



CME Group Announces Enhancements to NYMEX WTI Houston Crude Oil Futures Contract

December 5, 2019

New product specifications, delivery locations to be added in 2020

CHICAGO, Dec. 5, 2019 /PRNewswire/ -- CME Group, the world's leading and most diverse derivatives marketplace, today announced enhanced product specifications and two additional delivery points for its WTI Houston crude oil futures contracts, pending regulatory review.

Beginning with the March 2020 contract expiry, CME Group will require lower sulfur and metals content for deliverable WTI Houston crude to better reflect the prevailing Permian grade crude oil in the U.S. Gulf Coast market. The new requirements will reflect a lower sulfur content of 0.2%, as well as a reduction of vanadium and nickel parameters to an aggregate 3 parts per million (ppm).

In addition, and also beginning with the March 2020 contract, suppliers, refiners and end users of U.S. crude oil will have the flexibility to take delivery of U.S. light sweet crude oil at Moore Road Junction, a key distribution point for the Houston, Texas market. Further, in the second quarter of 2020, CME Group intends to include Free On Board (FOB) delivery at export docks located at Enterprise Houston Ship Channel (EHSC), allowing clients to elect to take direct delivery of waterborne WTI Houston Crude Oil (HCL). These two new delivery locations will complement the three existing facilities – Enterprise Crude Houston (ECHO) terminal, the EHSC terminal and Genoa Junction – which have been in place since launch in November 2018.

"We believe these enhancements will provide an even better way for customers to hedge physical price risk, further contributing to the transparency of U.S. crude oil prices on the water in the growing Houston region," said Peter Keavey, CME Group Global Head of Energy. "As Houston's importance as a trading and export hub for physical crude oil from Cushing and the Permian Basin continues to evolve, we will continue to innovate to ensure that the WTI Houston contract provides clients with price discovery, liquidity and risk transfer."

The WTI Houston Crude Oil futures contract expands CME Group's already robust suite of crude oil futures and options and will complement the global benchmark NYMEX [WTI Light Sweet Crude Oil futures](#). Since launch more than 200,000 WTI Houston Crude futures contracts have traded, and the product has reached multiple open interest records during 2019.

WTI Houston Crude Oil futures are listed with and subject to the rules of NYMEX. For more information, please visit www.cmegroup.com/wti-houston.

As the world's leading and most diverse derivatives marketplace, CME Group (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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Media Contacts: Matt Stroud, +1.312.561.2269, Donal McCarthy, +44.203.397.3977, news@cmegroup.com, www.cmegroup.com/mediaroom.com; or
Investor Contact: John Peschier, 312.930.8491