

CME Group - Should Energy Trade Around the Clock?

Internal ID: S&F-STR-154

Topic: Innovation, Competitive Strategy, Risk Management

Industry: Financial Exchanges & Data

Source: Strategy & Finance

Publication date: 5 October 2026

License: Not specified

Decision date and information cutoff: 4 October 2026, 11:59 p.m. U.S. Central Time

Decision scope: Whether and how CME Group should revisit 24/7 trading for a proposed 10-Barrel WTI crude-oil futures contract

Case convention: This is an author-created management decision exercise. The decision assignment is hypothetical; company and regulatory statements are historical. No private deliberations are represented.

The decision

On October 2, CME Group said it was withdrawing the filing for its proposed 10-Barrel WTI Crude Oil futures contract. The company attributed the decision to discussions with industry participants who were concerned that continuous energy trading without further due diligence could create unintended consequences and additional risk. CME did not identify the participants, publish their analysis, or say whether particular safeguards would change their views. [P8]

The filing had already been delayed. NYMEX self-certified the contract in July. On July 9, the Commodity Futures Trading Commission (CFTC) opened a proceeding to determine whether the certification was false because the submission did not adequately demonstrate compliance on the present record. Separately, the CFTC requested that NYMEX restrict trading to conventional hours under CEA §8a(7), and stayed listing on two procedural grounds. The order expressly made no final determination whether the contract complied with the Act. CME postponed the proposed August 30 launch on August 24, pending regulatory review. [P9-P10]

The decision for CME is not whether to launch a contract that no longer has an active filing. It is what to do next. Should CME treat the withdrawal as a pause while it gathers participant, market-quality, and risk-control evidence for a possible revised proposal? Or should it keep 24/7 access limited to crypto and precious metals for now, and defer any energy extension until customers, clearing members, and regulators have completed more due diligence?

Assignment: Advise CME on its next step as of October 4, 2026. Choose whether to (1) begin a defined evidence-and-safeguards process that could lead to renewed regulatory engagement and a revised WTI filing, or (2) retain the withdrawal and continue product-specific expansion while deferring energy. State the evidence gates, responsible stakeholder groups, and conditions for proceeding or stopping. Do not assume that the CFTC's interim action proves 24/7 energy trading is unsafe or prohibited, or that the withdrawal is permanent.

An exchange built on trust and participation

CME operates derivatives markets across interest rates, equities, foreign exchange, energy, agriculture, and metals. Its exchange network connects buyers and sellers; its clearinghouse becomes the counterparty to cleared trades and manages performance risk. The company competes on liquidity and market depth, reliable technology, clearing and settlement, risk controls, product design, distribution, and fees. Its annual report also describes product extensions, smaller contracts, global access, and new customer channels as elements of its growth approach. [P1-P2]

For an exchange, a new contract or schedule has value only if customers can use it. Extending hours could give a hedger or investor a venue to respond when news arrives outside conventional sessions. But that access depends on participants being present, markets having usable prices, and post-trade processes handling the activity. If order flow is thin or one-sided, added hours may create access without dependable execution. These are competing possibilities to investigate, not established outcomes for WTI.

“24/7” also has operational qualifications. CME’s notices specify a weekly two-hour maintenance interval. Trades entered from Friday evening through Sunday evening receive the next business day’s trade date and are cleared, settled, and reported then. Trading availability is therefore not identical to uninterrupted exchange operation or continuous weekday post-trade processing. CME management has cautioned that not every market is suited to 24/7 operation. [P3]

Three markets already trade on weekends

CME introduced weekend trading in cryptocurrency futures and options on May 29, 2026. The company reported more than 7,200 contracts and approximately \$50 million in notional value during the first weekend. 1-Ounce Gold futures began weekend trading July 24; CME reported nearly 15,000 contracts and about \$60 million in the first weekend. 100-Ounce Silver began September 11; the first weekend produced 2,387 contracts and more than \$15 million in notional value. By September 14, CME reported more than 140,000 Gold contracts and over \$600 million in notional value in weekend sessions since that product’s July launch. [P4-P6]

The releases present evidence of trading activity in the products that went live. They do not disclose weekend bid-ask spreads, order-book depth, price impact, participant concentration, unique customers, weekday displacement, or product-level economics. The launch windows and contract sizes differ, so raw counts cannot be treated as equivalent adoption rates. A contract count records executions, not unique users or open positions; notional value represents underlying exposure, not CME revenue or customer benefit.

Those launches support two different readings. First, CME may be learning how to stage new trading schedules and customers may value access beyond standard hours. Alternatively, activity could reflect early launch interest, product-specific demand, volatility, or trades shifting from other sessions. Even if the usage is durable in crypto or metals, those markets do not establish WTI’s liquidity, reference-price behavior, risk controls, or commercial hedging value.

Why WTI raised a different question

CME announced the proposed 10-Barrel WTI contract in June. It was designed as a cash-settled contract one-tenth the size of Micro WTI, with around-the-clock access. [P7] Its smaller size could make exposure more accessible to some customers. The strategic question is whether that design and extended schedule would create a useful energy-market option while preserving reliable price formation and risk management.

