



## ICE ENDEX & ICE FUTURES EUROPE

### **ICIS - Trade at Index Close (TIC)**

NATURAL GAS DAILY PHYSICAL AND FINANCIAL FUTURES (ICIS)

24 June 2024

Version 2.0

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### Version History:

| Version | Changed  | Author/s                       | Date         |
|---------|--|--------------------------------|--------------|
| 1.1     | Initial/ Original  | Egbert-Jan Hiemstra<br>Schutte | 28 Oct 2020  |
| 2.0     | Order type availability extended to<br>end of settlement period. | Rozike Janzen van<br>Rensburg  | 24 June 2024 |



# ICIS - TRADE AT INDEX CLOSE

ICE supports the Trade at Index Close ("TIC") order type on Natural Gas Daily Physical and Financial Daily Futures contracts ("Gas Prompt Contract") listed on ICE Endex and ICE Futures Europe. This document provides information concerning the TIC order type for these contracts.

## What is TIC?

TIC trading allows a market participant to place a bid or offer on a Gas Prompt contract during the course of the trading day at a price expressed as a differential to that day's midpoint of the bid and offer quotations for the relevant closing day price assessment as published by ICIS in the 'European Spot Gas Market report'<sup>1</sup>.

A TIC bid or offer is expressed as a positive or negative differential (or no differential) to the respective midpoint of the bid and offer quotations for the relevant closing day price assessment as published by ICIS in the 'European Spot Gas Market report' on the same day as the TIC trade was concluded.

The differential for a contract is expressed as a multiple of the Minimum Price Fluctuation ('ticks'), up to a certain number of ticks above or below the midpoint of the bid and offer quotations for the relevant closing day price assessment, published by ICIS in the 'European Spot Gas Market report'.

Usual rounding convention will be applied if the closing day price assessment as published by ICIS is not in the same price increment as the Daily Futures contract.

## Are there restrictions on who is eligible to execute TIC trades?

Clients with access to the Gas Prompt contracts will automatically have access to the TIC order type for the related market.

## What is the policy regarding TIC clearing limits?

TIC orders and trades share the existing clearing limits for the related Daily Futures product.

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<sup>1</sup> European Spot Gas Markets Methodology (ESGM) – 29 December 2023. (2024, January 2). Retrieved June 18, 2024, from <https://www.icis.com/compliance/documents/european-spot-gas-markets-methodology-esgm-29-december-2023/>

## Where can I find the TIC products in WebICE?

In WebICE the TIC products will automatically appear in portfolios which contain the Gas Prompt contracts. Users can also create a new portfolio containing the Gas Prompt TIC contracts or add them to an existing portfolio in WebICE.

## When can TIC orders be entered?

Gas Prompt TIC buy and sell orders may be entered from the start of the pre-open period at 07:45 CET/CEST until the end of the futures contract settlement window at 17:15 hours CET/CEST.

## What do TIC orders represent?

The number in the BID and OFFER column of WebICE represent the price by which the Gas Prompt contract will be adjusted above (+) or below (-) the yet-to-be determined settlement price. TIC 0 (zero) indicates that the respective contract will be priced at the settlement price.

## When are confirmations received for TIC Trades?

TIC buy and sell orders are matched on a first-in, first-out basis. TIC trades are confirmed when TIC bids and offers match. A confirmation of a TIC trade indicates that a trade has been executed at Trade at Index Close price, or at the agreed price above or below the midpoint of the bid and offer quotations for the relevant closing day price assessment as published by ICIS in the 'European Spot Gas Market report'.

### Example - Dutch TTF Natural Gas Daily TIC 0.020 (euro per MWH)

If the ICIS closing day price assessment of the Dutch TTF Natural Gas Daily Futures Day-ahead contract is 34.188 EUR/MWh, a TIC trade in the TTF Day-ahead contract which has been executed at +0.020, results in a trade price of 34.208 ( $34.188 + 0.020$ ).

### Example - UK NBP Natural Gas Daily TIC 0.000 (pence per therm)

If the ICIS closing day price assessment of the UK NBP Natural Gas Daily Futures weekend contract is 80.575 pence/therm, a TIC trade in the NBP Weekend contract which has been executed at 0.000 (TIC Flat), results in a trade price of 80.575 pence/therm.

### Example - Dutch TTF Natural Gas Daily TIC -0.015 (euro per MWH)

If the ICIS closing day price assessment of the Dutch TTF Natural Gas Daily Futures Saturday (or Sunday) contract is 34.085 EUR/MWh, a TIC trade in the TTF Saturday (or Sunday) contract which has been executed at -0.015, results in a trade price of 34.060 ( $34.085 - 0.015$ ).

After a TIC trade is completed, each TIC transaction will receive a trade price equal to the agreed number of price ticks above or below that day's midpoint of the bid and offer quotations for the relevant closing day price assessment as published by ICIS in the 'European Spot Gas Market report'. The actual trade price will not be assigned until the price assessment has been published by ICIS and the agreed upon differential is applied. The ICIS closing prices used for the TIC are assessed at 16:30 London time and published around 18:15 London time.

## Which contracts are eligible for TIC trading?

The TIC is available for the following contract strips:

| Product                      | ICIS closing day price assessment   |
|------------------------------|---|
| Day-Ahead contract (DA)      | Midpoint of the bid and offer quotations for Day-ahead on the day on which the TIC trade was concluded. |
| Weekend contract (W/END)     | Midpoint of the bid and offer quotations for Weekend on the day on which the TIC trade was concluded.   |
| Saturday contract (Saturday) | Midpoint of the bid and offer quotations for Weekend on the day on which the TIC trade was concluded.   |
| Sunday contract (Sunday)     | Midpoint of the bid and offer quotations for Weekend on the day on which the TIC trade was concluded.   |

\*\* weekend prices are only listed on ICIS on Fridays or the last business day before the weekend. TIC products will then either be listed on the Last BD of the week or not at all.

## Which price assessment is used for the settlement of the contracts?

The tables below show the price assessment which is used for the determination of the settlement price of each of the daily futures contracts.

| Contract  | PCC        | ICIS Price Assessment                 |
|---|------------|---------------------------------------|
| Dutch TTF Natural Gas Daily Futures<br>Dutch TTF Natural Gas Daily Financial Futures (ICIS) | TFE<br>TTL | ICIS TTF closing day price assessment |
| UK NBP Natural Gas Daily Futures<br>UK NBP Natural Gas Daily Financial Futures (ICIS)       | NBD<br>UND | ICIS NBP closing day price assessment |

## Contact details:

For further questions please contact [sales-utilitymarkets@ice.com](mailto:sales-utilitymarkets@ice.com).

## Appendix A: ICE Endex and ICE Futures Europe TIC Summary Table

| Contract   | PCC | Products                          | Tick Value | Ticks Above/Below Settlement Price |
|--|-----|-----------------------------------|------------|------------------------------------|
| Dutch TTF Natural Gas Daily Futures                  | TFE | DA<br>W/END<br>Saturday<br>Sunday | 0.005      | +/- 20 ticks                       |
| Dutch TTF Natural Gas Daily Financial Futures (ICIS) | TTL | DA<br>W/END<br>Saturday<br>Sunday | 0.005      | +/- 20 ticks                       |
| UK NBP Natural Gas Daily Futures                     | NBD | DA<br>W/END<br>Saturday<br>Sunday | 0.005      | +/- 20 ticks                       |
| UK NBP Natural Gas Daily Financial Futures (ICIS)    | UND | DA<br>W/END<br>Saturday<br>Sunday | 0.005      | +/- 20 ticks                       |