

WTI Crude Oil Futures



Crude Oil Derivatives (Brent and WTI) are amongst the top 5 traded products in the Commodities market space.

Cash settled WTI Crude Oil Futures contracts with a contract size of **100 barrels** shall be available for trading on NSE from 15th May 2023 onwards.

Crude oil is an unrefined petroleum product composed of hydrocarbon deposits and other organic materials. A type of fossil fuel, crude oil can be refined to produce usable products such as gasoline, diesel and various forms of petrochemicals. It is a non-renewable resource, which means that it can't be replaced naturally at the rate we consume it and is therefore a limited resource.

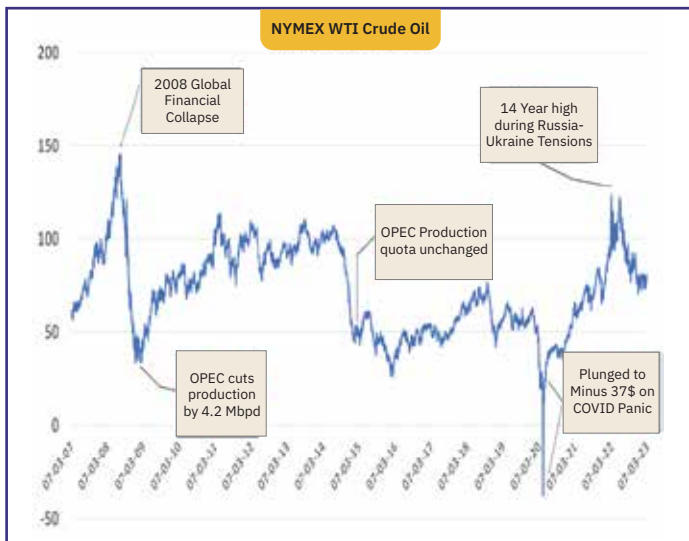
WTI (West Texas Intermediate) Crude Oil is a specific grade of Crude oil and one of the main three benchmarks

in oil pricing, along with Brent and Dubai Crude.





WTI is known as a light sweet oil because it contains between 0.24% and 0.34% sulfur, making it "sweet", and has a low density, making it "light".

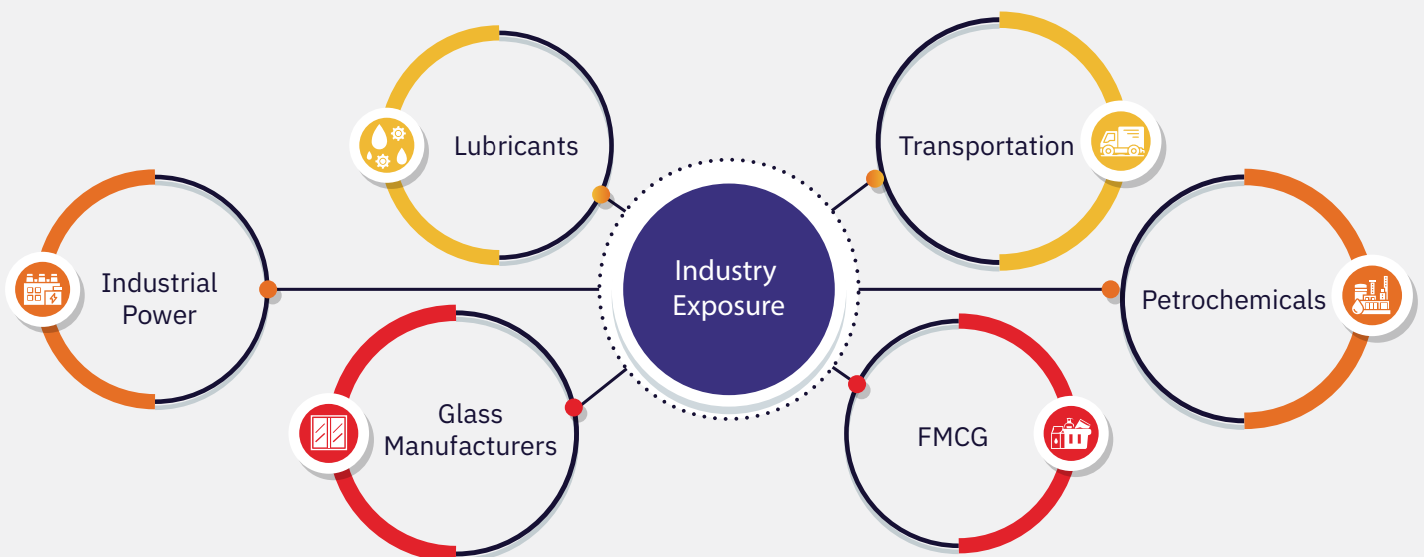
WTI is the main oil benchmark for North America as it is sourced from the United States, primarily from the Permian Basin and Texas. It then travels through pipelines where it is refined in the Midwest and the Gulf of Mexico. The main delivery point for physical exchange and price settlement for WTI is Cushing, Oklahoma.

