Chapter 234

European Gasoil 0.1% Barges fob Rotterdam (Platts) vs. European Gasoil (ICE) Spread Balmo Swap

23401. Description
23401.1 The European Gasoil 0.1% Barges fob Rotterdam (Platts) vs. European Gasoil (ICE) Spread Balmo Swap is a financially settled swap referencing the spread differential between the Platts Gasoil 0.1% barges fob Rotterdam price assessment and the ICE Gasoil Futures contract for months up to December 2014 and ICE Low Sulphur Gasoil for contract months from January 2015 onwards. The reference period for the European Gasoil 0.1% Barges fob Rotterdam (Platts) vs. European Gasoil (ICE) Spread Balmo Swap begins with the date during the Contract Month agreed by the counterparties and ends on the last business day of the month.

23401.2 The CME Clearing Europe commodity code shall be E6V.

23402. Contract Size
23402.1 The contract size shall be 1,000 metric tons.

23403. Contract Months
23403.1 European Gasoil 0.1% Barges fob Rotterdam (Platts) vs. European Gasoil (ICE) Spread Balmo Swaps shall be available for the current calendar month, and for the following calendar month for ten business days prior to the start of the calendar month. For each available Contract Month, a start date of any business day from and including the current business day may be selected, subject to 23403.2 below.

23403.2 No contract months shall be made available after the December 2014 contract month.

23404. Prices
23404.1 Prices shall be quoted in U.S. dollars and cents per metric ton.
23404.2 The minimum price fluctuation shall be $0.001 per metric ton.
23404.3 There shall be no maximum price fluctuation.

23405. Daily Settlement Prices
23405.1 The Clearing House shall establish settlement prices in respect of open positions for the purposes of position valuation and variation margin calculation, as described in the Clearing Procedures.

23406. Termination of Trading
Trade submission shall cease on the last business day of the contract month.

On the last trading day, as described in 23406.1, the final time for trade submission shall be 4:30pm London time.

**Floating Price**

The Floating Price for each contract month up to and including December 2014 is equal to the arithmetic average of the mid-point of the high and low quotations published daily in Platts European Marketscan for Gasoil 0.1% under the heading “Barges FOB Rotterdam” from the selected start date to the end of the contract month inclusive minus the ICE Gasoil Futures first nearby contract settlement price for each business day from the selected start date to the end of the contract month inclusive (using non-common pricing), except as set out in 23407.2 below.

The Floating Price for each contract month from January 2015 onwards is equal to the arithmetic average of the mid-point of the high and low quotations published daily in Platts European Marketscan for Gasoil 0.1% under the heading “Barges FOB Rotterdam” from the selected start date to the end of the contract month inclusive minus the ICE Low Sulphur Gasoil Futures first nearby contract settlement price for each business day from the selected start date to the end of the contract month inclusive (using non-common pricing), except as set out in 23407.2 below.

The settlement price of the first nearby contract month will be used except on the last day of trading for the expiring ICE Gasoil or Low Sulphur Gasoil Futures contract when the settlement price of the second nearby Gasoil or Low Sulphur Gasoil Futures contract will be used.

**Final Settlement**

Final settlement for the European Gasoil 0.1% Barges fob Rotterdam (Platts) vs. European Gasoil (ICE) Spread Balmo Swap shall be by financial settlement.

Where the Floating Price exceeds the Trade Price, a buyer of a European Gasoil 0.1% Barges fob Rotterdam (Platts) vs. European Gasoil (ICE) Spread Balmo Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size. Where the Trade Price exceeds the Floating Price, a buyer of a European Gasoil 0.1% Barges fob Rotterdam (Platts) vs. European Gasoil (ICE) Spread Balmo Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

Where the Floating Price exceeds the Trade Price, a seller of a European Gasoil 0.1% Barges fob Rotterdam (Platts) vs. European Gasoil (ICE) Spread Balmo Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size. Where the Trade Price exceeds the Floating Price, a seller of a European Gasoil 0.1% Barges fob Rotterdam (Platts) vs. European Gasoil (ICE)
Spread Balmo Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

23409. **Disclaimer**

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