

CME Group Trends in Grain Derivatives

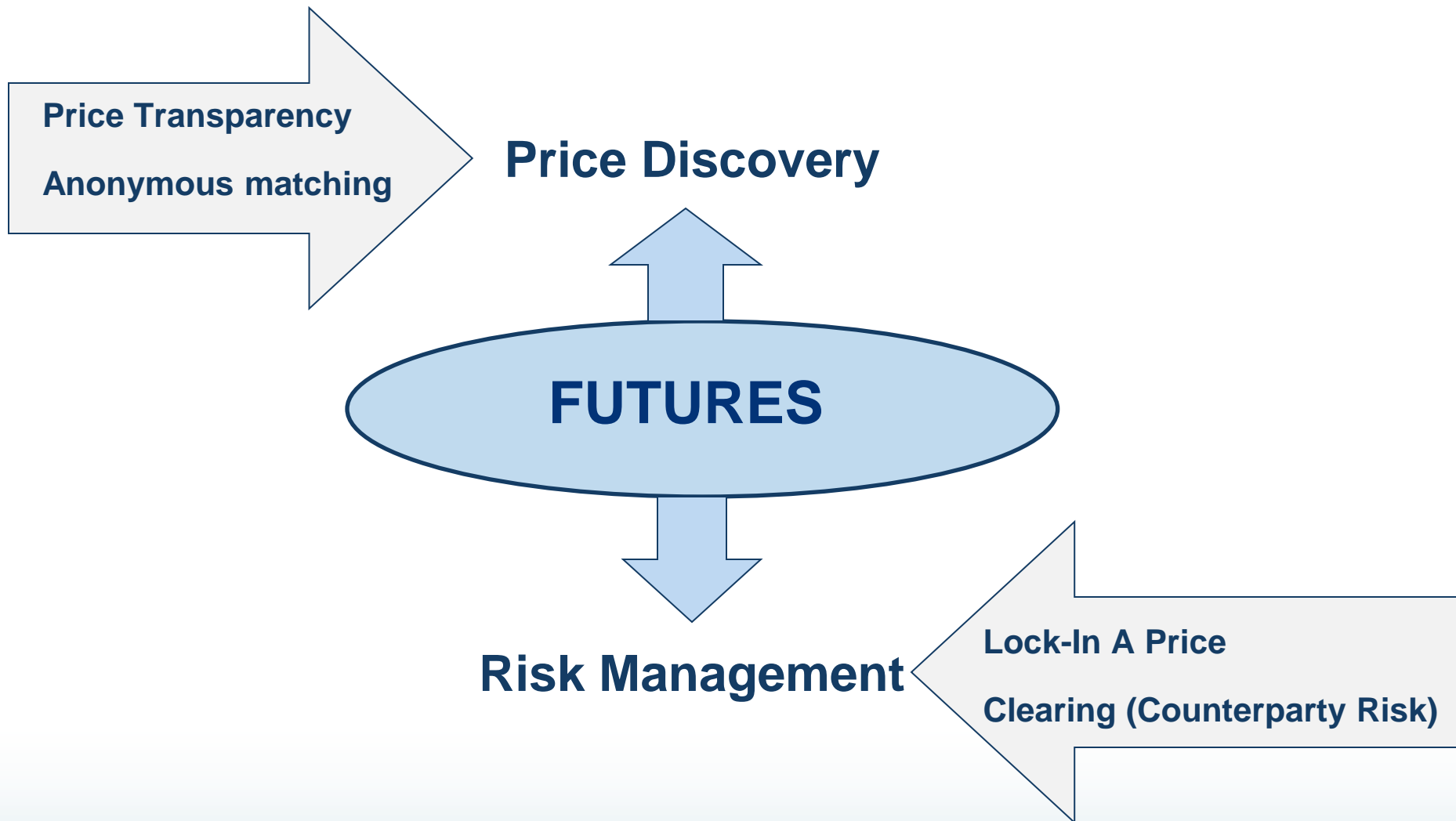
March 2013

Turkish Flour Industrialists' Federation

Lisa Kallal, CME Group

London

CME Group Role in Market Place:



