

Welcome to NYMEX WTI Light Sweet Crude Oil Futures

Product Overview

Looking to take part in today's active oil markets?

Consider **NYMEX WTI Light Sweet Crude Oil futures** (ticker symbol CL).

NYMEX WTI is the world's most liquid, actively traded crude oil futures contract, trading nearly 1.2 million* contracts daily.

The deep liquidity of NYMEX WTI futures – one contract equals 1,000 barrels – makes it one of the most efficient proxies to buy and sell oil. Priced out of Cushing, Oklahoma in the U.S., the contract has deep ties to energy markets around the world, making it the most efficient way to trade on U.S. and international events related to crude oil. One contract has a notional value of \$44,740* and trades in increments of one cent per barrel.

What's in a name?

WTI (West Texas Intermediate) is a light, sweet crude oil blend. "Light" refers to its low density and sulfur content, ideal for conversion to gasoline and diesel fuel.

The contract's ticker symbol, CL, refers to "Crude Light."



CME Group offers electronic trading almost
24 hours/6 days a week with a 60 minute break
each day at 4:00 p.m. CT.

activetrader.cmegroup.com/wti

* September 30, 2018

NYMEX WTI

Light Sweet Crude Oil futures

Contract Size	1,000 Barrels
Minimum Tick	\$0.01 per barrel
Dollar Value of One Tick	\$10 U.S. Dollars
Product Symbol	CL
Contract Months	All

NYMEX WTI

Light Sweet Crude Oil options

A Light Sweet Crude Oil Put (Call) Option traded on the Exchange represents an option to assume a short (long) position in the underlying Light Sweet Crude Oil Futures traded on the Exchange.

Minimum Tick	\$0.01 per barrel
Dollar Value of One Tick	\$10 U.S. Dollars
Product Symbol	LO
Contract Months	All
Available	Quarterly, Monthly, Weekly

NYMEX WTI

E-mini Crude Oil futures

Contract Size	500 Barrels
Minimum Tick	\$0.01 per barrel
Dollar Value of One Tick	\$5 U.S. Dollars
Product Symbol	QM
Contract Months	All

Why Trade NYMEX WTI Futures?

Learn more about trading CL Futures
at activetrader.cmegroup.com/wti

Crude oil markets are highly active, providing opportunities in nearly all market conditions. They also can be highly volatile, with prices affected by a number of factors directly related to the industry or occurring on a macroeconomic level (i.e., health of the economy and weather).

Therefore, price risk management is critical whether you're in the supply chain or investing. NYMEX WTI futures' direct exposure to actual crude oil gives you a trading advantage over alternative methods. That's a key benefit whether you are a hedger of oil prices or a speculator looking to profit from your opinions on the direction of oil prices.

