

CL HO and RBOB Settlement Examples

Example 1:

CL, RB, or HO Futures Settlement Description

Once the settlement of the designated active month has been derived, all other months, beginning with the nearest month and proceeding in chronological order, will settle using a VWAP of accumulated calendar spread transactions. Spread transactions must have traded between 14:28:00 - 14:30:00 ET, the calendar spread settlement period. For clarity, each month's settle will be derived using spread transactions in which the settling month is the deferred contract. (Example: during the month of October 2017 the March 18 settlement will take into account the spread trades occurring in Nov 17-Mch 18, Dec 17-Mch 18, Jan 18-Mch 18 and the Feb 18-Mch 18. A transaction in Mch 18-June 18 would not be used to settle the Mch 18.)

Example 2:

CL Contracts	Settlement Price	Derivation Logic
November (Active) Contract (CLX7)	50.58	VWAP of 10,584 contracts of outright trade in the CLX7 (Active) contract.
December Contract (CLZ7)	50.90	Using CLX7-CLZ7 and CLX7 to imply outright settlement: outright value(50.58) - spread value(-.32) = (50.90) * spread volume(2326) / 1 month = spread volume(2326) Implying settlement using implied outright settlements prices and total spread volume 2326; Blended VWAP of 50.90
January Contract (CLF8)	51.13	Using CLZ7-CLF8 and CLZ7 to imply outright settlement: outright value(50.90) - spread value(-.24) = (51.14) * spread volume(371) / 1 month = spread volume(371) Using CLX7-CLF8 and CLX7 to imply outright settlement: outright value(50.58) - spread value(-.55) = (51.13) * spread volume(998) / 2 month = spread volume(499)
February Contract (CLG8)	51.26	Using CLF8-CLG8 and CLF8 to imply outright settlement: outright value(51.13) - spread value(-.13) = (51.26) * spread volume(328) / 1 month = spread volume(328) Using CLZ7-CLG8 and CLZ7 to imply outright settlement: outright value(50.90) - spread value(-.36) = (51.26) * spread volume(70) / 2 month = spread volume(35) Using CLX7-CLG8 and CLX7 to imply outright settlement: outright value(50.58) - spread value(-.68) = (51.26) * spread volume(437) / 3 month = spread volume(145.6) Implying settlement using implied outright settlements prices and total spread volume 835; Blended VWAP of 51.26
March Contract (CLH8)	51.32	Using CLG8-CLH8 and CLG8 to imply outright settlement: outright value(51.26) - spread value(-.06) = (51.32) * spread volume(34) / 1 month = spread volume(34) Using CLF8-CLH8 and CLF8 to imply outright settlement: outright value(51.13) - spread value(-.19) = (51.32) * spread volume(155) / 2 month = spread volume(77.5) Using CLZ7-CLH8 and CLZ7 to imply outright settlement: outright value(50.90) - spread value(-.42) = (51.32) * spread volume(254) / 3 month = spread volume(84.6) Using CLX7-CLH8 and CLX7 to imply outright settlement: outright value(50.58) - spread value(-.74) = (51.32) * spread volume(416) / 4 month = spread volume(104) Implying settlement using implied outright settlements prices and total spread volume 859; Blended VWAP of 51.32

April Contract (CLJ8)	51.34	<p>Using CLH8-CLJ8 and CLH8 to imply outright settlement: outright value(51.32) - spread value(-.02) = (51.34) * spread volume(414) / 1 month = spread volume(414)</p> <p>Using CLG8-CLJ8 and CLG8 to imply outright settlement: outright value(51.26) - spread value(-.07) = (51.33) * spread volume(249) / 2 month = spread volume(124.5)</p> <p>Using CLF8-CLJ8 and CLF8 to imply outright settlement: outright value(51.13) - spread value(-.20) = (51.33) * spread volume(31) / 3 month = spread volume(10.3)</p> <p>Using CLZ7-CLJ8 and CLZ7 to imply outright settlement: outright value(50.90) - spread value(-.43) = (51.33) * spread volume(18) / 4 month = spread volume(4.5)</p> <p>Using CLX7-CLJ8 and CLX7 to imply outright settlement: outright value(50.58) - spread value(-.75) = (51.33) * spread volume(77) / 5 month = spread volume(15.4)</p> <p>Implying settlement using implied outright settlements prices and total spread volume 789; Blended VWAP of 51.34</p>
May Contract (CLK8)	51.30	<p>Using CLJ8-CLK8 and CLJ8 to imply outright settlement: outright value(51.34) - spread value(.04) = (51.30) * spread volume(250) / 1 month = spread volume(250)</p> <p>Using CLH8-CLK8 and CLH8 to imply outright settlement: outright value(51.32) - spread value(.02) = (51.30) * spread volume(114) / 2 month = spread volume(57)</p> <p>Using CLG8-CLK8 and CLG8 to imply outright settlement: outright value(51.26) - spread value(-.04) = (51.30) * spread volume(17) / 3 month = spread volume(5.6)</p> <p>Using CLF8-CLK8 and CLF8 to imply outright settlement: outright value(51.13) - spread value(-.17) = (51.30) * spread volume(100) / 4 month = spread volume(25)</p> <p>Using CLZ7-CLK8 and CLZ7 to imply outright settlement: outright value(50.90) - spread value(-.40) = (51.30) * spread volume(6) / 5 month = spread volume(1.2)</p> <p>Using CLX7-CLK8 and CLX7 to imply outright settlement: outright value(50.58) - spread value(-.71) = (51.29) * spread volume(25) / 6 month = spread volume(4.2)</p> <p>Implying settlement using implied outright settlements prices and total spread volume 512; Blended VWAP of 51.30</p>