

Chapter 1314

WTI Midland (Argus) vs. Brent Calendar Month Futures

1314100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1314101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the WTI Midland (1st month) weighted average index price from Argus Media minus ICE Brent (1st month) for each business day during the contract month.

The settlement price of the first nearby contract month will be used except on the last day of trading for the expiring Brent Crude Oil Futures contract when the settlement price of the second nearby contract will be used.

The Floating Price is calculated using the non-common pricing convention. In calculating the spread differential, the monthly average for each component leg of the spread shall be calculated by using all trading days in the month for each component leg of the spread, followed by the calculation of the spread differential between the two averages.

1314102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1314102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1314102.B. Trading Unit

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

1314102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.005 per barrel for transactions submitted for clearing via CME ClearPort. The minimum price fluctuation shall be \$0.01 per barrel for trades executed on CME Globex electronic trading platform.

1314102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1314102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

1314103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1314104. DISCLAIMER

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.