The CFTC's July order identified issues that the agency considered relevant to its proceeding and public process. These included how a reference price would remain reliable and resistant to manipulation; surveillance when physical crude markets are assessed within defined windows; operational readiness; position limits; margin, clearing, and settlement; customer protection; and effects on commercial participants and physical markets. The order's interim procedural posture did not resolve those issues. [P9-P10]

On October 2, CME's statement characterized feedback from industry participants as raising concern about unintended consequences and additional risk without further due diligence. That statement explains management's announced action, but not which participants objected, what evidence they supplied, how broad their views were, or which risk controls could address their concerns. [P8]

What the market-hours research can and cannot say

Research on extended hours offers mixed lessons. A study of Chinese precious-metal futures after a night session began found lower overall gold illiquidity measures after the change and stronger linkage with U.S. COMEX prices. Yet night-session liquidity remained weaker than day-session liquidity. The authors interpret the lower Chinese gold price-discovery share as greater integration, not necessarily poorer market quality. This was a before-and-after study of another market, not a test of CME or energy futures. [A1]

Studies of Nasdaq equities and Moscow foreign exchange show why access, price discovery, spreads, and volatility should be assessed separately. In Nasdaq, some pre-open trading contributed information, while most total price discovery occurred in the higher-volume regular session; after-hours trading costs were higher. In Moscow FX, schedule extensions were associated with higher volume and volatility; average spreads narrowed over the full day but widened at the opening. The settings and methods differ from CME's proposal, and neither study establishes whether more volatility represents useful information or harmful noise. [A2-A3]

The research does not provide an answer for 10-Barrel WTI. It suggests questions for management: Would the extended session attract commercial hedgers and liquidity providers at the same times? Would it connect WTI prices to other active crude benchmarks, or split liquidity? Could prices formed in thin sessions affect hedges or reference points used by participants? Would clearing and risk controls be ready when activity occurs? No reviewed study estimates CME's energy-market effects, operating costs, or clearing risk.

Company-wide activity is not a test of the proposal

CME reported record consolidated average daily volume (ADV) of 31.8 million contracts in September, up 22% from a year earlier, and 29.4 million in the third quarter, up 16%. The release attributed activity to growth across asset classes but did not provide a weekend-session breakout or estimate the effect of extended hours. [P11]

The latest quarterly filing available at the cutoff, for the quarter ended June 30, reported ADV of 29.843 million contracts, down 1% year over year; clearing and transaction fees of \$1.3525 billion, down 3%; and average revenue per contract (RPC) of \$0.678, down 2%. CME explains that RPC varies with contract mix, venue, fee incentives, and member mix. It also identifies volatility, economic conditions, regulation, and competition as influences on volume. These company-wide figures provide operating context, not an estimate of what a WTI weekend schedule would earn or cost. [P1]

Q3 earnings were scheduled for October 21, after this case's cutoff. No Q3 results are available in the information set. The decision must be made without a company-published account of the economics of the early 24/7 products or the detailed participant concerns behind the WTI withdrawal. [P12]

Exhibit 1. Timeline of weekend trading and the WTI proposal

Date	Event	What it establishes
Feb. 19	CME announces crypto futures/options weekend trading	Proposed schedule, maintenance and next-business-day processing; management says not every market suits 24/7 [P3]
May 29 / June 1	Crypto schedule begins / first-weekend report	>7,200 contracts; ~\$50m notional, company-reported [P4]
June 11	CME announces 10-Barrel WTI proposal	Cash-settled, one-tenth Micro WTI size; proposed 24/7 schedule [P7]
July 8-9	NYMEX self-certifies; CFTC issues order	Proceeding, separate conventional-hours request, and interim stay; no final merits determination [P9-P10]
July 24 / July 27	Gold schedule begins / first-weekend report	Nearly 15,000 contracts; ~\$60m notional, company-reported [P5]
Aug. 24	CME postpones planned Aug. 30 WTI launch	Pending regulatory review [P13]
Sept. 11 / Sept. 14	Silver begins / first-weekend report	2,387 contracts; >\$15m notional; Gold cumulative >140,000 / >\$600m since July 24 [P6]
Oct. 2	CME withdraws WTI filing	Company attributes action to participant concerns and need for more due diligence [P8]

Exhibit 2. What the early weekend activity says-and does not say

Product and window	CME-reported contracts	CME-reported notional	Not established by this release
Crypto, first weekend	>7,200	~\$50m	Sustained depth, spreads, unique users, incremental activity, economics
1-Ounce Gold, first weekend	~15,000	~\$60m	Same; one initial weekend
1-Ounce Gold, July 24-Sept. 14 weekend sessions	>140,000	>\$600m	Session-by-session persistence, weekday substitution, quality or economics
100-Ounce Silver, first weekend	2,387	>\$15m	Same; not directly comparable with other products

Source: CME releases [P4-P6]. Values are company-reported. Notional is underlying exposure, not exchange revenue.