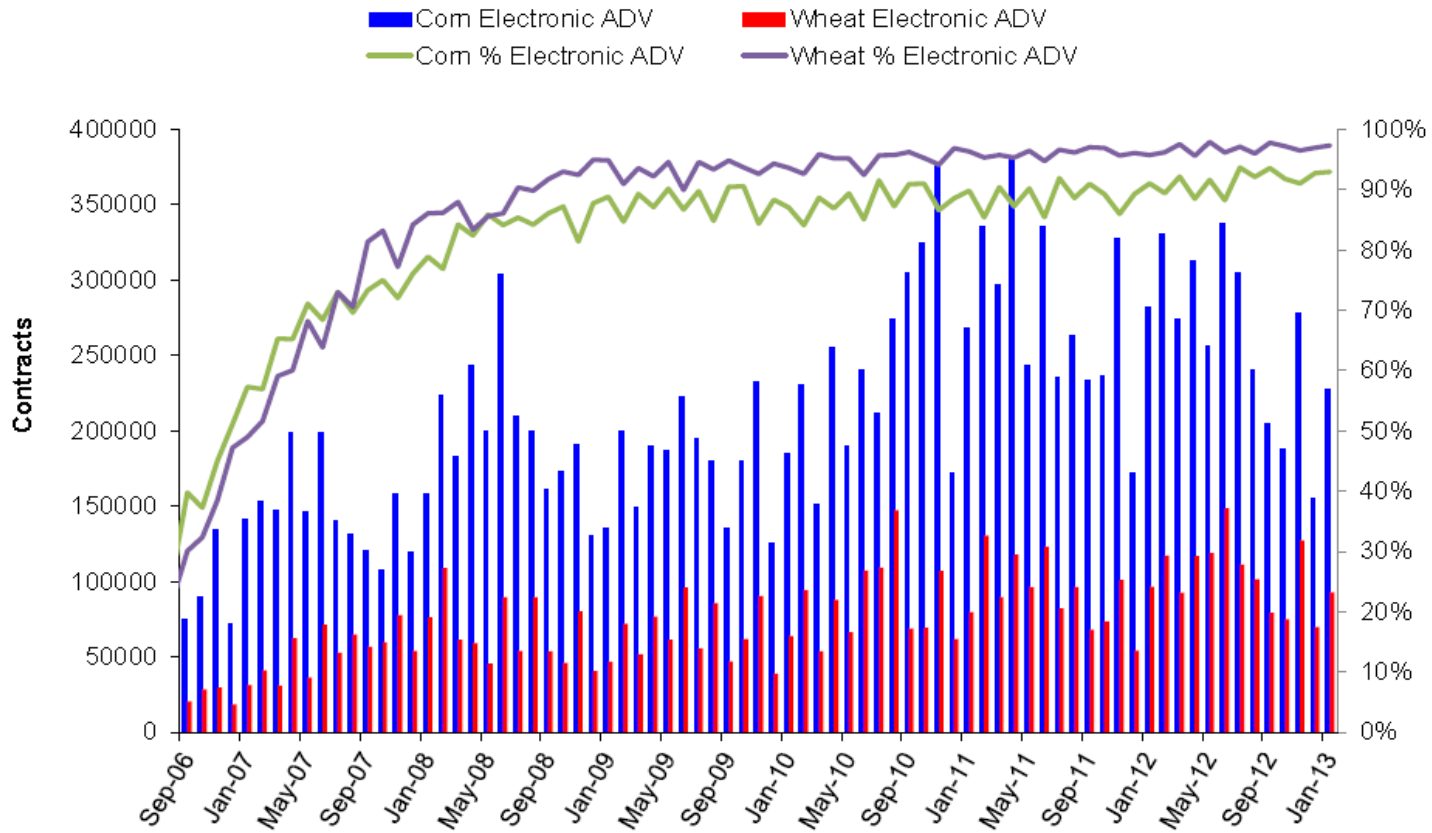
Price Trends

– Growing Importance of Price Risk Management



Volume Trends

Corn and Wheat Electronic Futures - Average Daily Volume



New News—

New Exchanges

New Futures Products

New Options Products

New Hours





CME Group

**Chicago
Mercantile
Exchange
(CME)**

**Chicago
Board of
Trade
(CBOT)**

**Kansas City
Board of
Trade
(KCBT)**

**New York
Mercantile
Exchange
(NYMEX)**

**Commodity
Exchange
(COMEX)**

New News—

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CME Group Agricultural Commodity Product Line

