

FX PRODUCTS



Making a world of forex
opportunities accessible to you.

In a world of increasing volatility, customers around the globe rely on CME Group as their premier source for managing risk. Formed by the 2007 merger of the Chicago Mercantile Exchange and the Chicago Board of Trade, CME Group is the largest and most diverse exchange in the world. We offer futures and options on the widest range of benchmark products available on any exchange – interest rates, equity indexes, foreign exchange, commodities and alternative investments – providing you with the tools you need to meet your business objectives and achieve your financial goals. CME Clearing matches and settles all trades and guarantees the creditworthiness of every transaction that takes place in our markets.

FX PRODUCTS

DESIGNED FOR THE RAPID PACE OF A GLOBAL MARKETPLACE

With average daily notional value of trades that represents \$100 billion, CME Group is the largest regulated marketplace for FX (foreign exchange) trading, and the second largest electronic marketplace for FX trading in the world. We offer transparent pricing in a regulated centralized marketplace that provides all participants equal access to 41 futures contracts and 31 options contracts based on 19 major world and emerging market currencies. Trading FX at CME Group gives you effective and efficient investment and risk management opportunities and unprecedented access to a global array of market participants – including banks, hedge funds, proprietary trading firms and individual traders.

THE WORLD'S LARGEST REGULATED **FOREX** MARKETPLACE

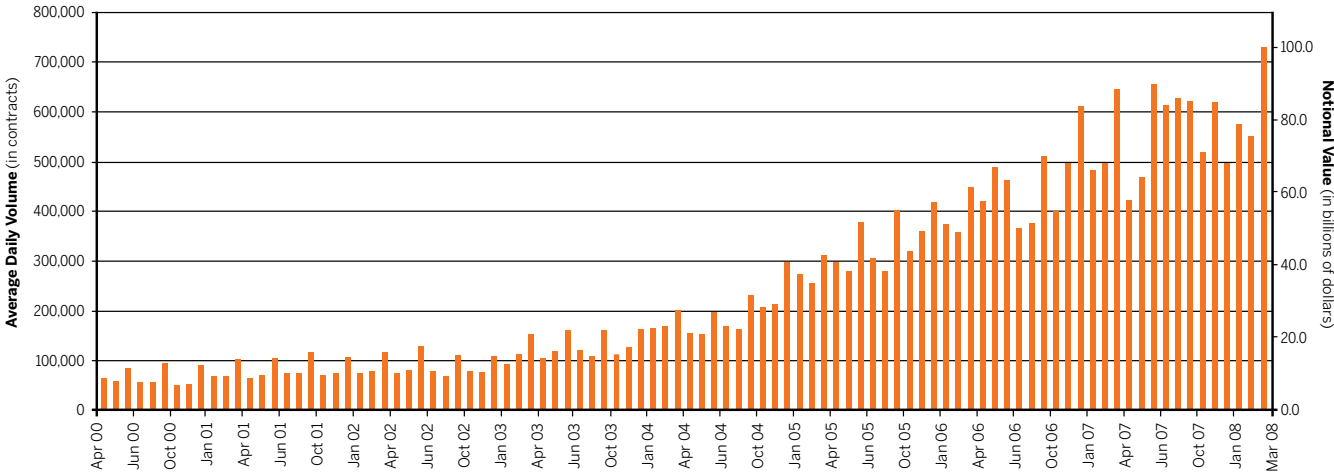
CME Group is the largest regulated marketplace in the world for trading forex and the second largest platform overall – with daily liquidity of \$100 billion. CME Group offers extensive coverage of the forex marketplace, with 41 futures contracts and 31 options contracts on 19 currencies, traded against the U.S. dollar and in non-U.S. dollar pairs. If you currently trade forex in the spot/cash market, it's important for you to know that CME Group offers many advantages over those markets.

Benefits

- Access to approximately \$100 billion in liquidity every day
- Anonymity and transparency deliver equal access to all trades
- Transparent pricing and flat fees
- Consistently tight bid/offer spreads
- Global access to CME Group's electronic forex markets virtually 24 hours a day
- CME Group is regulated by the Commodity Futures Trading Commission (CFTC) ensuring integrity and openness in CME Group markets

CME Group offers many advantages over the spot/cash markets.

FX FUTURES AND OPTIONS AVERAGE DAILY VOLUME AND NOTIONAL VALUE
(APR 2000 – MAR 2008)



\$100 billion traded daily.

