



September 24, 2018

CME Group to Launch Physical WTI Houston Crude Oil Futures Contract

Enterprise to provide three physical delivery points for new risk management tool

CHICAGO, Sept. 24, 2018 /PRNewswire/ -- Suppliers, refiners and end users of U.S. crude oil will have a new way to price and hedge WTI light sweet crude oil in Houston beginning in Q4 2018. [CME Group](#), the world's leading and most diverse derivatives marketplace, will offer a new WTI Houston Crude Oil futures contract with three physical delivery locations on the Enterprise Houston system, pending regulatory review. WTI Houston Crude Oil futures will be listed with and subject to the rules of NYMEX, beginning with the January 2019 contract month.

The new 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](#). Participants will have the flexibility to make or take delivery of U.S. light sweet crude oil at the Enterprise Crude Houston (ECHO) terminal, Enterprise Houston Ship Channel (EHSC) or Genoa Junction through the new contract.

"Houston's importance as a trading and export hub for physical crude oil from Cushing and the Permian Basin continues to evolve due to the shale oil revolution and repeal of the crude oil export ban," said Peter Keavey, CME Group Global Head of Energy. "The WTI Houston contract offers commercial customers and physical traders a way to hedge their physical price risk, enhances the transparency of U.S. crude oil prices on the water in Houston and reinforces the strength of our global benchmark WTI Cushing contract. We believe the network of domestic users and location close to export facilities will ensure this contract provides transparent price discovery and risk transfer in the growing Houston region."

Enterprise has a network of 19 ship docks along the Gulf Coast and is the largest exporter of crude oil in the U.S. and the ideal provider of delivery points for this physical WTI Houston futures contract. Through its network of pipelines, storage and marine terminals, the firm has the capability to handle the flow of more than four million barrels per day of crude oil. Participants will also benefit from access to a diverse group of refiners, storage facilities and export facilities through the Enterprise network.

For more information, please visit www.cmegroup.com/wti houston.

CME Group will host a conference call for media QA at 9:00 a.m. Central Time today.

CME Group Global Head of Energy, Peter Keavey, and Managing Director of Energy Research, Owain Johnson, will be available for press questions at this time.

Participant Access Information

Please join the event conference 5-10 minutes prior to start time, using one of the numbers below, along with the confirmation code:

United States: 800-949-2175 / 323-994-2131

U.K.: 0800-279-7204 / +44 (0)330-336-9411

Singapore: 800-186-5085 / +65-6320-9075

Participant Confirmation Code: 9226820

About CME Group

As the world's leading and most diverse derivatives marketplace, CME Group (www.cmegroup.com) is where the world comes to manage risk. CME Group exchanges offer the widest range of global benchmark products across all major asset classes, including futures and options based on [interest rates](#), [equity indexes](#), [foreign exchange](#), [energy](#), [agricultural products](#) and [metals](#). Around the world, CME Group brings buyers and sellers together through its [CME Globex®](#) electronic trading platform. CME Group also operates one of the world's leading central counterparty clearing providers through [CME Clearing](#), which offers clearing and settlement services across asset classes for exchange-traded and over-the-counter derivatives. CME Group products and services ensure that businesses around the world can effectively manage risk and achieve growth.

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