

Bitcoin

This page describes:

- [CME Bitcoin Futures Daily Settlement Procedure](#)
 - [Normal Daily Settlement Procedure](#)
 - [Lead Month](#)
 - [Second Month](#)
 - [Back Months](#)
- [CME Micro Bitcoin Futures Daily Settlement Procedure](#)
 - [Normal Daily Settlement Procedure](#)
 - [Final Settlement Procedure](#)
- [CME Ether-Dollar Futures Daily Settlement Procedure](#)
 - [Normal Daily Settlement Procedure](#)
 - [Lead Month](#)
 - [Second Month](#)
 - [Back Months](#)
- [CME Micro Ether Futures Daily Settlement Procedure](#)
 - [Normal Daily Settlement Procedure](#)
 - [Final Settlement Procedure](#)

CME Bitcoin Futures Daily Settlement Procedure

Normal Daily Settlement Procedure

CME Group staff determines the daily settlements for Bitcoin (BTC) futures based on trading activity on CME Globex between 14:59:00 and 15:00:00 Central Time (CT), the settlement period.

Lead Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

Tier 1: If the lead month contract trades on Globex between 14:59:00 and 15:00:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

Tier 2: If no trades in the lead month occur between 14:59:00 and 15:00:00 CT, then the contract month settles to the midpoint of the Bid/Ask between 14:59:00 to 15:00:00 CT, the settlement period.

Tier 3: If a two-sided market is not available on Globex during the closing period, then the reference rate will be used in the following Carry calculation to derive a settlement price.

Reference Rate + [(Days to expiration/ 365) x Interest rate x Reference Rate]

Second Month

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

Tier 1: If the lead month-second month spread trades on Globex between 14:59:00 and 15:00:00 CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

Tier 2: If there are no spread trades on Globex between 14:59:00 and 15:00:00 CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's Bid/ Ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

Tier 3: If there is no spread market information available on Globex, then the reference rate will be used in the following Carry calculation to derive a settlement price

Reference Rate + [(Days to expiration/ 365) x Interest rate x Reference Rate]

Back Months

To derive settlements for all remaining months, the following Carry calculation will be used to derive settlement prices provided that this value does not violate the bid or ask between 14:59:00 and 15:00:00 CT for the respective outrights and spreads.

Reference Rate + [(Days to expiration/ 365) x Interest rate x Reference Rate]

CME Micro Bitcoin Futures Daily Settlement Procedure

Normal Daily Settlement Procedure

The daily settlements in the Micro Bitcoin (MBT) Futures contracts are derived directly from the settlements in the Bitcoin (BTC) futures contracts. Daily settlements derived in the BTC will be copied directly to the MBT for each contract listing.

Final Settlement Procedure

Delivery is by cash settlement by reference to the Final Settlement Price, equal to the CME CF Bitcoin Reference Rate (BRR) on the Last Day of Trading

CME Ether-Dollar Futures Daily Settlement Procedure

Normal Daily Settlement Procedure

CME Group staff determines the daily settlements for Ether (ETH) futures based on trading activity on CME Globex between 14:59:00 and 15:00:00 Central Time (CT), the settlement period.

Lead Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

Tier 1: If the lead month contract trades on Globex between 14:59:00 and 15:00:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

Tier 2: If no trades in the lead month occur between 14:59:00 and 15:00:00 CT, then the contract month settles to the midpoint of the Bid/Ask between 14:59:00 to 15:00:00 CT, the settlement period.

Tier 3: If a two-sided market is not available on Globex during the closing period, then the reference rate will be used in the following Carry calculation to derive a settlement price.

Reference Rate + [(Days to expiration/ 365) x Interest rate x Reference Rate]

Second Month

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

Tier 1: If the lead month-second month spread trades on Globex between 14:59:00 and 15:00:00 CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

Tier 2: If there are no spread trades on Globex between 14:59:00 and 15:00:00 CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's Bid/ Ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

Tier 3: If there is no spread market information available on Globex, then the reference rate will be used in the following Carry calculation to derive a settlement price

Reference Rate + [(Days to expiration/ 365) x Interest rate x Reference Rate]

Back Months

To derive settlements for all remaining months, the following Carry calculation will be used to derive settlement prices provided that this value does not violate the bid or ask between 14:59:00 and 15:00:00 CT for the respective outrights and spreads.

Reference Rate + [(Days to expiration/ 365) x Interest rate x Reference Rate]

CME Micro Ether Futures Daily Settlement Procedure

Normal Daily Settlement Procedure

The daily settlements in the Micro Ether Futures (MET) contracts are derived directly from the settlements in the Ether futures (ETH) contracts. Daily settlements derived in the ETH will be copied directly to the MET for each contract listing.

Final Settlement Procedure

Delivery is by cash settlement by reference to the Final Settlement Price, equal to the CME CF Ether Reference Rate (ETHUSD_RR) on the Last Day of Trading.

If you have any questions, please call the [CME Global Command Center](#).

Note: In the event the aforementioned calculations described in this advisory cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity yields results that are not representative of the fair value of the contract, the staff may determine an alternative settlement price.