HOW YOU BENEFIT FROM TRADING FOREX FUTURES VS. SPOT/CASH

CME GROUP IS A HIGHLY COST-EFFECTIVE, TRANSPARENT AND SECURE PLACE FOR YOU TO TRADE FOREX

If you trade spot/cash forex, it's time to look at forex futures. An exchange environment, with its open and transparent market pricing, offers you equal access to the best price and provides other key advantages over "private" deals in the spot/cash market. Online access available virtually 24 hours a day, combined with low trading costs and the backing of CME Clearing, make CME Group a highly cost-effective, transparent and secure place for you to trade forex.

liquidity and access

With \$100 billion in forex futures and options flowing through our markets every day, you can be confident in your ability to get in and out of markets quickly and easily. CME Group's FX futures markets are supported by automated trading systems supplying continual pricing feeds from global forex market makers. These pricing feeds are real-time, dealable quotes, which allow CME Group to provide exceptional market liquidity and a dynamic trading venue for a large pool of FX fund managers, interbank spot FX traders, international asset managers, multinational corporations, hedge funds, proprietary trading firms and individual traders.

fully disclosed fees

If you currently trade forex in the spot/cash market, you may be paying more than you think for your trades. Spot/cash trades are private deals that very often have a dealer spread in the quoted price. Brokers make their livelihood by quoting wide bid/offer spreads in order to capture a pip or more of the price on every trade. Widely advertised as "commission-free trading," these undisclosed deal spreads raise the cost of your forex deals. At CME Group, transactions are reasonably priced and costs are always transparent and fully disclosed.

unsurpassed integrity

CME Group is regulated by the U.S. Government via the CFTC. Integrity and openness are critical components of CME Group markets. Fair and transparent pricing, open access and the highest ethical standards are important criteria applied in managing CME Group markets.

safety and security

If you trade forex at another venue, you may not be aware of the importance of the guarantor and clearing method of each marketplace. As opposed to trading in the spot/cash market, CME Group FX futures offer the unparalleled backing of CME Clearing. Virtually eliminating counterparty credit risk, CME Clearing acts as the counterparty to every trade. We are the buyer to every seller, and the seller to every buyer. We match and settle all trades, collect and maintain performance bonds/margin, regulate delivery and provide data reports – ultimately guaranteeing the creditworthiness of every transaction that takes place in our markets. This safeguard is the cornerstone of the market that has not suffered a default in more than 100 years. This type of clearing guarantee generally is not matched at other non-exchange forex trading venues.

speed and performance

Forex trades on the CME Globex platform are executed and instantly confirmed back to the customer anywhere in the world – significantly faster than competing electronic platforms. You can access the CME Globex trading platform virtually 24 hours a day* through more than 1,100 direct connections in 86 countries and foreign territories around-the-world, as well as through telecommunications hubs – located in London, Amsterdam, Dublin, Milan, Paris and Singapore – that provide reduced connectivity costs, increased accessibility and fast, efficient trading of CME Group products.

leverage

CME Group requires that traders of its products maintain performance bond/margin requirements (as good faith deposits) to protect against trading losses. This requirement provides access to margin trading for all market participants and allows you to use leverage in order to hold a position larger than your initial deposit amount.

easy to roll positions

At CME Group it is easy to execute spread trades. For example, a futures currency calendar spread, also known as an intra-currency futures spread, is an order for the simultaneous purchase and sale of futures contracts of the identical currency for different delivery months, with a price differential. You are able to roll your futures positions from one quarterly futures contract month to another active quarterly futures contract month at any time.

*TRADING HOURS FOR CME GLOBEX SUNDAY THROUGH FRIDAY AS FOLLOWS: Sunday – Opens at 3:00 p.m. Central Time (CT) (for the next trade date) to 4:00 p.m. CT the following day. Monday through Friday – Opens at 5:00 p.m. CT (for the next trade date) to 4:00 p.m. CT the next day. Except on Friday – Closes at 4:00 p.m. CT and reopens Sundays at 3:00 p.m. CT.

A BROAD CHOICE OF PRODUCTS

CME Group offers you a fully global product suite of 41 futures and 31 options contracts on 19 currencies, including major world currencies like the euro and Japanese yen, as well as the currencies of countries with emerging markets, such as Mexico and China. These products are all available to trade electronically, virtually around-the-clock on the CME Globex platform and on our trading floor. In addition to the full-sized contracts, CME Group offers E-mini products – E-mini Euro FX and E-mini Japanese Yen. CME Group also lists 19 cross-rate foreign exchange products that are non-U.S. dollar pairs.

EXPANDING YOUR OPTIONS

Trading forex options on the CME Globex platform gives you the perfect combination of choice and flexibility you need.

Choose your quoting method

Two quoting conventions are available for forex options on CME Globex. Whether you prefer quoting in terms of premium or implied volatility, the underlying option contract is identical, making it easier than ever to compare options contract prices with spot/cash forex markets.

Premium – The price paid by the purchaser of an option to the grantor (seller).

Implied volatility – An estimate of the future volatility of the underlying contract that can be input into a theoretical valuation model to solve for an option premium.

Choose your style

CME Group also offers two expiration styles. Having a choice of American- or European-style options give you the ability to execute a larger variety of strategies based on your trading style.

