

Round-the-Clock Trading and No-Expiry Contracts

CFTC Seeks Comment on 24/7 Futures and Perps

July 2, 2026

AUTHORS

Kari S. Larsen | Rita M. Molesworth | Chelsea Pizzola | Davi Marques
Austin Stanton

Market and product innovations proceed apace in the derivatives arena. The Commodity Futures Trading Commission continues to solicit input from stakeholders and others on issues to consider in its effort to foster responsible development of novel market structures. To that end, the CFTC last week issued a Request for Comment on two distinct but related developments involving standard futures contracts and energy derivatives markets (the “RFC”).¹

1. What are the implications of permitting 24/7 trading in standard futures contracts, including where their fixed expiration, delivery and settlement terms are unchanged? Does such trading comport with the Commodity Exchange Act and designated contract market (“DCM”) Core Principles?

¹ The RFC is available [here](#).

2. Are perpetual contracts appropriate for physically delivered or storable energy commodities? Perpetual contracts have no fixed expiration and rely on a periodic funding rate mechanism designed to maintain price alignment with the spot price of the relevant underlying asset.

The CFTC framed the RFC as an effort to build a clear, data-driven record on extended trading hours and new contract designs. Input is specifically sought on reference price reliability, manipulation risk, surveillance, operational readiness, position limits, margin, clearing, settlement, customer protection and effects on underlying physical markets and commercial participants. Comment is also requested on the availability of settlement and payment arrangements when traditional payment systems are not operational. The RFC encourages commenters to support submissions with data, empirical analysis, market statistics and specific proposed contract terms or safeguards, rather than conclusory views.

Comments are due July 27, 2026.

Regulatory Background

The RFC builds on and follows prior CFTC actions related to 24/7 trading and perpetual-style derivatives, including:

- The April 2025 request for comment on 24/7 trading and perpetual-style derivatives.²
- The May 2026 approval of the KalshiEX LLC bitcoin perpetual futures contract³ and the CFTC's related Policy Statement Concerning the Listing of Perpetual Contracts.⁴
- The May 2026 advisory on 24/7 trading, clearing and settlement, which emphasized regulatory obligations and staff expectations for registrants considering around-the-clock operations.⁵

The Kalshi Order and related Policy Statement are important context for the RFC. Importantly, however, they do not resolve the treatment of perpetual contracts across asset classes. The Kalshi Order was expressly limited to the bitcoin contract and similarly structured perpetual contracts referencing digital commodities with deep, active and continuous spot-market trading. The RFC makes clear that perpetual contracts referencing other asset classes, including energy commodities, require independent analysis based on the characteristics of the relevant underlying

² Willkie Farr & Gallagher LLP, "CFTC Seeks Public Input on Market Innovations: Agency Considers 24/7 Trading and Perpetual Contracts" (April 28, 2025), available [here](#).

³ CFTC Release No. 9240-26, CFTC Approves BTCPERP Contract Submitted by KalshiEX, LLC (May 29, 2026), available [here](#); CFTC Order Approving KalshiEX LLC BTCPERP Futures Contract (May 29, 2026) (the "**Kalshi Order**"), available [here](#).

⁴ CFTC Release No. 9242-26, CFTC Issues Policy Statement Concerning the Listing of Perpetual Contracts (May 29, 2026) (the "**Policy Statement**"), available [here](#).

⁵ Willkie Farr & Gallagher LLP, "CFTC Releases Prioritize U.S. Derivatives Market Development, Including Access to Crypto Perpetuals and 24/7 Trading" (June 23, 2026), available [here](#).

market. The Policy Statement further states that perpetual contracts referencing asset classes not contemplated by the Kalshi Order should be submitted for review and approval under CFTC Regulation 40.3.

