



NEWS RELEASE

ICE Aligns Midland WTI (HOU) Crude Quality Specifications to Match U.S. Physical Gulf Coast Crude Cargoes

5/1/2024

HOUSTON--(BUSINESS WIRE)-- Intercontinental Exchange, Inc. (NYSE: ICE), a leading global provider of technology and data, today announced that its ICE Midland WTI (ICE:HOU) futures contract is now further aligned with Midland WTI crude oil deliverable into Dated Brent and the rest of the Brent complex after ICE updated the quality specifications of the crude deliverable into the contract.

The underlying crude oil quality of HOU futures now fully aligns with the globally accepted quality standard for Midland WTI crude after ICE added a maximum Iron content of 10 milligrams per kilogram (mg/kg) and replaced the combined Nickel and Vanadium maximum content with individual maximum contents of 2.0 mg/kg each. In addition, the Reid Vapor Pressure (RVP) maximum increased to 9.5 pounds per square inch (Psi).

“This provides the market with the only transparent source for exchange guaranteed Midland quality WTI,” said Jeff Barbuto, Global Head of Oil Markets at ICE. “We continue to see strong growth in volume and deliveries and are seeing increasing activity from physical producers pricing barrels off of the HOU futures price.”

HOU prices at, and is physically deliverable to, the Enterprise Crude Houston (ECHO) and ONEOK Magellan East Houston (MEH) terminals, which are connected to Platts-approved water terminals to deliver Midland WTI into Brent.

Serving as a benchmark for Midland-origin and Midland-quality crude production and exports, HOU futures hit record traded volume in the first quarter of 2024 with over 837,600 contracts traded, up over 200% year-over-year (y/y) with record average daily volume of over 16,200 contracts in March 2024. Deliveries of Midland WTI crude oil



through the HOU contract average 4.4 million barrels each month.

HOU is part of ICE's global oil complex covering over 800 futures and options contracts, underpinned by Brent which is used to price over three quarters of the world's internationally traded crude oil. Customers can benefit from margin offsets as high as 95% when clearing HOU alongside other oil positions cleared at ICE, with offsets across contracts including ICE Brent, ICE Gasoil, ICE Dubai (Platts), ICE Murban, as well as RBOB Gasoline.

Brent futures and options open interest is up 12% y/y at 5.1 million contracts. Brent options, which represent the primary crude oil options market in the world in terms of open interest and volume, hit record open interest of 3.5 million contracts on April 24, 2024, up 51% y/y.

About Intercontinental Exchange

Intercontinental Exchange, Inc. (NYSE: ICE) is a Fortune 500 company that designs, builds and operates digital networks that connect people to opportunity. We provide financial technology and data services across major asset classes helping our customers access mission-critical workflow tools that increase transparency and efficiency. ICE's futures, equity, and options **exchanges** – including the **New York Stock Exchange** – and **clearing houses** help people invest, raise capital and manage risk. We offer some of the world's largest markets to trade and clear energy and environmental products. Our fixed income, **data services** and execution capabilities provide information, analytics and platforms that help our customers streamline processes and capitalize on opportunities. At **ICE Mortgage Technology**, we are transforming U.S. housing finance, from initial consumer engagement through loan production, closing, registration and the long-term servicing relationship. Together, ICE transforms, streamlines and automates industries to connect our customers to opportunity.

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Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 – Statements in this press release regarding ICE's business that are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors in ICE's Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on February 8, 2024.

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