India is 3rd largest consumer of crude oil in the world, after United States and China.



Factors affecting market Fundamentals

-  US Crude Inventories
-  Economic Factors: recession, inflation, crisis
-  Speculation, Hedging & Investment
-  Geopolitical Actions
-  Weather Conditions
-  OPEC & Non-Opec Decisions & Broadcasts
-  Global Economic Growth & Trade Policies

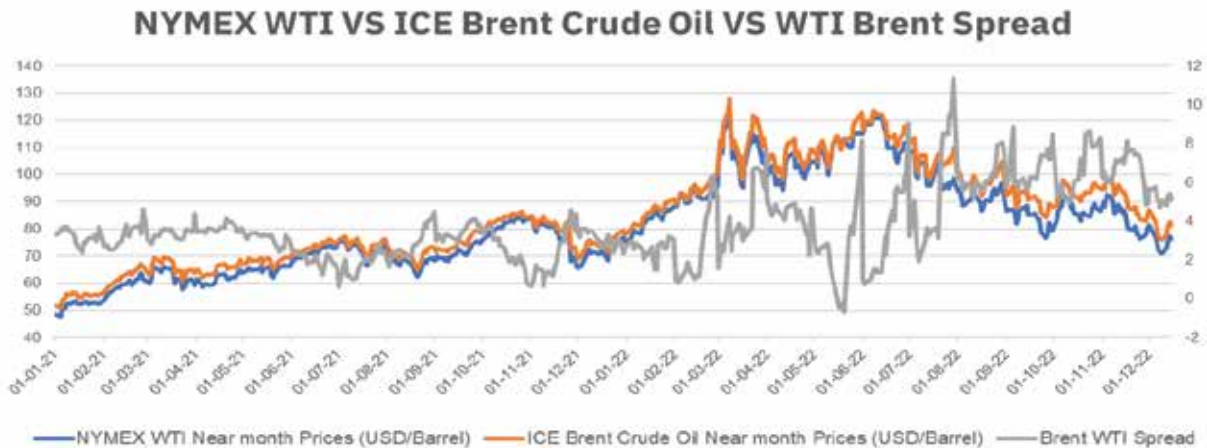


NSE WTI Crude Oil Futures Specifications:

Instrument & Symbol	Futures Contract (FUTENR) WTICRUDE
Trading Unit	100 Barrel
Tick Size / Quotation	₹ 1 per Barrel
Contract Cycle	Monthly Contracts
Profit / Loss Per Tick	₹ 100
Settlement	Cash Settled
Due Date Rate (DDR) / Final Settlement Price (FSP)	<ul style="list-style-type: none"> • Due date rate (FSP) shall be the settlement price, in Indian rupees, of the New York Mercantile Exchange's (NYMEX) Crude Oil (CL) front month contract on the last trading day of the NSE WTI Crude Oil contract. • The last available RBI USDINR reference rate will be used for the conversion. • The price so arrived will be rounded off to the nearest tick.

Volatility Matrix

	CY 2021		
	NYMEX WTI	ICE BRENT	BRENT WTI SPREAD
Annual Volatility	34.54%	31.92%	167.79%
Avg Daily Volatility	2.17%	2.01%	10.57%
	CY 2022		
Annual Volatility	47.32%	46.14%	386.22%
Avg Daily Volatility	2.98%	2.90%	24.33%



Key Benefits of Trading at NSE



NIL Exchange Transaction Charges



Brent WTI Spread Trading possible on a single platform



Fungibility of Collateral across segments



WTI Crude Oil being a globally traded contract, creates arbitrage opportunities between NSE and other exchanges

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