The RFC also comes amid litigation by Chicago Mercantile Exchange Inc. (“**CME**”) challenging the CFTC’s approval of Kalshi’s bitcoin perpetual futures contract and the Policy Statement. In its complaint, CME seeks, among other relief, vacatur of the Kalshi Order and the Policy Statement and declarations that Kalshi’s bitcoin perpetual contract and similar digital commodity perpetual contracts are swaps under the Commodity Exchange Act. Although that litigation concerns digital commodity perpetuals, rather than energy derivatives, it highlights the broader debate over the regulatory treatment of perpetual contracts.⁶

Implications for Market Participants

The RFC focuses on whether 24/7 trading and perpetual contract structures can be applied to physical energy markets. Unlike digital commodities with deep, active and continuous spot-market trading, the cash market for crude oil and other energy commodities trades during defined windows and may be affected by storage, delivery constraints and term structure dynamics. The CFTC therefore asks whether reliable and manipulation-resistant reference prices can be observed during overnight, weekend and holiday periods and at each funding interval for a perpetual contract.

The RFC raises clearing, margin and settlement issues for 24/7 trading. The CFTC asks how market participants would manage margin and settlement obligations when traditional payment systems are unavailable. The CFTC further asks whether tokenized payment infrastructure, stablecoins, tokenized Treasury securities or other collateral arrangements could support continuous margin and settlement processes.

For commercial hedgers and end users, the RFC requests comment on how extended-hours prices could affect physical contracts, OTC derivatives, options, ETFs, financing arrangements, benchmarks and valuation processes. Market participants should review whether pricing provisions, valuation policies, benchmark fallbacks, collateral arrangements, margin procedures or financing documents assume a traditional trading week, banking hours and/or exchange-session-based price formation.

The CFTC seeks comments on the potential impact of 24/7 trading and perpetual contracts on the valuation of investment portfolios. Specifically, the RFC asks how investment managers, pension funds, insurance companies, and others would incorporate changing valuations based on extended hours trading into reporting and governance frameworks, particularly where investment mandates, fees, risk limits, redemption rights, and/or other contractual

⁶ Chicago Mercantile Exchange Inc. v. Michael S. Selig and Commodity Futures Trading Commission, Case No. 1:26-cv-02157 (D.D.C. 2026), Complaint, available [here](#).

Round-the-Clock Trading and No-Expiry Contracts

covenants may depend upon periodic valuation determinations. The RFC also seeks feedback on the potential impact that weekend price formation may have on products that were designed around a traditional trading week.

The RFC further raises product-design and compliance issues for exchanges and clearinghouses considering perpetual energy products, including whether such products could satisfy applicable DCM Core Principles, surveillance obligations and position limit requirements, and how they would perform during stress events.

Conclusion

Market participants affected by potential 24/7 futures trading or the possibility of perpetual energy contracts on DCMs should consider submitting comments by July 27, 2026. Exchanges, clearinghouses, intermediaries, commercial hedgers and legal teams should also review whether current systems, risk controls and contracts are prepared for weekend and/or continuous price formation.

* * * *

If you have any questions regarding this client alert or would like assistance in preparing comments, please contact one of the authors, any member of our CFTC team listed below, or the Willkie attorney with whom you regularly work.

Willkie has a dedicated team of attorneys with extensive knowledge and experience in all aspects of the Commodity Exchange Act and the CFTC regulatory regime. We would be pleased to assist with your matters.

Gabriel Acri

212 728 8802
gacri@willkie.com

Kari S. Larsen

212 728 3297
klarsen@willkie.com

A. Kristina Littman

202 303 1209
aklittman@willkie.com

Steven C. Matos

212 728 8757
smatos@willkie.com

Rita M. Molesworth

212 728 8727
rmolesworth@willkie.com

Chelsea Pizzola

202 303 1092
cpizzola@willkie.com

Deborah A. Tuchman

212 728 8491
dtuchman@willkie.com

Leanne Aban

212 728 8168
laban@willkie.com

Davi Marques

212 728 3079
dmarques@willkie.com

Kelley Merwin

202 303 1178
kmerwin@willkie.com

Austin Stanton

713 972 6012
astanton@willkie.com



BRUSSELS CHICAGO DALLAS FRANKFURT HAMBURG HOUSTON LONDON LOS ANGELES
MILAN MUNICH NEW YORK PALO ALTO PARIS ROME SAN FRANCISCO WASHINGTON

Copyright © 2026 Willkie Farr & Gallagher LLP. All rights reserved.

This alert is provided for educational and informational purposes only and is not intended and should not be construed as legal advice, and it does not establish an attorney-client relationship in any form. This alert may be considered advertising under applicable state laws. Our website is: www.willkie.com.