Grain and Oilseeds - Listed

- Corn (mini)
- **US SRW Wheat (mini)**
- **Black Sea Wheat**
- **US HRW Wheat**
- Oats
- Rough Rice
- Soybeans (mini)
- Soybean Meal
- Soybean Oil
- Soybean Crush
- Palm Oil

Options

- **Monthly US-Style**
- **Weekly**
- **Short-Dated New Crop**
- **Grain Calendar Spread**
- **MGEX/CBOT Spread**

Swaps & Financially-Settled

- Corn
- Wheat
- Soybeans
- Rapeseed Oil
- Biofuels
- World Raw Sugar
- Arabica Coffee
- Cocoa

Dairy Products

- Class III Milk
- Class IV Milk
- Nonfat Dry Milk
- Deliverable Nonfat Dry Milk
- Cash-settled Butter
- Butter
- International Skimmed Milk Powder
- Dry Whey

Livestock & Lumber

- Live Cattle
- Lean Hogs
- Feeder Cattle
- Random Length Lumber

Commodity Indexes

- DJ-UBS Commodity Index
- S&P-GSCI
- S&P-GSCI Excess Return Index

New News—

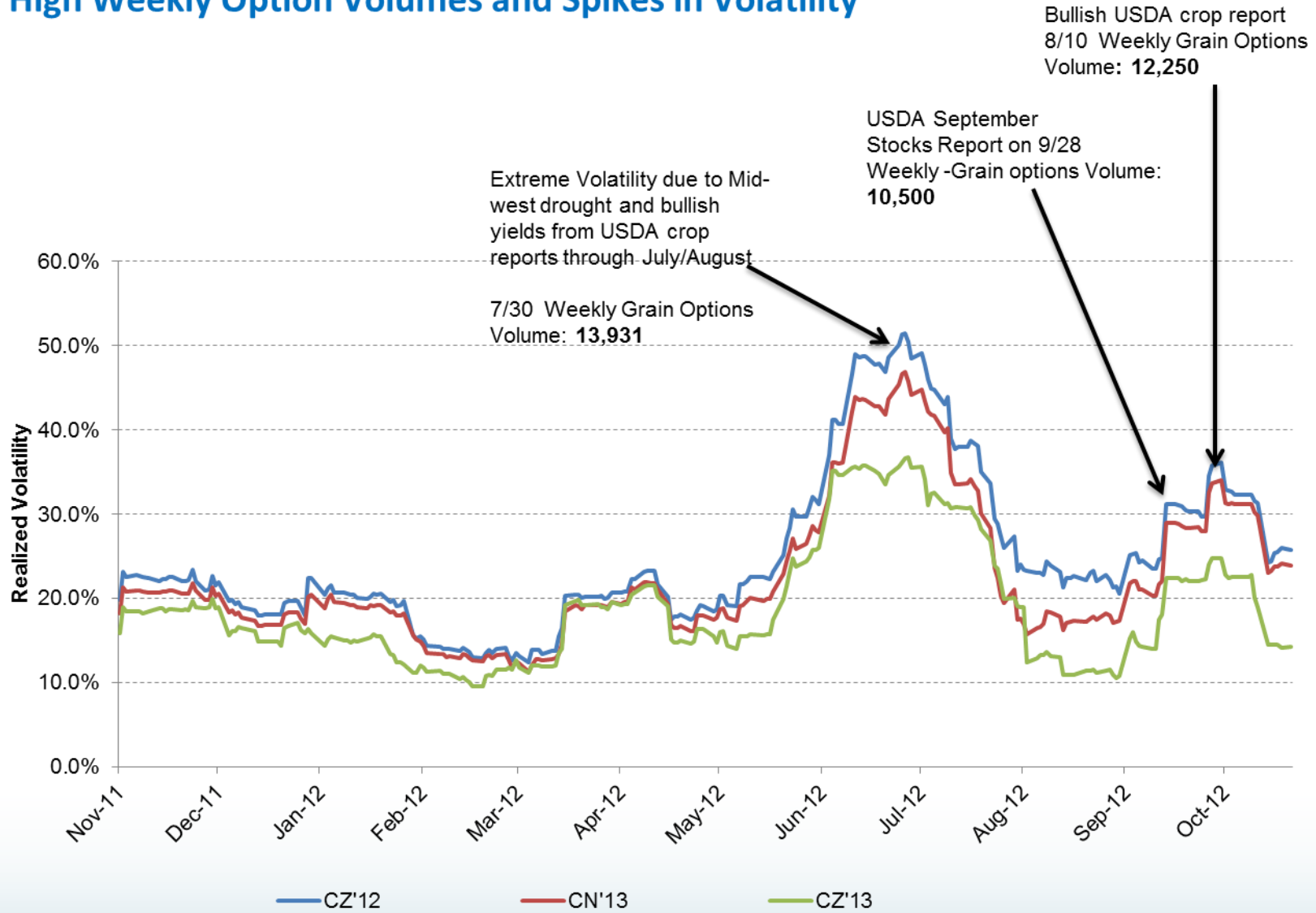
New Exchanges
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Non-Standard Grain Option Solutions