American-style options – are exercised automatically at 2 p.m. CT, 3 p.m. Eastern Time (ET) against the settlement price of the underlying future as determined by the Exchange on the day of expiration.*

European-style options – can only be exercised at maturity and are automatically exercised on expiration if in-the-money, based on a daily fix calculated and published by CME Group.**

GET CONNECTED

Once you have established an account with a National Futures Association registered broker or Futures Commission Merchant (FCM), your broker can execute trades on the CME Globex platform on your behalf. If you wish to place orders and receive market data directly via your computer, you can select from a variety of

certified CME Globex trading applications including CME Group-certified front ends provided by most FCMs and Introducing Brokers (IBs), as well as those provided by Independent Software Vendors (ISVs) and our Web-based front end, CME EOS Trader. Before choosing either CME EOS Trader or a third-party trading application,

please make sure that your broker is able to support that front end. More information about these trading applications, as well as links to solutions provided by FCMs, IBs and ISVs, are available on the CME Group Web site at www.cmegroup.com/globex.

To find a broker and start trading forex futures, visit www.cmegroup.com/findabroker.

*Please refer to the CME Group Web site for the latest information on expiration procedures for American-style options.

**For information on the daily fix, please refer to the following Web link www.cmegroup.com/currfixprice to get the latest information on the procedure used to calculate the daily fix and the following link www.cmegroup.com/fxfixing-price to get the most recently published daily fix values.

START TRADING FOREX FUTURES WITH CME GROUP TODAY.

Learn more at www.cmegroup.com/tradeforex or contact CME Group at 800 331 3332.

Outside the United States, please call 312 930 2316, or contact the CME Group office that is located nearest you.

Total number of electronically traded contracts so far on that day's trading session

Total notional cash value of electronically traded contracts so far on that day's trading session

Forward points (interest rate differentials)

Top five bids and offers

Best bid in spot equivalent terms

Best offer in spot equivalent terms

CME E-EQUIVALENTS

FOREX FUTURES IN SPOT EQUIVALENT PRICES – FREE, REAL TIME AND ONLINE

A Web-based application, CME E-equivalents displays free, real-time forex futures in spot-equivalent price terms, designed to show the transparency of the market and the depth of book.

- Forex futures prices displayed in spot market format
- Real-time prices in all electronic forex markets
- Live quotes from three markets per page – along with the five best bids and offers in spot market convention
- Forward rate quotes for six currencies for easy comparison of forex cash and futures prices
- Links to educational material, training, upcoming events and other information to help you trade forex

**COMPARE BID/OFFER SPREADS
BEFORE YOU MAKE YOUR NEXT TRADE.**

Take a look at www.cmegroup.com/equivalents.

The screenshot shows the CME Group website interface. At the top left is the CME Group logo with the tagline 'A CME/Chicago Board of Trade Company'. To the right, there are links for 'English | Worldwide' and 'My CME | CBOT ADVANTAGE', along with a search bar. The main navigation menu on the left lists various product categories like 'Commodity Products', 'Energy & Metal Products', and 'Equity Index Products', with 'FX Products' highlighted. The main content area features a large image of a globe and the heading 'FX Products for Individual Traders'. Below this, there is a detailed section titled 'FX Products for Individual Traders' with a list of benefits such as 'Over \$80 billion in daily liquidity' and 'Equal access to prices and fully disclosed costs'. To the right of the main content, there are three promotional boxes: 'CME E-equivalents' offering 'FREE real time FX futures in spot equivalent prices', a 'Podcast' titled 'The Birth of FX Futures', and 'FX News & Updates'.

EDUCATION

A COMMITMENT TO KNOWLEDGE AND RESOURCES

CME Group has made it easier than ever for you to trade forex futures by providing a variety of helpful resources on its Web site (www.cmegroup.com/tradeforex). These resources include online classes, education seminars/Webinars, trading manuals and strategy papers for trading forex futures. In addition, CME E-equivalents is a free Web-based application that displays real-time forex futures prices. The application makes forex futures prices more easily accessible to traders accustomed to the pricing format of the forex spot/cash market. CME E-equivalents can be found at www.cmegroup.com/equivalents.

Free online forex classes

CME Group offers two, free online forex classes. One teaches the basics of trading forex. The other covers more advanced topics and trading strategies.

The Dynamics of Foreign Exchange –

To boost your knowledge of the history and basic concepts of currency trading, register now at www.cmegroup.com/fxdynamics.

Advanced Strategies for Foreign

Exchange Traders – To learn more about advanced forex trading strategies and concepts, register now at www.cmegroup.com/advancedfx.

IMPROVE YOUR FOREX TRADING, UNDERSTANDING AND EXPERTISE

Look inside for the **FREE** resources you need to become a **more knowledgeable** forex trader.

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