

Rim Energy Composite Index 22 (RECX-22)

The Rim Energy Composite Index 22 (RECX-22) focuses on energy products with a significant impact on consumer prices and the economy. It embodies a combination of energy market prices such as petroleum products, LPG, LNG, petrochemicals, which are assessed by Rim Intelligence Co. (Rim) on a daily basis. This index is composed of and calculated from “Japan domestic prices for petroleum products and LPG”, “Japan import prices of petroleum products, benzene, LPG and LNG” and “Japan export prices of benzene and petroleum products”. It has a strong correlation to the Corporate Goods Price Index (CGPI) and the Diffusion and Composite Indexes (DI and CI) released by the Japanese government.

Components

Japan domestic prices (average prices for 2010 are set at 100)

- Barge prices for petroleum products (gasoline, kerosene, gasoil, A fuel oil, Low sulfur A fuel oil, Low sulfur C fuel oil, High sulfur C fuel oil) in the Tokyo Bay and western Japan areas
- Barge prices for propane and butane in the Tokyo Bay and western Japan areas

Japan import prices (average prices for 2010 are set at 100)

- CFR Japan prices for MR-sized cargoes (naphtha, jet fuel, gasoil, fuel oil, low sulfur fuel oil)
- CFR Japan Index for benzene, CFR Japan prices for refrigerated propane and butane (average of 2 front half-months)
- Rim LNG Index converted to JPY

Japan export prices (average prices for 2010 are set at 100)

- FOB Index for benzene from eastern and western Japan, converted to JPY
- FOB Japan prices for MR-sized cargoes (jet fuel, gasoil, fuel oil)

Method of calculation

Average prices for each type of product for 2010 are set at 100. The geometric average of changes from this base is then calculated. The types of products are as follows.

Japan domestic prices = A

1. Domestic petroleum products (Yen/kl)

Barge prices for gasoline, kerosene, gasoil, A fuel oil, low sulfur A fuel oil, low sulfur C fuel oil, high sulfur C fuel oil in the Tokyo Bay and western Japan areas

2. Domestic LPG (Yen/mt)

Barge prices for propane and butane

Japan import prices = B

3. CFR petroleum product imports (Yen/kl)

Naphtha, jet fuel, gasoil, FO380cst, LSFO

4. Other imports (Yen/mt)

CFR benzene (converted to Yen), CFR propane and butane (average of 2 front half-month prices converted to Yen), LNG Index (converted to Yen)

Japan export prices = C

5. FOB exports (Yen/mt)

Average benzene prices (eastern and western Japan) converted to Yen

6. FOB exports (Yen/kl)

Jet fuel, gasoil, fuel oil 380cst

The index is calculated as follows:

$$(1+2)/2 = A$$

$$(3+4)/2 = B$$

$$(5+6)/2 = C$$

$$(A+B+C)/3 = \text{Rim Energy Composite Index 22 (RECX-22)}$$

Release of the index

The daily index calculated from the previous days' prices will be released at noon on the following business day (excluding Rim holidays). The monthly average index will be released by the 5th business day in the following month. Rim may stop releasing this index without prior notice.

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