



## CME Group to Launch First-Ever Physical LNG Futures Contract Connecting Global Gas Market Participants to U.S. Exports in October

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CHICAGO, Sept. 4, 2019 /PRNewswire/ -- [CME Group](#), the world's leading and most diverse derivatives marketplace, today announced its new liquefied natural gas (LNG) futures contract – U.S. LNG Export futures – will be available for trading on October 14, 2019, pending regulatory review.

U.S. LNG Export futures will be the first-ever physically delivered LNG contract. Participants will take delivery at Cheniere Energy's Sabine Pass facility. The Freeport LNG terminal and additional facilities will be included in future delivery months.

The new LNG futures contract expands CME Group's already robust suite of global natural gas futures and options and will complement the world's leading gas benchmark [Henry Hub Natural Gas futures](#).

"Working very closely with commercial customers and industry participants in the LNG market, we are pleased to launch this new LNG futures contract that offers participants a truly unique global risk management tool," said Peter Keavey, CME Group Global Head of Energy. "This contract is structured to align with the complex logistics of the LNG markets, including a unique monthly physical settlement on the U.S. Gulf Coast. At a time when the United States is poised to become a significant source of freely traded LNG cargoes, we believe CME Group's LNG and Henry Hub Natural Gas futures will help the industry to more effectively and efficiently manage price risk around the world."

"As the first source of large-scale US LNG, it is fitting that Cheniere's Sabine Pass LNG facility will also be the first delivery location for this innovative LNG futures contract. This futures contract will allow for enhanced short-term price discovery and risk management for the U.S. Gulf Coast market. These are important commercial evolutions for our customers and for the broader global natural gas market," said Anatol Feygin, Chief Commercial Officer and Executive Vice President for Cheniere.

According to the International Energy Agency (IEA), by 2024, the United States will surpass Australia and Qatar as the world's largest exporter of LNG. Additionally, the IEA anticipates U.S. LNG exports to exceed 100 billion cubic meters (bcm) in the next five years. Global LNG demand is predicted to grow 4% annually, after reaching a record 432 bcm in 2018, driven by growth in the Asia Pacific region.

"As the world's largest buyer of LNG, we believe diverse risk management tools bring more transparency to the marketplace and we welcome CME Group's launch of physically delivered LNG futures," noted Kazunori Kasai, Chief Executive Officer of JERA Global Markets Pte. Ltd. "We expect CME Group's U.S. LNG Export futures contract will have a positive impact on the procurement and price discovery of LNG in Asia, as well as in the U.S."

U.S. LNG Export futures will be available for trading on CME Globex, for submission for clearing through CME ClearPort, and will be listed with and subject to the rules and regulations of NYMEX. For more information, please visit [www.cmegroup.com/LNG](http://www.cmegroup.com/LNG).

As the world's leading and most diverse derivatives marketplace, CME Group ([www.cmegroup.com](http://www.cmegroup.com)) enables clients to trade futures, options, cash and OTC markets, optimize portfolios, and analyze data – empowering market participants worldwide to efficiently manage risk and capture opportunities. CME Group exchanges offer the widest range of global benchmark products across all major asset classes based on [interest rates](#), [equity indexes](#), [foreign exchange](#), [energy](#), [agricultural products](#) and [metals](#). The company offers futures and options on futures trading through the [CME Globex®](#) platform, fixed income trading via BrokerTec and foreign exchange trading on the EBS platform. In addition, it operates one of the world's leading central counterparty clearing providers, CME Clearing. With a range of pre- and post-trade products and services underpinning the entire lifecycle of a trade, CME Group also offers optimization and reconciliation services through TriOptima, and trade processing services through Traiana.

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