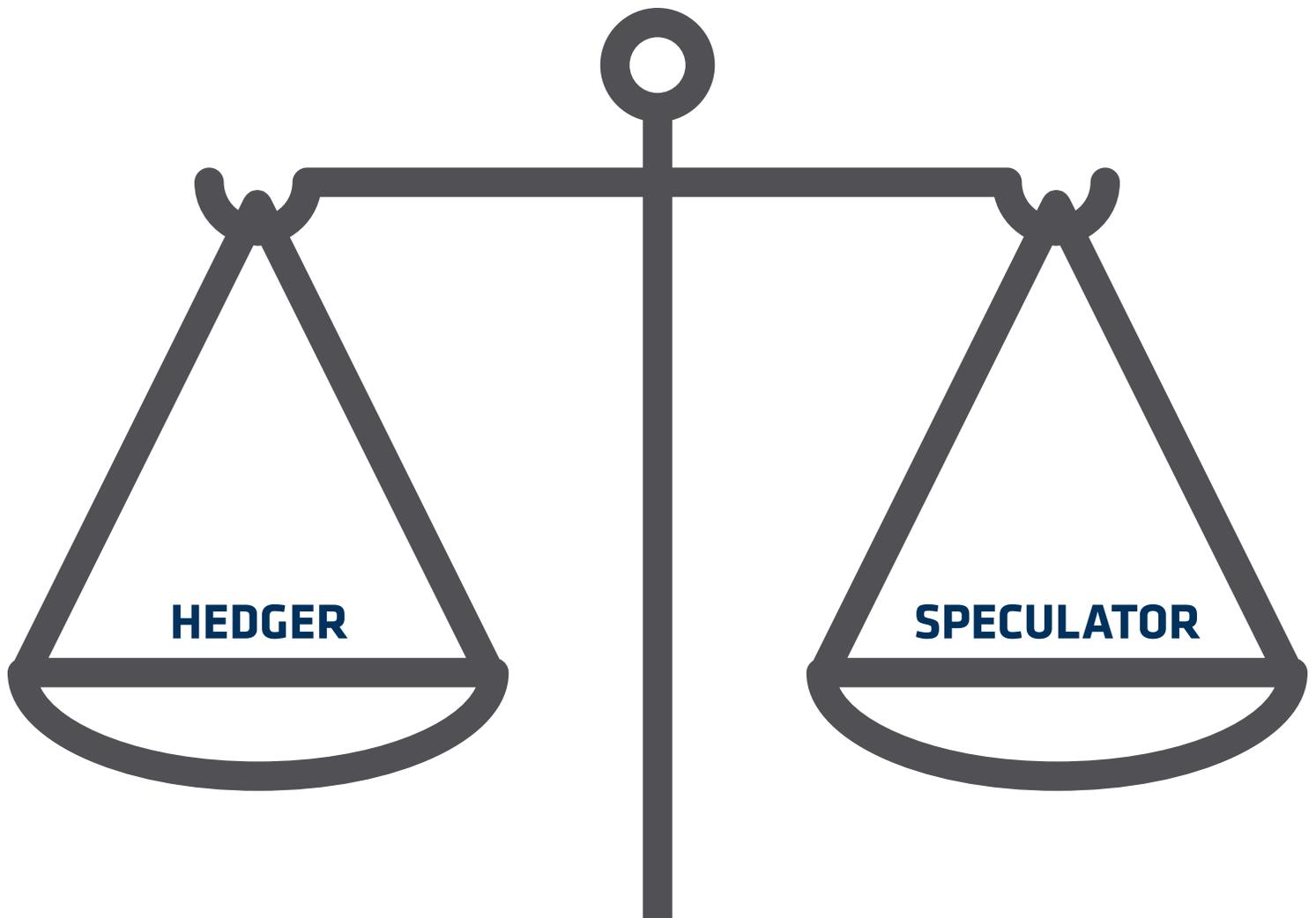
Hedgers

Hedgers are the reason the NYMEX energy markets were created — to offer a better way to manage the risk of adverse price moves that can impact the value of energy assets. A broad cross-section of energy companies fits into this category: firms involved in the exploration and production of oil; refining firms that separate and distill raw materials into products like petroleum, gasoline, and consumer goods; distributors, import/export firms, and more.

Hedgers use NYMEX WTI futures and options to hedge oil price exposure at different stages in the supply chain, to buy oil as low and sell as high as possible to offset costs and lock in potential profits. Today, NYMEX is still where the world comes to manage crude oil risk.

