Chapter 414
European Wood Pellets cif NWE (Argus) Calendar Swap

41401.  Description
41401.1  The European Wood Pellets cif NWE (Argus) Calendar Swap is a financially settled swap referencing the Argus Wood Pellets cif ARA price index.
41401.2  The CME Clearing Europe commodity code shall be WPSE.

41402.  Contract Size
41402.1  The contract size shall be 100 metric tons.

41403.  Contract Months
41403.1  European Wood Pellets cif NWE (Argus) Calendar Swaps shall be available for 12 consecutive calendar months.

41404.  Prices
41404.1  Prices shall be quoted in US Dollars and cents per metric ton.
41404.2  The minimum price fluctuation in respect of traded prices and daily settlement prices shall be $0.05 per metric ton.
41404.3  The minimum price fluctuation in respect of the Floating Price shall be $0.01.
41404.4  There shall be no maximum price fluctuation.

41405.  Daily Settlement Prices
41405.1  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.

41406.  Termination of Trading
41406.1  Trade submission shall cease on the last Wednesday day of the contract month.
41406.2  On the last trading day, as described in 41406.1, the final time for trade submission shall be 5:30pm London time.
Floating Price

The Floating Price for each contract month is equal to the arithmetic average of the weekly Wood Pellets cif ARA index, quoted in US Dollars per metric ton, published in Argus Biomass Markets during the contract month.

Final Settlement

Final settlement for the European Wood Pellets cif NWE (Argus) Calendar Swap shall be by financial settlement.

Where the Floating Price exceeds the Trade Price, a buyer of a European Wood Pellets cif NWE (Argus) Calendar 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 Wood Pellets cif NWE (Argus) Calendar Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

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