



Special Executive Report

S-4715

May 28, 2008

EXCHANGE APPROVES INCREASED SPOT MONTH POSITION LIMITS FOR MEXICAN PESO FUTURES AND OPTIONS, EFFECTIVE MONDAY, JUNE 2, 2008

On Friday, May 23, 2008, the exchange approved rule changes to increase the spot month position limit for CME Group Mexican peso futures and options contracts from 10,000 to 20,000 contracts, and further, is making the rule amendments effective two business days later to assure market participants the ability to reduce speculative positions in the expiring contract during the period of peak liquidity. The revised rules indicate the new spot month position limit is applicable on and after the third business day prior to the termination of trading of the futures contract. The position accountability threshold of 6,000 contracts for Mexican peso futures and options would be in effect until that point. These changes will enable customers to roll from one contract month to the next contract month during the most liquid portions of the traditional roll period.

Also, the Position Limit and Reportable Level Table at the end of Chapter 5 is updated for the Mexican peso contracts to reflect the changes adopted herein (see last page of this notice).

The rule amendments are effective on Monday, June 2, 2008, and will apply to existing as well as newly listed Mexican peso futures and options contracts. Therefore, the new spot month position limit rules will apply to the expiring June 2008 Mexican peso futures and options contracts.

The rule changes with additions underlined and deletions bracketed and overstruck follow below.

Text of Rule Amendments

Rule Changes to Increase the Spot Month Position Limits for Mexican Peso Futures and Options on Futures Contracts.

25601. FUTURES CALL.

25601D. Position Accountability and Spot Month Position Limits

A person owning or controlling more than 6,000 contracts net long or net short in all contract months combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information if applicable; except that in no event shall such person own or control more than ~~[40,000]~~ 20,000 contracts in the spot month on or after the third business day ~~[one week]~~ prior to the termination of trading day. For positions involving options on Mexican peso futures, this rule is superseded by the option position accountability and spot month position limits rule.

In addition, the Exchange President or his designee or the Business Conduct Committee may require, at their discretion, that such positions not be further increased.

(Remainder of rules is unchanged.)

256A01. OPTION CHARACTERISTICS.

256A01E. Position Limits and Accountability

A person owning or controlling a combination of options and underlying futures contracts that exceeds 6,000 futures-

equivalent contracts net on the same side of the market in all contract months combined for Mexican peso futures and options shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information if applicable. In addition, the Exchange President or his designee or the Business Conduct Committee may require, at their discretion, that such positions not be further increased. However, in no event shall a person own or control more than ~~[40,000]~~ 20,000 futures-equivalent contracts in the spot month on or after the third business day ~~[one week]~~ prior to the underlying futures termination of trading day for the Mexican peso.

For the purpose of this rule, the futures equivalent of an option contract is 1 times the previous business day's IOM risk factor for the option series. Also for purposes of this rule, a long call option, a short put option, and a long underlying futures contract are on the same side of the market; similarly, a short call option, a long put option and a short underlying futures contract are on the same side of the market.

(Remainder of rules is unchanged.)

If you have any questions, please contact Scott Brusso, Director, FX Products, at 312-930-3133 or via email at Scott.Brusso@cmegroup.com; or Steve Mair, Manager, Market Surveillance, at 312-466-4382 or via email at Steve.Mair@cmegroup.com; or Steve Youngren, Associate Director, Financial Research and Product Development, at (312) 930-4583 or via email at Steve.Youngren@cmegroup.com.

POSITION LIMIT AND REPORTABLE LEVEL TABLE *[Located at the End of Chapter 5]*

CONTRACT NAME	Options	SCALE-DOWN SPOT MONTH (1)	SCALE-DOWN SPOT MONTH (2)	SPOT MONTH	SINGLE MONTH	ALL MONTHS COMBINED	POSITION ACCOUNT- ABILITY	REPORTABLE FUT LEVEL	REPORTABLE OPT LEVEL
CME Foreign Exchange									
Australian Dollar	Y						**6,000	200	200
Australian Dollar/Canadian Dollar							**6,000	25	
Australian Dollar/Japanese Yen							**6,000	25	
Australian Dollar/New Zealand							**6,000	25	
Brazilian Real	Y				*24,000	*40,000		25	25
British Pound	Y						**10,000	200	200
British Pound/Japanese Yen							**6,000	25	
British Pound/Swiss Franc							**6,000	25	
Canadian Dollar	Y						**6,000	200	200
Canadian Dollar/Japanese Yen							**6,000	25	
Chinese Renminbi/Euro FX	Y			2,000			**6,000	25	25
Chinese Renminbi/Japanese Yen	Y			2,000			**6,000	25	25
Chinese Renminbi/US Dollar	Y			2,000			**6,000	25	25
Czech Koruna	Y			2,000			**6,000	25	25
E-mini Euro FX							*(A) 20,000	25	
E-mini Japanese Yen							*(A) 20,000	25	
Euro FX	Y						**10,000	200	200
Euro FX/Australian Dollar							**6,000	25	
Euro FX/British Pound	Y						**6,000	25	25
Euro FX/Canadian Dollar							**6,000	25	
Euro FX/Czech Koruna	Y			2,000			**6,000	25	25
Euro FX/Hungarian Forint	Y			2,000			**6,000	25	25
Euro FX/Japanese Yen	Y						**6,000	25	25
Euro FX/Norwegian Krone							**6,000	25	
Euro FX/Polish Zloty	Y			2,000			**6,000	25	25
Euro FX/Swedish Krona							**6,000	25	
Euro FX/Swiss Franc	Y						**6,000	25	25
Hungarian Forint	Y			2,000			**6,000	25	25
Israeli Shekel	Y			2,000			**6,000	25	25
Japanese Yen	Y						**10,000	200	200
Korean Won	Y			2,000			**6,000	25	25
Mexican Peso	Y			[4]**20,000			**6,000	25	25
New Zealand Dollar	Y						**6,000	25	25
Norwegian Krone							**6,000	25	
Polish Zloty	Y			2,000			**6,000	25	25
Russian Ruble	Y			2,000		*10,000		25	25
South African Rand	Y			5,000			**6,000	25	25
Swedish Krona							**6,000	25	25
Swiss Franc	Y						**10,000	200	200
Swiss Franc/Japanese Yen							**6,000	25	

*(A) E-mini Euro FX and the E-mini Japanese Yen are deemed to be the equivalent of one-half (.50) of the Euro FX and Japanese Yen contract.

* Net futures equivalents (NFE) long or short.

** Position Accountability rule: A person owning or controlling more than the specified number of futures or futures equivalent contracts net long or short in all contract months combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information if applicable

*** Mexican Peso spot month position limits go into effect beginning on the third business day prior to the termination of trading day.