

CME Globex Trader[®] Update



Agenda

- **CME Globex[®] Options Enhancements**
- **Enhanced Options Availability**
 - ◆ Third-party Independent Software Vendors (ISVs) and Proprietary Trading Systems via CME iLink[®]
 - ◆ CME Galax-C[®]
 - ◆ CME EOS Trader
- **CME Globex Trader Decommission**
- **Q&A**

CME Globex Options Enhancements

- **In Q4 2006, CME will expand the enhanced options functionality on CME Globex to CME FX, Equity and Commodity options**
 - ◆ Currently available for CME Eurodollar options
 - ◆ User-defined spreads (UDS)
 - Covers options functionality
 - ◆ CME Commodity Options
 - Available for the first time on CME Globex
- **Launch dates:**
 - ◆ November 5, 2006 – CME FX Options
 - ◆ November 19, 2006 – CME Equity Options
 - ◆ December 4, 2006 – CME Commodity Options

- **User-defined spreads: Covered options functionality**
 - Currently available for CME Eurodollar options outrights and spreads with one or two underlying futures
 - Customer defines covering future, future price, and delta; matching occurs versus option premium
- **Full user-defined spreads functionality will be available early Q2 2007 for all options products**
 - Customer can combine options and futures, outrights and spreads real-time to form a unique spread on the fly

Enhanced Options Availability

- **Continued availability**

- ◆ Third-party Independent Software Vendors (ISVs) that support enhanced options functionality
- ◆ Proprietary front-end trading system
- ◆ CME Galax-C

- **CME EOS Trader**

- ◆ As of December 3, all electronically listed CME options will be available on CME EOS Trader
- ◆ Transitional trading application
- ◆ Currently options only
- ◆ Minimal futures functionality available in Q2
- ◆ Demo available at www.cme.com/optionsdemo

CME EOS Trader

CME EOS Trader™ - SenderSubID: W000PSA - Access Level: eRFQ Only - Microsoft Internet Explorer provided by Chicago Mercantile

Customer Accounts | User Preferences | Order Management | Market History | Add Window | Help | Logout

Big Investment Co | Lots More Capital | Vol Junkie | Position Windows | Manage Workspaces

List 23917

Add Contract | Create Covered | Customize

e-RFQ	Contract	Bid Qty	Bid Price	Best Ind. Bid	Best Ind. Ask	Ask Price	Ask Qty	Last	Net C
e-RFQ	lyr Mid-Curve MAR07 9500 Straddle	300	51.0	250 @ 52.0	250 @ 52.5	52.5	300	-	-
e-RFQ	lyr Mid-Curve JUN07 9500 Straddle	250	62.0	500 @ 62.5	500 @ 63.0	64.0	250	-	-
e-RFQ	Eurodollar DEC06 9450 Put	1000	0.5	500 @ 0.25	500 @ 1.0	1.0	1705	-	-
e-RFQ	Eurodollar DEC07 9300 Put	500	0.25	500 @ 0.0	500 @ 1.0	1.0	500	-	-
e-RFQ	Eurodollar DEC06 9487 Call	1200	1.0	500 @ 0.5	500 @ 1.5	1.5	2000	-	-
e-RFQ	lyr Mid-Curve DEC06 9525 Straddle	350	32.0	250 @ 32.0	250 @ 33.0	33.0	350	-	-
e-RFQ	Eurodollar MAR07 9475-9500-9525 Call Butte...	300	4.0	500 @ 5.0	300 @ 5.5	5.5	300	-	-
e-RFQ	Eurodollar DEC06 9475 Straddle	500	12.5	250 @ 12.0	500 @ 13.0	13.5	1000	-	-
e-RFQ	Eurodollar MAR07 9462-9437 Put Ratio (1x2)	300	1.5	500 @ 1.5	1000 @ 2.0	2.5	300	1000 @ 1.5	-
e-RFQ	lyr Mid-Curve NOV06 9525 Straddle	250	24.0	250 @ 24.0	250 @ 25.0	25.0	250	-	-

Copy All to Clip Board | Trade total: 103 Volume: 101512

Active Contract Viewer

Mid-Curve DEC06 9525-9550 Call Ratio (1x2)

