



## Special Executive Report

S-4716

May 30, 2008

### **REAL TIME CALCULATION AND DISPLAY OF DAILY VOLUME-WEIGHTED AVERAGE SETTLEMENT PRICES / 2:00 PM FIXING PRICES FOR SELECTED NEARBY FX FUTURES CONTRACTS TO START MONDAY, JUNE 9, 2008**

As you were notified previously in CME Group Special Executive Report, S-4681, dated Tuesday, February 26, 2008, CME Group adopted measures to enhance its FX product line, including volume-weighted average prices ("VWAP") from CME Globex® during a new 30-second closing range to determine daily settlement prices for the nearby Australian Dollar, British Pound, Canadian Dollar, Euro FX, Japanese Yen and Swiss Franc futures contracts. The new settlement price mechanism was implemented on Monday, March 3, 2008. These settlement prices are currently available on Merquote ("CUR, page 2"), the CME Group trading floor wallboards and on the CME Group Web site page described as "American Style - 2PM cst FIX" (see link: <http://www.cmegroup.com/trading/fx/daily-currency-fixing-price.html>).

Starting Monday, June 9, 2008, the exchange will introduce real-time calculation and display of these settlement / fixing prices over the 30-second calculation period ending (usually) at 2:00 PM Central Time (CT).<sup>1</sup> Thus, the results of each FX futures real-time calculation will be disseminated every 1 second during the 30-second closing range between 1:59:30 and 1:59:59 PM CT, with the ultimate settlement price calculated, transmitted and displayed at the end of the 30-second period. The last price will become the daily settlement price for the nearby futures contract on that day. Also, on the last day of trading for applicable CME Group American-style FX options on futures, these underlying futures settlement prices (also known as 2:00 PM fixing prices), will be used by CME Clearing to exercise all applicable in-the-money options at expiration.

Also, please be reminded that contrary instructions to CME Clearing (i.e., not to exercise in-the-money options or to exercise out-of-the-money options) are no longer allowed, having started with the expiration of the March 2008 American-style FX options on Friday, March 7, 2008.

If you have any questions, please contact Derek Sammann, Managing Director, FX Products, at 312-466-7454, or Craig LeVeille, Director, FX Products, at 312-930-5301, or Steve Youngren, Associate Director, Financial Product Development, at (312) 930-4583.

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<sup>1</sup> On early close days, the closing range and corresponding 30-second calculation period would end at 12:00 noon (11:59:30 to 11:59:59)