

CME Group Overview

ADVANCE WITH CONFIDENCE

At CME Group, we make it possible for enterprises, institutions and individuals to manage the risks that stand between them and progress. We help farmers lock in future prices, banks manage interest rate changes and airlines hedge fuel costs. All so they can manage their risks and move forward.

LEADERSHIP IN THE GLOBAL MARKETPLACE

CME Group is the world's leading and most diverse derivatives marketplace – handling 3 billion contracts worth approximately \$1 quadrillion annually, on average. The company is a marketplace for buyers and sellers – bringing together individuals, companies and institutions that need to manage risk or that want to profit by accepting risk.

We have a rich history stemming from the grain merchants who founded the Chicago Board of Trade in 1848, the dairy merchants who founded the New York Mercantile Exchange in 1872, and the butter and egg merchants who founded the Chicago Mercantile Exchange in 1898. Through the combination of these pioneering exchanges, CME Group provides innovative derivatives products, services and technologies to the global financial marketplace. We bring buyers and sellers together through our CME Globex electronic trading platform and our trading facilities in Chicago and New York.

DRIVING GLOBAL GROWTH AND COMMERCE

Today's uncertain geopolitical and economic climate has created a growing need for risk management and hedging tools. This makes CME Group's broad array of products increasingly important for portfolio managers, traders, investment bankers, chief financial officers and corporate treasurers, as well as farmers, ranchers and other individuals, who are seeking new tools for managing risk.

CME Group exchanges offer the widest range of global benchmark products across all major asset classes, including futures and options based on interest rates, equity indexes, foreign exchange, energy, agricultural commodities, metals, weather and real estate. Our interest rate products help reduce the cost of borrowing and financing by enabling financial institutions worldwide to hedge interest rate risks, while our equity products enable investors to manage stock market exposure, increasing investor confidence in these important markets. Our foreign exchange (FX) products provide an

effective and efficient means of risk transfer for the global FX market by offering investment as well as risk management opportunities. In addition, our commodity products help establish benchmark prices and play an important role in risk management for the agricultural economy, while our alternative investment products enable housing, insurance, utilities, energy and other businesses to transfer risks to the capital markets.

IMPORTANCE OF CENTRALIZED CLEARING

CME Group also operates CME Clearing, one of the world's leading central counterparty clearing providers. We are the guarantor of every transaction that happens in our markets, providing unparalleled safety and soundness for our customers. CME Clearing offers clearing and settlement services for exchange-traded contracts as well as for over-the-counter derivatives transactions. It limits accumulation of losses or debt with twice daily mark-to-market settlement, and is responsible for settling trading accounts, clearing trades, collecting and maintaining performance bond funds, regulating delivery and reporting trading data.

ELECTRONIC TRADING VALUED WORLDWIDE

Through our CME Globex electronic trading platform, users worldwide are able to access the broadest array of the most liquid financial derivatives markets available anywhere. In addition, CME Globex offers speed of execution, transparency, anonymity and market integrity. Today, more than 80 percent of the trades at CME Group are electronic.

Access to CME Globex is available to customers in more than 150 countries through a variety of means including telecommunications hubs in key financial centers in the United States, Europe, Asia and Latin American. In addition, CME Group partners with exchanges throughout the world to expand access globally to their products and ours. The system is continuously enhanced to provide customers with high-speed, high-volume capacity, improved capabilities and a range of new products.

CME GROUP STRENGTHS BENEFIT CUSTOMERS

Leading Size and Scale We are the world's leading and most diverse derivatives marketplace, handling 3 billion contracts annually on average, worth approximately \$1 quadrillion.

Reliability Our technologically sophisticated Global Command Center supports and protects the systems that work together across the globe to ensure efficient and liquid trading.

Highly Liquid Markets Our deep liquidity, provided by our scale and product diversity, supports our customers' ability to execute large purchases and sales orders quickly and efficiently. Superior Trading Technology CME Globex, the first global electronic trading system for futures and options, allows customers access to a single platform virtually 24 hours a day.

Financial Safeguards CME Clearing – the largest derivatives clearing facility in the world – protects the financial integrity of our markets by serving as the counterparty to every trade and virtually eliminating third-party credit risk.

Capital Efficiencies Various incentive programs, and reduced margin requirements through positions in offsetting markets, provide customers ways to reduce up-front costs and free up more funds to pursue other opportunities.

Market Integrity Our market regulation department provides comprehensive self-regulatory programs that are designed to maintain the integrity of our markets.

Most Diverse Product Line We offer the most diverse product line of any futures exchange – both on-exchange and over-the-counter – including products based on interest rates, equity indexes, foreign exchange, energy, agricultural commodities, metals, weather and real estate.

Global Reach We have global distribution capabilities through our trading hubs in key market centers, and our international network of strategic partners provides further opportunities to serve a broad range of clients worldwide.

A HISTORY OF INNOVATION

CME Group innovations in trade, technology, industry and markets have advanced worldwide financial markets. For more than 150 years, CME Group has played a vital role in the growth of the global economy:

- 2012 – Acquires Kansas City Board of Trade
– Completes new S&P Dow Jones Indices Joint Venture
- 2011 – Launches European clearing services via CME Clearing Europe
- 2008 – Completes acquisition of New York Mercantile Exchange
- 2007 – Completes merger with Chicago Board of Trade
- 1999 – Initiates first weather-based futures contracts
- 1997 – Develops and launches first mini-sized, all electronic futures contracts, CME E-mini S&P 500 futures
- 1992 – Handles first electronic futures trades with launch of CME Globex electronic trading platform
- 1987 – Ushers in the era of electronic futures trading by initiating development of CME Globex platform
- 1982 – Develops first successful stock index futures contract, CME S&P 500 Index futures, and first options on futures contract for U.S. Treasury Bond futures
- 1975 – Offers first interest rate futures contract, on Government National Mortgage Association futures
- 1972 – Launches the industry's first-ever financial futures contracts on seven foreign currencies
- 1969 – Launches trading of first non-grain product – silver futures contract
- 1964 – Launches first agricultural futures based on non-storable commodities – live cattle futures
- 1961 – Launches first futures contract on frozen, stored meats – the frozen pork belly contract
- 1865 – Establishes world's first futures clearing operation when it begins requiring performance bonds, called "margin," to be posted by buyers and sellers
- 1851 – Offers earliest "forward" contract ever recorded – on 3,000 bushels of corn
- 1848 – Creates world's first futures exchange, based in Chicago

CME Group's futures and options contracts allow market participants to transfer risks, optimize portfolio performance and adjust underlying exposures with low transaction costs.

For a list of connectivity options, visit cmegroup.com/networkaccess

For additional information, contact globalaccountmanagement@cmegroup.com



Futures trading is not suitable for all investors, and involves the risk of loss. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyles. And only a portion of those funds should be devoted to any one trade because they cannot expect to profit on every trade. All matters pertaining to rules and specifications herein are made subject to and are superseded by official CME, NYMEX and CBOT rules. Current CME/CBOT/NYMEX rules should be consulted in all cases before taking any action.

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