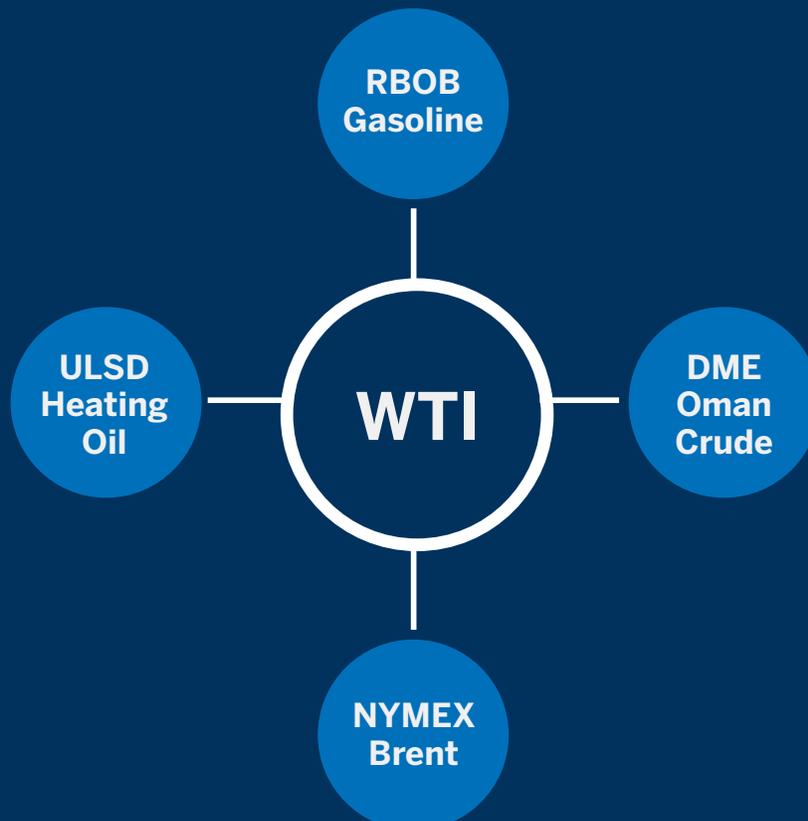
Speculators

Speculators refer to firms and individuals looking to use NYMEX WTI futures to express their views on whether oil prices are headed up or down — and similarly, to profit from those opinions by buying low and selling high (or selling high and buying low). Some of these firms and individuals may be part of the oil supply chain, but many are not directly involved in it.



Trading the Oil Market Ecosystem

Trade your crude and refined portfolio at NYMEX to spread trade leading energy benchmarks with ease and experience margin offset savings.



Crude Oil & Gasoline prices

Changes in gasoline and diesel prices mirror changes in crude oil prices, which in turn reflect changes in supply and demand. Spread trades between NYMEX WTI futures and NYMEX RBOB Gasoline futures offer a way to capture this relationship using two deeply liquid benchmark energy contracts.

Crude Oil & Heating Oil prices

The cost of crude oil is a major component of heating oil prices. Crude oil accounts 56% of the average price of heating oil, since heating oil is refined from crude oil. Spreads of NYMEX WTI futures with NYMEX Heating Oil (NY Harbor ULSD) futures give you a way to trade this relationship in advance of seasonal weather changes.

WTI Crude Oil & Brent Oil prices

NYMEX Brent futures represent prices on the second most traded blend of crude oil, originating from four fields in the North Sea: Brent, Forties, Oseberg and Ekofisk. Declining North Sea production has put it behind WTI as a popular benchmark. The NYMEX WTI (CL) - NYMEX Brent (BZ) futures spread allows you to trade the spread difference between the benchmark contracts. That results in two separate positions in the underlying futures legs; for example, a long position in NYMEX WTI and a short position in NYMEX Brent.

WTI Crude Oil & DME Oman Oil prices

DME Oman futures represent prices on Middle Eastern crude, a slightly lower grade than WTI or Brent that covers a crude basket from Dubai, Oman or Abu Dhabi, delivered to the Asian market. DME Oman is a “sour” crude, somewhat heavier than other blends with a higher sulfur content. This contract trades on DME but is cleared by CME Clearing. Spreading NYMEX WTI futures and DME Oman futures enables you to trade the relationship between the “light sweet” and “sour” blends of crude oil.

Learn more about Trading Crude Oil Futures at
activetrader.cmegroup.com/wti

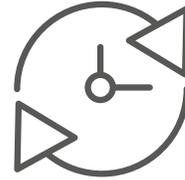
Benefits of NYMEX WTI Futures

NYMEX WTI futures offer several advantages that make them efficient, flexible tools to hedge or speculate on oil prices:



LEADING WTI MARKET LIQUIDITY

Deep, liquid market that trades 1.2 million contracts daily and has 2 million+ in open interest, offering the depth to handle orders of any size*



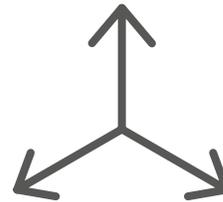
NEARLY AROUND-THE-CLOCK ELECTRONIC ACCESS

Manage positions as global news and events that impact prices unfold



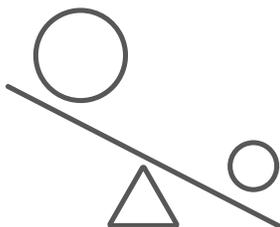
60/40 U.S. TAX TREATMENT

Get certainty of blended 60% long term/40% short term capital gains treatment



FLEXIBLE TRADE EXECUTION

Access WTI Crude liquidity three ways: central order book (CLOB), block trades, or EFRP's



FUTURES LEVERAGE

Control a larger notional value for a relatively small amount of money, enhancing your buying power



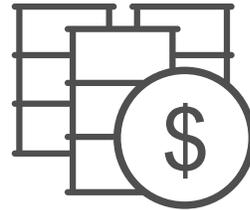
MARGIN OFFSETS

Trading WTI Crude in the same marketplace as the rest of your NYMEX portfolio can reduce your overall margin requirements and help you save



SAFETY AND SECURITY

Central clearing mitigates third-party credit risk in a CFTC-regulated market



PHYSICAL SETTLEMENT

Because contracts remain closely tied to the cash market, your slippage costs are reduced



ROBUST PRODUCT SUITE

Liquid extended trading hours in WTI Options (LO), trading over 80% electronically for 15 consecutive months



PRECISE RISK MANAGEMENT

Manage event volatility with shorter expirations at a lower premium with Weekly Options (LO1-LO5).