Filter

Time	Type	Contract	Bid Qty	Bid Price	Best Ind. Bid	Best Ind. Ask	Ask Price	Ask Qty
11:16:08	R	lyr Mid-Curve DEC06 9525-9550 Call Ratio (1x2)	2500	1.5	1000 @ 1.5	1000 @ 2.5	2.5	2250
11:15:55	T	lyr Mid-Curve OCT06 9500-9550 Call Ratio (1x2)	-	-	500 @ 24.5	500 @ 26.0	26.5	250
11:15:47	R	Eurodollar MAR07 9475-9450 Put Vertical	600	6.0	500 @ 6.5	500 @ 7.5	7.5	600
11:13:12	R	Wkly lyr MC OCT06-W1 9525 Straddle	250	10.5	250 @ 11.0	250 @ 12.0	12.0	250
11:12:51	R	CV: GE026 9475 Put B(GE27 9525.5) [0.10]	2900	1.5	250 @ 1.5	250 @ 2.5	2.5	2900
11:08:37	R	Eurodollar JUN07 9450-9425-9400-9375 Put Condor	500	2.0	1500 @ 2.0	500 @ 2.5	2.5	1000
11:08:33	R	lyr Mid-Curve DEC06 9475 Put	2750	1.5	500 @ 1.5	500 @ 2.5	2.0	250
11:08:02	R	Eurodollar SEP08 9525 Straddle	250	93.0	500 @ 93.0	500 @ 93.5	94.0	750
11:06:40	R	lyr Mid-Curve OCT06 9512-9500 Put Vertical	1000	1.5	500 @ 1.5	500 @ 2.0	2.0	1000
11:06:33	T	Eurodollar JUN07 9450 Put	500	5.5	1000 @ 5.0	500 @ 6.0	6.0	7900

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CME Globex Trader Decommission

- **Options will no longer be available on CME Globex Trader**
- **CME is targeting decommissioning CME Globex Trader by end of 2007**
 - ◆ Decreasing user base
 - ◆ Aging functionality and infrastructure
 - ◆ Growing difficulty with increased market data messaging
 - ◆ Increasing number of alternatives
- **New CME Globex Trader licenses will be unavailable beginning in the first half of 2007**

• **Consult your Clearing Firm!**

◆ **Clearing firms may have existing relationships with ISVs**

- **What alternative systems can you offer current CME Globex Trader customers?**
- **Is there a comparably-priced alternative?**

• **ISVs**

• **Proprietary system**

- ◆ **Customized interface and functionality**
- ◆ **Development and certification resources required**
- ◆ **Longer time to market**

• **CME Galax-C**

• **CME EOS Trader**

CME-Certified ISVs

- Belzberg Technologies
- Bloomberg
- CMC
- CQG
- Currenex
- DAFC
- Easy Screen
- Eccoware
- FFastFill
- GL Trade
- Ion Trading
- NYFIX
- Object Trading
- Orc Software
- Patsystems
- ProOpticus
- Random Walk Computing
- Rolfe & Nolan
- RTS Realtime Systems
- Stellar Trading Systems
- Sterling Technologies
- SunGard
- Townsend Analytics
- Trading Technologies

Access Web site links at www.cme.com/isv

CME Galax-C 6.6

- ◆ Trade all listed strategies from a new strategy screen
- ◆ Send and receive RFQs
- ◆ New visual delineation of order types (Day and FAK)
- ◆ Cancel by contract group in options and strategies via new cancel button
- ◆ Select options and strategies right from the trading screen
- ◆ Switch from the options to the strategies screens and from the Open Order to Trading screens (either options or strategies)

CME Solutions Comparison

	CME EOS Trader	CME Galax-C	CME Globex Trader
Feature and Functionality Differences from CME Globex Trader	<ul style="list-style-type: none"> • Order Types: No OCO, GTC, GTD, FOK or Care Orders. • No Bid/Ask • No Hidden Quantity • Basic customization capabilities • Predominantly mouse-based • Intended as an interim solution only 	<ul style="list-style-type: none"> • No OCO, GTC, GTD or Stop Limit (only Limit and FAK available) • No order modifications • No Hidden Quantity • Basic customization capabilities 	
Credit Controls	<ul style="list-style-type: none"> • Maximum quantity per order (set by user) • Maximum quantity per day 	<ul style="list-style-type: none"> • Maximum quantity per order (Approved by firm, set by the user) • Maximum long/short worst allowed by group (set by the firm or user) 	<ul style="list-style-type: none"> • Maximum quantity per order (set by firm admin) • Maximum long/short worst allowed by product (set by firm admin) • Long/Short net initial (optional-set by firm admin)
UDS	Yes	No	No
Implied Quantity Display	At present, No. Embedded in Total Quantity display	No. Embedded in the Total Quantity display	Yes
Options Availability	Currently supports CME Eurodollar Options; supports all other options as of December 3	Supports all options products	<p>CME FX unavailable as of November 5</p> <p>CME Equity unavailable as of November 19</p>

CME Globex Account Management

- ◆ 312-634-8700 (US)
- ◆ +44 207 623 2550 (International)
- ◆ E-mail: globexaccountmanagement@cme.com

CME Customer Service

- ◆ 800-331-3332
- ◆ E-mail: info@cme.com

QUESTIONS?