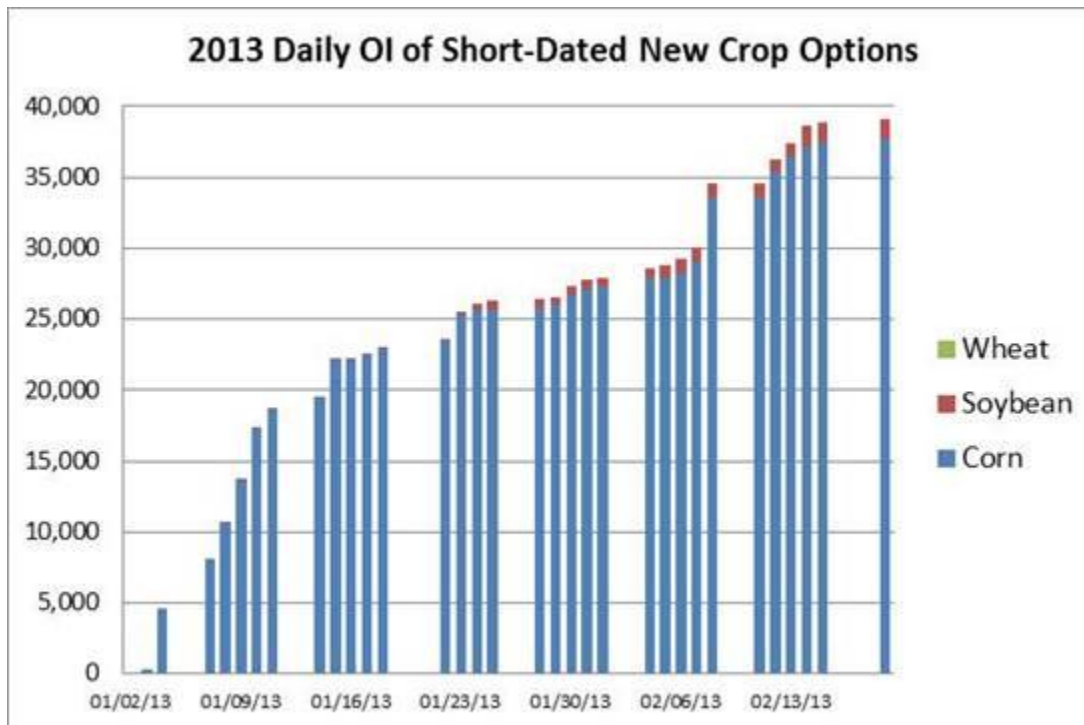
- **Shorter timeframes (expiration dates)**
 - Weekly Grain Options: Corn, Wheat, Soybeans, Soybean Oil, Soybean Meal
 - Short-Dated New Crop Options on Corn, Soybean and Wheat
- **Spread optionality**
 - Calendar Spread Options: Corn, Wheat, Soybeans, Soybean Oil, Soybean Meal
- **Inter-Commodity spreads**
 - Wheat-Corn Intercommodity Spread Options
 - Soybean/Corn Price Ratio Options
- **Inter-market optionality**
 - MGEX-CBOT Wheat Spread Options
 - KCBT-CBOT Wheat Spread Options...

