



Trade At Settlement FAQ

June 2024

1.1 Settlement trades

This document sets out the contracts and contract months for which market participants may execute trades at the settlement price (“TAS”), or a premium/discount to the settlement price, and the trading hours during which they may do so. For a summary of the TAS facilities available in each contract, please see the table in section 1.4.

Settlement trades may be executed until the end of the relevant designated settlement period for the following contracts:

Brent Futures
WTI Futures
Midland WTI Futures
LS Gasoil Futures
RBOB Gasoline Futures
Heating Oil Futures
ULS Heating Oil Futures
ULS Diesel Futures
Dubai 1st Line Futures
London Cocoa Futures
Robusta Coffee Futures
White Sugar Futures
Short, Medium, Long and Ultra Long Gilt Futures
Short, Medium, Long and Ultra Long Bund Futures
Three Month Euro (EURIBOR ®) Futures
UK Natural Gas Futures
UKA Futures
IFEU Dutch TTF Natural Gas Futures

1.2 Settlement trades at a premium/discount to the settlement price

Settlement trades may be executed at a premium or discount to the settlement price, as detailed in section 1.4. Settlement trades may be executed on the central limit order book or executed as Block Trades (“Block TAS Trades”).

Settlement trades appear in the ICE Front End Clearing (“FEC”) system at the price executed (e.g. 0.00, 0.01, -0.01) until the official settlement price has been published by the Exchange. Upon receiving the official settlement price, FEC will update the price of the settlement trades, adjusting appropriately for any premium or discount.

The trade type for TAS trades executed on screen is ‘Z’. The trade type for Block TAS Trades is ‘W’.

Example

Trader A enters a 1 lot bid in Brent Crude Futures Jun23 TAS at -0.01 at 10:48. Trader B hits the 1 lot bid at 15:30.

At 19:30, the settlement price for Jun23 Brent Crude Futures is published as \$60.01. The trade matched above will be priced at \$60.01 minus 0.01, i.e., \$60.00.

Trader A is subsequently long 1 lot at \$60.00, whilst Trader B is short 1 lot at \$60.00.

1.3 Inter-Product Spread trades

Inter-Product Spread (IPS) Settlement trades may be executed until the end of the relevant designated settlement period for the following contracts:

Midland WTI vs WTI Futures
WTI/WTI Last Day Futures

IPS Settlement trades will work in the same way as the TAS calendar spreads however, rather than receiving long and short positions across two expires, market participants will receive long and short positions across two products.

When non-implied trades are triggered, any premium/discount to the IPS TAS will be applied to the Midland (HOU)/ WTI Last Day (WLD) leg, anchoring off the WTI (T) settlement.

Example

Trader A enters a 1 lot bid in Midland/WTI Futures Nov23 IPS TAS at 0.01 at 12:43. Trader B hits the 1 lot bid at 14:21.

At 19:30 the settlement price for Midland/WTI Futures Nov23 Spread is published as 0.93.

CC	Product	Hub	Strip	Settlement
HOU	Midland WTI Futures	Midland WTI	Nov23	87.590 (87.590)
T	WTI Crude Futures	WTI	Nov23	86.66 (86.66)
	Midland/WTI Futures Spr	Midland WTI/WTI	Nov23	0.93 (0.93)

The buyer of the Midland/WTI Futures Nov23 IPS TAS will receive a long Midland and a short WTI position.

Both traders will be filled at a spread price of 0.94 (settlement of 0.93 + 0.01 premium), anchoring off the Nov23 WTI settlement price of 86.66.

Hence, the Nov23 Midland leg price fill will be 87.60 (86.66 + 0.94).

	Trader A	Trader B
HOU/T	Long	Short @ 0.94
WTI (T)	Short	Long @ 86.66
Midland (HOU)	Long	Short @ 87.60

Please note, when implied trades are triggered, the leg prices of the IPS TAS trade will anchor off the given premium/discount on the WTI TAS outright order.

1.4 Summary table

The ranges above and below the settlement price for the relevant contracts and calendar spreads are summarised below.

Contract	Outright Contract Months	Calendar Spreads	Ticks above or below the settlement price
Brent Futures*	Front 14†	All Combinations	+/- 5 ticks
WTI Futures	Front 14†	All Combinations	+/- 5 ticks
Midland WTI Futures	Front 3	All Combinations	+/- 15 ticks
Midland WTI/WTI Futures IPS	Front 3	N/A	+/- 10 ticks
WTI Last Day Futures	Front 12	N/A	+/- 15 ticks
WTI/WTI Last Day IPS	Front 12	N/A	+/- 10 ticks
UK Natural Gas Futures	Front 3	All Combinations	+/- 20 ticks
IFEU Dutch TTF Natural Gas Futures	Front 3	All Combinations	+/- 20 ticks
UKA Futures	Front 2 December	N/A	+/- 10 ticks
LS Gasoil Futures*	Front 12	All Combinations	+/- 2 ticks
Heating Oil Futures	Front 12	All Combinations	+/- 10 ticks
RBOB Gasoline Futures	Front 12	All Combinations	+/- 10 ticks
ULS Heating Oil Futures	Front 3	All Combinations	+/- 10 ticks
ULS Diesel Futures	Front 3	All Combinations	+/- 10 ticks
Dubai 1 st Line Futures	Front 3***	All Combinations	+/- 5 ticks
London Cocoa Futures*	Front 3	All Combinations	+/- 5 ticks
Robusta Coffee Futures**	Front 3	All Combinations	+/- 5 ticks
White Sugar Futures*	Front 3	All Combinations	+/- 5 ticks
Short, Medium, Long and Ultra Long Gilt Futures*	Front 2	All Combinations	+/- 5 ticks
Short, Medium, Long and Ultra Long Bund Futures*	Front 2	All Combinations	+/- 5 ticks
Three Month Euro (EURIBOR ®) Futures*	Front 3	All Combinations	+/- 5 ticks

* The TAS functionality will **not** be available on the Last Trading Day of the expiring contract month.

** The Robusta Coffee Futures TAS functionality will be unavailable as of the first notice day of the expiring contract month.

*** Available in the front 3 outright months beyond the pricing contract month.

† Front 14 outright months and the next available June and December outright months, such that the TAS functionality will be available in two June and two December months at any given time.