our-methodology/subscriber-notes/031021-platts-opens-further-consultation-on-brent-benchmarks-transition

About S&P Global Platts

At S&P Global Platts, we provide the insights; you make better informed trading and business decisions with confidence. We're the leading independent provider of information and benchmark prices for the commodities and energy markets. Customers in over 150 countries look to our expertise in news, pricing and analytics to deliver greater transparency and efficiency to markets. S&P Global Platts coverage includes oil, gas, LNG, power, petrochemicals, metals, agriculture and shipping.

S&P Global Platts is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit www.platts.com.

Media Contacts:
Americas: Kathleen Tanzy + 1 917-331-4607, Kathleen.tanzy@spglobal.com

SOURCE S&P Global Platts

For further information: Media Contacts: Americas: Kathleen Tanzy + 1 917-331-4607, Kathleen.tanzy@spglobal.com; or Asia: Melissa Tan + 65-6597-6241, Melissa.tan@spglobal.com; or EMEA: Alex Brog +44 207 176 7645, alex.brog@spglobal.com and Russell Gerry +44 207 176 3569 russell.gerry@spglobal.com

---

https://press.spglobal.com/2021-03-10-S-P-Global-Platts-Opens-Further-Consultation-on-Brent-Benchmarks-Transition