Compare NYMEX WTI Futures vs. Energy ETFs

NYMEX WTI futures offer significantly more liquidity and efficiency compared to popular crude oil and energy index ETFs, such as USO United States Oil (USO) and Invesco DB Oil Fund (DBO), plus a tighter tie to prices in the physical market.

Learn more about Trading Crude Oil
Futures at activetrader.cmegroup.com/wti

24-access means no waiting for the ETF open when market events occur (U.S. elections, weather events) post-close

Many energy ETFs use NYMEX WTI futures to provide oil market exposure, whereas trading NYMEX WTI futures gives you direct access

When the NYMEX WTI futures roll approaches, oil ETFs often lose some of their correlation to the underlying market, which can inflate your costs from slippage

Key Reports/ Factors that Move Markets

It's important to have a good understanding of changing market dynamics as well as reports that can impact volatility and, in turn, crude oil prices.

Watch **Market Movers** and **Striking Options** weekly on [activetrader.cmegroup.com](https://www.activetrader.cmegroup.com) to learn about trading futures around these key economic events.



Energy Information Administration weekly petroleum status report,
released Wednesdays at 9:30 a.m. CT, on current U.S. crude inventories levels stored for future use; shows trends in supply/demand



American Petroleum Institute weekly report,
released Tuesdays at 3:30 p.m. CT, on total U.S. and regional crude inventories and refinery operations data



Organization of Petroleum Exporting Countries meetings,
held periodically between 14 leading oil exporting countries. When OPEC talks, the oil markets listen – meeting outcomes can significantly impact prices



Refinery capacity reports
provide insights on the level of use vs. capacity for oil refineries, giving insights on production levels and supply/demand



Gross domestic product reports,
a general indicator on the health of the U.S. economy that can offer insights on consumer demand for gasoline



Natural gas inventory reports,
and the impact to natural gas prices can provide insights on when natural gas is the cheaper, viable alternative



Weather events
that could hinder major production sites or pipeline distribution



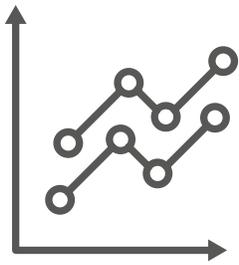
Any world events
can impact the cost of oil, such as war, financial crises, or elections that could shift a country's oil policy



Import/export policy changes,
which – like the recent lifting of the U.S. export ban – can dramatically impact supply and prices

Learn to Trade NYMEX WTI Futures

View market data, breaking market news, daily videos and education on our Active Trader site:
activetrader.cmegroup.com/WTI



Intro to Futures

Learn more about the futures contracts the role of the futures exchange, who participates in this market and how a futures trade works.



Introduction to Crude Oil

Explore key concepts of the crude oil markets and learn some basic principles of how traders today use futures and options to manage their risk



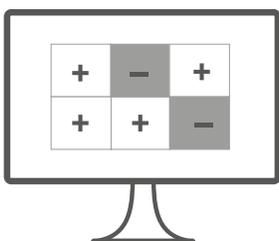
OPEC Watch Tool

This new CME Tool uses NYMEX WTI Crude Oil Option prices to calculate probabilities of certain outcomes of the next OPEC meeting.



Economic Research & News

Get expert breakdowns on how macroeconomic factors may impact the markets, and view feeds of the latest market-related news



Futures Heatmap

Check out current futures prices and product information for 36 of our most liquid products, including WTI Crude and E-mini Crude Oil contracts.



Learn more at activetrader.cmegroup.com/wti

Futures trading is not suitable for all investors, and involves the risk of loss. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyles. And only a portion of those funds should be devoted to any one trade because they cannot expect to profit on every trade. All examples in this brochure are hypothetical situations, used for explanation purposes only, and should not be considered investment advice or the results of actual market experience.

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