



CME Group Announces First Trades of Global Emissions Offset (GEO) Futures

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CHICAGO, March 3, 2021 /PRNewswire/ -- CME Group, the world's leading and most diverse derivatives marketplace, today announced that its Global Emissions Offset (GEO) futures have launched and are available for trading. The total volume for the first two trading days was 81 contracts across five different contract months, with participation on screen and through the block market from nine firms, including Macquarie Group, Hartree Partners and Mercuria. The first trades took place on Sunday, February 28 and were executed by Evolution Markets Inc.

"We are excited to see early customer interest and support for the new GEO futures, which represent another way CME Group is meeting the evolving risk management needs of our global energy markets," said Peter Keavey, Global Head of Energy at CME Group. "Demand for decarbonization continues to accelerate, and GEO futures will help to establish a global pricing benchmark for the voluntary emissions offset market, providing customers with greater optionality in managing their short and long-term emissions price risk."

"This is an important milestone in the evolution of the voluntary carbon market and the energy transition. It presents a new way for market participants to access exchange-traded futures contracts for voluntary carbon and to better manage risk," said Ozzie Pagan, Senior Managing Director at Macquarie Group, which along with Xpansiv market CBL, worked with CME Group in developing the GEO futures. "The GEO futures offer a new set of tools for carbon offsetting strategies. Macquarie is pleased to be a contributor in driving innovation and broader market participation in carbon markets."

"CME Group's new GEO contract launched at a time when our partners are increasingly looking for tools to mitigate their global emissions risk. As a leading participant in global energy markets, we welcome the introduction of a standardized pricing benchmark for the voluntary offset space. This should provide a liquid and transparent market-based benchmark for environmental risk management strategies," said Ariel Perez, of Hartree Partners.

"CME Group's launch of the GEO futures product is a further demonstration of the evolution of voluntary carbon markets," said Adam Raphaely, Head of Emissions Markets at Mercuria Energy America. "Mercuria is excited to participate in the deployment of market-based mechanisms to accelerate decarbonization across diverse industries and geographies."

GEO futures were designed to help customers manage the risks associated with voluntary decarbonization strategies. GEO futures are based on the rigorous selection criteria and review process developed for the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), which firms across various industries and geographies rely on to assess the validity of offset credits.

GEO futures allow for delivery of CORSIA eligible voluntary offset credits from three ICAO approved registries and are listed by and subject to the rules of NYMEX. For more information, please visit www.cmegroup.com/geo.

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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