Chapter 312

Brent Crude Oil (ICE) Micro Penultimate Swap

31201. **Description**

31201.1 The Brent Crude Oil (ICE) Micro Penultimate Swap is a financially settled swap referencing the ICE Brent Crude Oil Futures contract.

31201.2 The CME Clearing Europe commodity code shall be MBPE.

31202. **Contract Size**

31202.1 The contract size shall be 1 barrel.

31203. **Contract Months**

31203.1 The Brent Crude Oil (ICE) Micro Penultimate Swaps shall be available for consecutive calendar months for the balance of the current calendar year and monthly for a further 7 consecutive calendar years.

31204. **Prices**

31204.1 Prices shall be quoted in US Dollars and cents per barrel.

31204.2 The minimum price fluctuation shall be $0.01 per barrel.

31204.3 There shall be no maximum price fluctuation.

31205. **Daily Settlement Prices**

31205.1 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.

31206. **Termination of Trading**

31206.1 Trading shall cease one business day prior to the termination of the ICE Brent Futures contract.

Therefore, for Contract Months up to and including February 2016, trading shall cease two business days before the fifteenth calendar day prior to the first day of the delivery month, if the fifteenth calendar day is not a holiday or weekend in London. If the fifteenth calendar day is a holiday or weekend in London, trading shall end three business days prior to the last business day preceding the fifteenth calendar day.

For Contract Months March 2016 and onwards, trading shall cease on the UK business day preceding the last UK business day of the second month preceding the contract
month, except for the UK business day preceding New Year’s Day, where trading shall cease on the third UK business day preceding New Year’s Day.

31206.2 On the last trading day, as described in 13806.1, the final time for trade submission shall be 19:30pm London time.

31207. Floating Price

31207.1 The Floating Price for each contract month is equal to the ICE settlement price of the ICE Brent Crude Oil Futures first nearby contract on the last trading day.

31208. Final Settlement

31208.1 Final settlement for the Brent Crude Oil (ICE) Micro Penultimate Swap shall be by financial settlement.

31208.2 Where the Floating Price exceeds the Trade Price, a buyer of a Brent Crude Oil (ICE) Micro Penultimate 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 Brent Crude Oil (ICE) Micro Penultimate Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

31208.3 Where the Floating Price exceeds the Trade Price, a seller of a Brent Crude Oil (ICE) Micro Penultimate 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 Brent Crude Oil (ICE) Micro Penultimate Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

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