

INTERCONTINENTAL EXCHANGE TO LAUNCH A DELIVERABLE NEW YORK HARBOR ULTRA-LOW SULPHUR HEATING OIL FUTURES CONTRACT

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Contract provides a better hedge for exports to Europe and South America

'RIN-less' futures match specifications for domestic home heating oil

ATLANTA & NEW YORK--(BUSINESS WIRE)-- Intercontinental Exchange, Inc. (NYSE: ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, today announced the launch of a physically delivered Ultra-Low Sulphur Heating Oil futures contract, deliverable in the New York Harbor region (NYH ULSHO).

ICE's newly-offered New York Harbor region ULSHO futures contract is a 67-grade contract that has the same molecular characteristics as ICE's Ultra-Low Sulphur Diesel (ULSD) 62-grade futures contract. Unlike 62-grade, ULSHO has an EPA designation as heating oil, therefore the contract will not have the value of the Renewable Volume Obligation (RVO) included in its price.

The ULSD 62-grade futures, designated as motor vehicle diesel fuel, are subject to the rules of the Renewable Fuel Standard (RFS) Program and, therefore, have the value of Renewable Identification Numbers (RINs) included. RINs, which make up the price of the RVO, are credits used for compliance under the RFS Program, which result in an additional cost per gallon for on-road fuels in the U.S., including unleaded gasoline and ultra-low sulphur diesel.

"As record amounts of distillates move in and out of the New York Harbor, destined either for Europe, South America or the domestic home heating oil market, this 67-grade 'RIN-less' futures contract is a better hedge for exporters of ULSD and producers of home heating oil which do not require renewable credits," said Jeff Barbuto, Global Head of Oil Business Development at ICE. "This contract should meet customers' needs for a more effective American heating oil benchmark and will complement ICE's Low Sulphur Gasoil contract in the actively traded New York heating oil/low sulphur gasoil arbitrage market."

The U.S. is a net exporter of ultra-low sulphur diesel. Exports of this fuel from the East Coast have drastically increased over the past decade. The Heating Oil Futures (ULSD 62-grade) vs. Low Sulphur Gasoil (HOGO) is a heavily traded spread, designed to mirror the physical distillate trade route between the U.S. East Coast and Europe. Since exporters of diesel have no need for a contract which includes a portion of its value based on a domestic fuel program, a NYH ULSHO grade contract vs. low sulphur gasoil spread would offer customers a more accurate hedge for this physical flow.

The NYH ULSHO futures contract will trade on ICE Futures Europe and represent 1,000 barrels of 67-grade ultra-low sulphur diesel, deliverable in the New York Harbor region. The contract will be priced in U.S. dollars and cents per gallon and is planned to launch on July 29, subject to the completion of the relevant regulatory processes.

ICE is home to the world's [global crude and refined oil markets](#). Around half of the world's oil futures are traded on ICE's markets, including futures and options on the global benchmark [ICE Brent crude](#), the U.S. benchmark West Texas Intermediate (WTI) crude, the Middle Eastern and Asian benchmark ICE [Dubai crude](#) oil, and refined benchmarks including [Gasoil](#), Heating Oil and RBOB Gasoline, as well as hundreds of additional grades and oil products.

About Intercontinental Exchange

[Intercontinental Exchange](#) (NYSE: ICE) is a Fortune 500 company formed in the year 2000 to modernize markets. ICE serves customers by operating the [exchanges, clearing houses](#) and information services they rely upon to invest, trade and manage risk across global financial and commodity markets. A leader in market data, [ICE Data Services](#) serves the information and connectivity needs across virtually all asset classes. As the parent company of the [New York Stock Exchange](#), the company is the premier venue for raising capital in the world, driving economic growth and transforming markets.

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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, 2018, as filed with the SEC on February 7, 2019.

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