

ICE MSCI Low Carbon Target Core Index futures



The MSCI Global Low Carbon Target Core Indexes (the “Indexes”) are designed to address two dimensions of carbon exposure – carbon emissions and fossil fuel reserves. The Indexes are intended to help identify potential risks associated with the transition to a low carbon economy while representing the performance of the broad equity market.

To help institutional investors integrate those climate considerations into their investment process, ICE offers the following five futures contracts based on the Indexes:

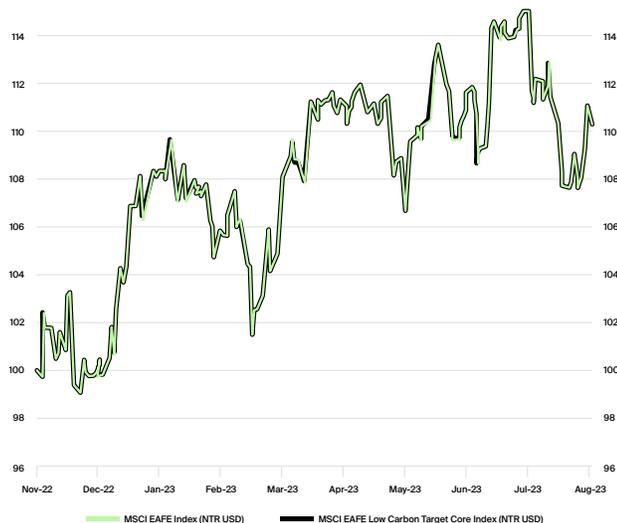
- MSCI ACWI Low Carbon Target Core net total return index futures (USD)
- MSCI EAFE Low Carbon Target Core net total return index futures (USD)
- MSCI EM Low Carbon Target Core net total return index futures (USD)
- MSCI USA Low Carbon Target Core gross total return index futures (USD)
- MSCI World ex-USA Low Carbon Target Core net total return index futures (USD)

MSCI Low Carbon Target Core Index methodology overview

The Indexes are constructed by selecting constituents from a corresponding market capitalization weighted MSCI parent index through an optimization process that aims to maximize the reduction of carbon exposure compared to such parent index (carbon emissions and fossil fuel reserves) all while maintaining a tracking error constraint of 0.3% (30 basis points).

Cumulative index performance

MSCI EAFE NTR USD Index vs. MSCI EAFE Low Carbon Target Core NTR USD Index



	MSCI EAFE Index	MSCI EAFE Low Carbon Target Core Index
Tracking error	0.00%	0.44%
# constituents	798	711
Turnover (%)	2.11%	8.11%
Agg. climate VaR %	-25.0%	-21.0%
Wtd avg carbon intensity*	1,044	951
Fossil fuel reserves**	8.60%	6.30%
ESG score	7.70	7.80

*Weighted average Scope 1, Scope 2 and Scope 3 carbon emissions intensity normalized by sales. (Unit: tons of CO2/\$ million sales)

**Exposure to companies with evidence of owning proven or probable coal and proven oil and natural gas reserves used for energy generation.

Source: msci.com/our-solutions/indexes/index-profile-tool/index-metrics/msci-eafe-low-carbon-target-core/750569 as of Aug. 31st, 2023

ICE's MSCI Low Carbon Target Core Index Futures are standardized contracts listed on ICE Futures US. They are tradable alongside the flagship MSCI EAFE & MSCI Emerging Markets (EM) Index futures.

These contracts benefit from risk-based margining as well as offsets against other contracts traded with the exchange.

Contract specifications

	MSCI ACWI Low Carbon Target Core Futures	MSCI EAFE Low Carbon Target Core Futures	MSCI EM Low Carbon Target Core Futures	MSCI USA Low Carbon Target Core Futures	MSCI world ex-USA Low Carbon Target Core Futures
Contract code	MTO	MTN	MLT	MTK	MTM
Variant	Net total return	Net total return	Net total return	Gross total return	Net total return
Currency	USD	USD	USD	USD	USD
Index ticker	NU750901	NU750569	NU750571	GU750578	NU750900
Futures ticker (BIC ticker) Refinitiv	MTOA Index (BIC TBC) O#MTO	MNRA Index (BIC TBC) O#MTN	MTLA Index (BIC TBC) O#MLT	MTRA Index (BIC TBC) O#MTK	MTPA Index (BIC TBC) O#MTM
Contract size	\$20	\$25	\$50	\$10	\$25
Indicative contract value*	~\$55,000	~\$50,000	~\$60,000	~\$35,000	~\$50,000
Tick size (index points)	0.1	0.1	0.1	0.1	0.1
Tick value	\$2.0	\$2.5	\$5.0	\$10.0	\$2.5
Price quotation	Index points, to three decimal places				
Delivery months	5 Quarterly expiries in the Mar., Jun., Sept., Dec. cycle				
Last trading day	Third Friday of the expiration month. Trading in the expiring contract ceases at 4:15 p.m. NY time				
Final settlement	Cash settlement to the closing value of the Index on the Last Trading Day for the contract.				
CFTC	Yes	Yes	Yes	Yes	Yes

Note that the minimum block size for the MSCI Low Carbon Target Core Index Futures contracts is set at 5 lots.

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