Chapter 610

Propane (Argus) Far East Index vs. European Propane cif ARA (Argus) Spread Calendar Swap

61001. Description

61001.1 The Propane (Argus) Far East Index vs. European Propane cif ARA (Argus) Spread Calendar Swap is a financially settled swap referencing the spread differential between the Argus Far East Index for propane and the Argus Propane cif ARA (large cargoes) price assessment.

61001.2 The CME Clearing Europe commodity code shall be E91.

61002. Contract Size

61002.1 The contract size shall be 1,000 metric tons.

61003. Contract Months

61003.1 The Propane (Argus) Far East Index vs. European Propane cif ARA (Argus) Spread Calendar Swap shall be available for 36 consecutive calendar months.

61004. Prices

61004.1 Prices shall be quoted in U.S. dollars and cents per metric ton.

61004.2 The minimum price fluctuation shall be $0.001 per metric ton.

61004.3 There shall be no maximum price fluctuation.

61005. Daily Settlement Prices

61005.1 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.

61006. Termination of Trading

61006.1 Trade submission shall cease on the last business day of the contract month.

61006.2 On the last trading day, as described in 61006.1, the final time for trade submission shall be 5:30pm Singapore time.
6107. **Floating Price**

6107.1 The Floating Price for each contract month is equal to the arithmetic average of the Argus Far East Index for Propane for each business day that it is determined during the contract month minus the arithmetic average of the high and low quotations from Argus Media for Propane cif ARA (large cargoes) for each business day that it is determined during the contract month (using non-common pricing).

6108. **Final Settlement**

6108.1 Final settlement for the Propane (Argus) Far East Index vs. European Propane cif ARA (Argus) Spread Calendar Swap shall be by financial settlement.

6108.2 Where the Floating Price exceeds the Trade Price, a buyer of a Propane (Argus) Far East Index vs. European Propane cif ARA (Argus) Spread 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 Propane (Argus) Far East Index vs. European Propane cif ARA (Argus) Spread Calendar Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

6108.3 Where the Floating Price exceeds the Trade Price, a seller of a European Propane (Argus) Far East Index vs. European Propane cif ARA (Argus) Spread Calendar 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 Propane (Argus) Far East Index vs. European Propane cif ARA (Argus) Spread Calendar 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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