High Weekly Option Volumes and Spikes in Volatility



Short-Dated New Crop (SDNC) Options Features and Benefits

- Early expiring options on the deferred (new crop) months that reference the December Corn contract, November Soybean contract and July Wheat contract.
- Cost-effective: lower premiums due to less time value
- Facilitate hedging early in the planting and growing season
- Manage risk during specific windows of the growing season at reduced costs
- Useful for trading around key USDA reports
- Allow Greek sensitivity hedging
- May be used to hedge old/new crop Calendar Spread Options (CSOs) positions
- Arbitrage opportunities between outright, CSOs and SDNC options



New News—

New Exchanges
New Futures Products
New Options Products
New Hours



Hours

Electronic hours: 5pm -2pm Sun – Fri (Chicago time)

Trading floor hours: 9:30am-2pm Mon-Fri (Chicago time)

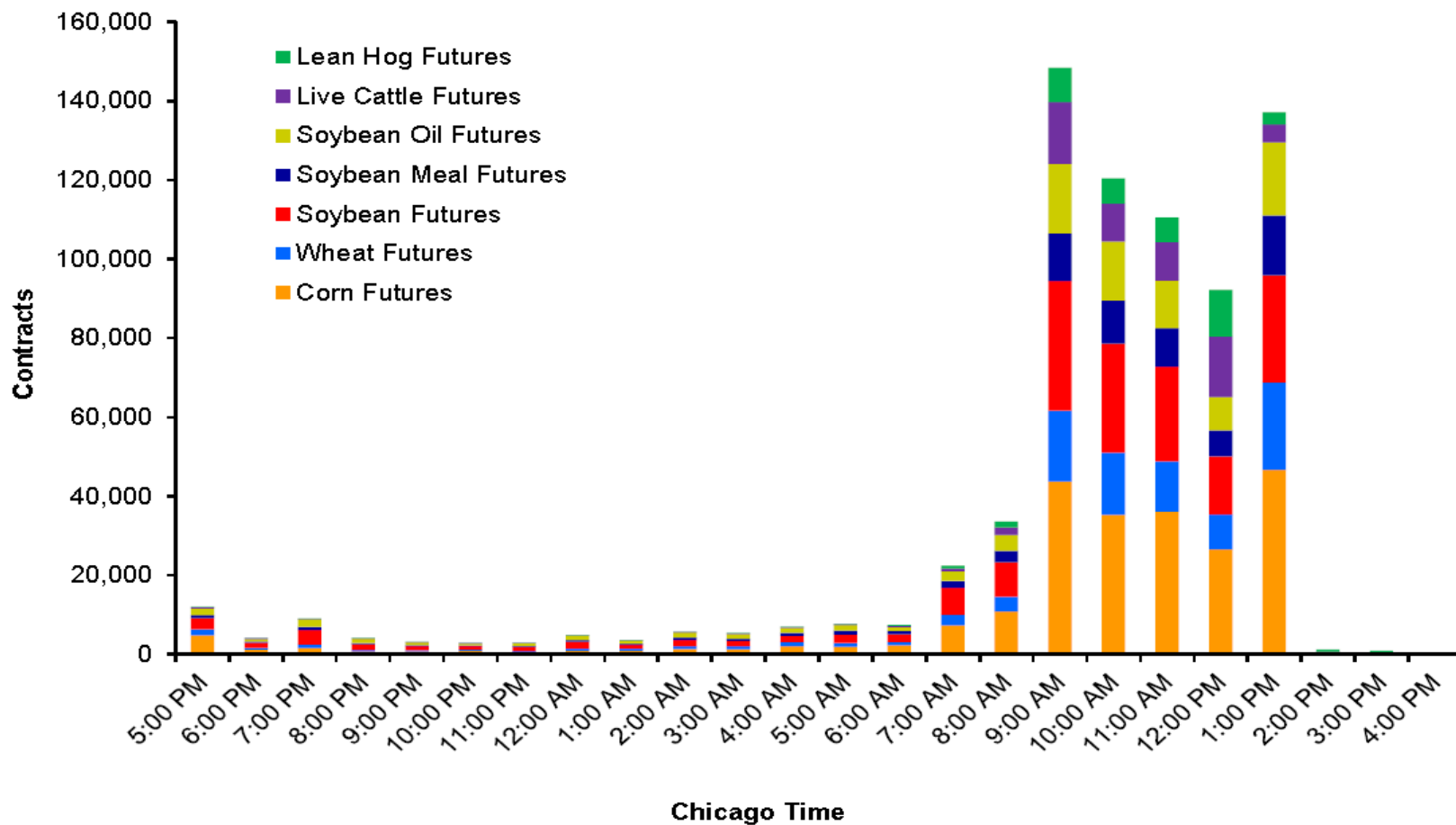
USDA report – 11am (Chicago time)

Hours Survey....