Exhibit 3. Issues for a renewed energy proposal

Decision dimension	Question to resolve
Customer access	Which energy users need to trade when conventional CME hours are closed? What substitutes are available?
Liquidity and execution	What minimum two-sided depth, spread, price impact and participant breadth should be demonstrated by interval?
Price formation	How would out-of-hours WTI prices relate to other crude benchmarks and to physical-market assessment windows?
Clearing and risk	Can clearing members, margin processes, surveillance and incident response support the proposed hours? What happens at maintenance and next-business-day processing boundaries?
Regulatory path	What evidence or design changes would be required before renewed CFTC engagement or a new filing?
Value and reversibility	What would establish incremental use rather than shifted volume, and what observable conditions would trigger a pause?

The recommendation

As of the cutoff, CME had withdrawn the WTI filing, but the public record does not resolve whether a revised proposal could meet customer, market-quality, operational, or regulatory requirements. It also does not establish that a renewed proposal is warranted.

Prepare a recommendation for CME's leadership. Choose whether to begin a defined process toward possible renewed regulatory engagement on 10-Barrel WTI, or to retain the withdrawal and defer energy while continuing product-specific expansion and due diligence. State what evidence is needed, who must validate it, how the proposal could be staged, and what conditions would halt or advance it. If you recommend further study, define what would make it decision-ready and when leadership should revisit the question.

Discussion questions

1. What strategic value could 24/7 access create for CME in energy? Which customers would benefit, and what evidence supports that hypothesis?
2. What is distinct about WTI market structure and post-trade requirements? Which crypto and metals lessons transfer, and which do not?
3. How should CME interpret the CFTC's July order and its October 2 withdrawal statement? What remains unknown about the market participants' concerns?
4. What evidence gates should be required before any renewed filing or launch? How would CME measure liquidity, price formation, customer value, and operational readiness?
5. Should CME start that evidence-and-safeguards process now, or retain the withdrawal and prioritize other products? What is the strongest argument against your choice, and what would change your mind?

Sources and conventions

All information below was public by 11:59 p.m. U.S. Central Time, October 4, 2026. Later outcomes are excluded. Company statements about demand, market readiness, and participant feedback are attributed to CME. The CFTC's interim procedural action is distinguished from a final merits determination. Contract counts and notional values are not measures of unique customers, liquidity quality, revenue, or welfare.

Primary sources

P1. CME Group, [Form 10-Q for quarter ended June 30, 2026](#), filed July 24, 2026; accession 0001156375-26-000047. Selected MD&A / average rate-per-contract and ADV discussion, printed pp. 23-25.

P2. CME Group, [2025 Form 10-K](#), filed February 26, 2026. Business and competitive context, printed pp. 6-11, 15-20.

P3. CME Group, ["To Launch 24/7 Cryptocurrency Futures and Options Trading on May 29,"](#) February 19, 2026. Schedule, management caveat, maintenance and processing convention.

P4. CME Group, [crypto 24/7 launch report](#), June 1, 2026. First-weekend activity.

P5. CME Group, [Gold first-weekend report](#), July 27, 2026. First-weekend activity.

P6. CME Group, [100-Ounce Silver first-weekend report](#), September 14, 2026. Silver first-weekend and cumulative Gold activity.

P7. CME Group, ["CME Group Adds Smaller-Sized, 24/7 Contracts for WTI Crude Oil and Gold,"](#) June 11, 2026. Contract design and proposed schedule.

P8. CME Group, [statement on proposed 10-Barrel Crude Oil futures](#), October 2, 2026. Withdrawal and company-attributed rationale.

P9. CFTC, [July 9, 2026 release](#) on the stay.

P10. CFTC, [Order Instituting Proceedings and Staying the Listing](#), July 9, 2026. Proceeding and present-record finding, pp. 1-2; separate CEA §8a(7) request, pp. 5-6; stay grounds, p. 9; no-final-determination caveat, p. 10.

P11. CME Group, [September and Q3 2026 volume release](#), October 2, 2026.

P12. CME Group, [Q3 2026 earnings date notice](#), September 4, 2026. Earnings call scheduled October 21.

P13. CME Globex, [August 24, 2026 notice](#). WTI postponement pending regulatory review.

Academic sources

A1. Jiang, Y., N. Kellard, and X. Liu, “Night trading and market quality: Evidence from Chinese and US precious metal futures markets,” *Journal of Futures Markets* 40(10), 2020, [full text](#), especially Tables 2 and 7. Full article read; SHFE/COMEX precious metals, 15-minute matched series, before/after night-session design.

A2. M. J. Barclay and T. Hendershott, “Price Discovery and Trading After Hours,” *Review of Financial Studies* 16(4), 2003, [full text](#). Full article read; Nasdaq equity-market after-hours evidence, 2000.

A3. M. Frömmel and E. Kadioglu, “Impact of trading hours extensions on foreign exchange volatility: intraday evidence from the Moscow exchange,” *Financial Innovation* 9, 2023, [full text](#). Full article read; observational RUB/USD schedule changes.

Academic findings are analogies about possible mechanisms, not estimated impacts for CME or WTI. The broader evidence register and limits are available to instructors in the research dossier. No financial model accompanies this case.