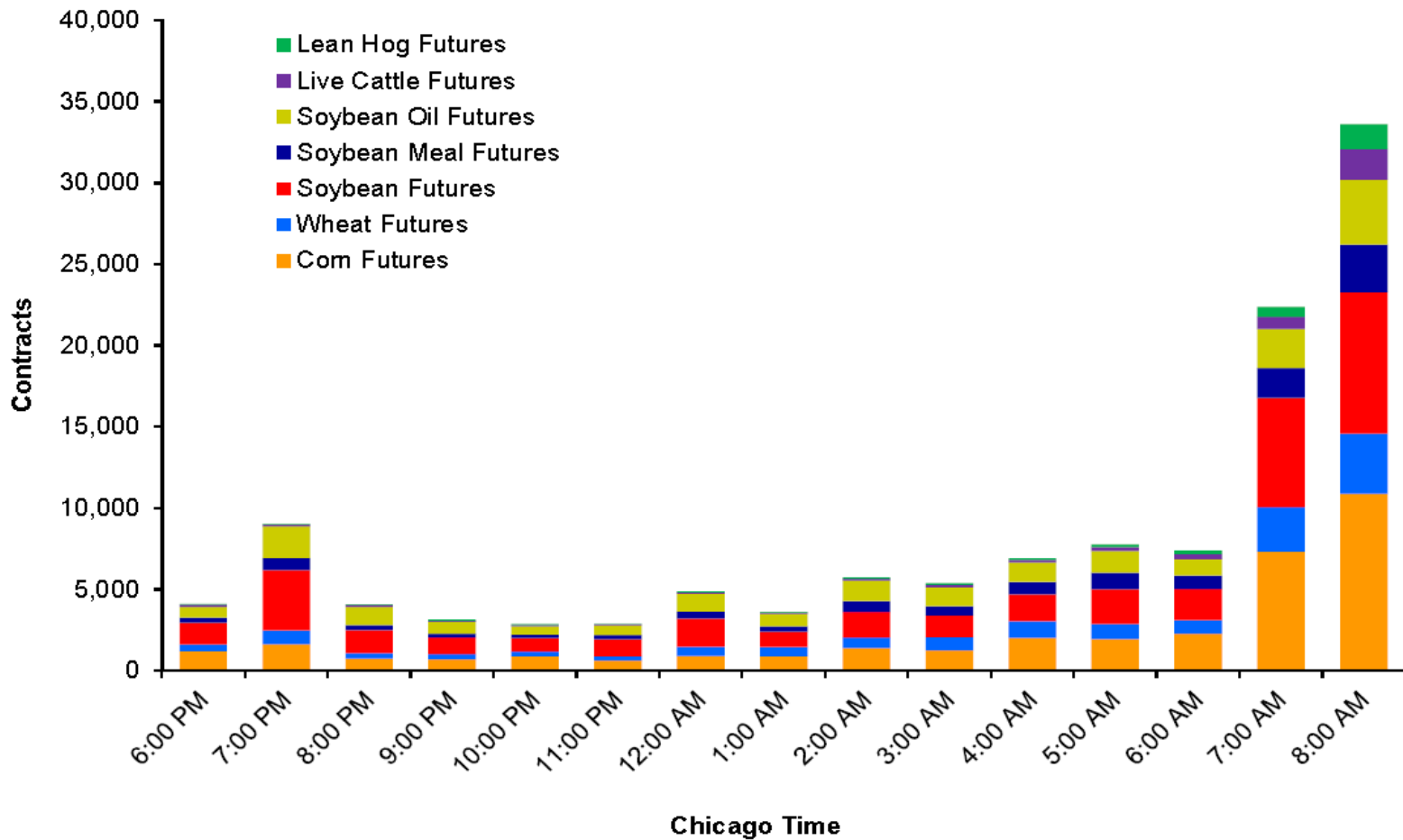
(+8 hours Istanbul)



Average Hourly Electronic Volumes - All Hours - January 2013



Average Hourly Electronic Volumes - Extended Trading Hours - January 2013



THANK YOU FOR YOUR PARTICIPATION TODAY

please contact us:

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Disclaimer

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