

Wheat Futures and Options

SOFT RED WINTER. HARD RED WINTER. BLACK SEA.

Global wheat trading solutions in a single marketplace

The addition of KC Hard Red Winter (HRW) Wheat futures to the CME Group Wheat futures and options complex provides enhanced risk management and trading opportunities to market participants around the world. KC HRW Wheat futures and options, Chicago Soft Red Winter (SRW) Wheat futures and options, and Black Sea Wheat futures address the world's most critical wheat trading needs in one efficient marketplace. The availability of all three wheat futures products on CME Globex facilitates global access to these key wheat markets.

Moreover, market participants are able to take advantage of implied functionality on CME Globex to trade the KC HRW-Chicago SRW and MGEX-KC HRW Wheat futures spreads. For years these spreads have been used to capitalize on price differentials inherent in the varying classes of wheat, due to differences in their protein content as well as supply and demand fundamentals. Implied functionality allows these spreads to be executed as single trades, rather than by "legging" into the two individual contracts, further enhancing the opportunities these dynamic markets provide.

Chicago SRW Wheat Futures and Options

Today, Chicago SRW Wheat futures and options are the global industry standard and the most actively traded wheat benchmarks in the world. Producers, processors, millers and exporters continue to look to Chicago SRW Wheat futures for the liquidity that is critical for any risk management solution. In addition to standard options, we also list Weekly, Short-Dated New Crop and Calendar Spread Options.

KC HRW Wheat Futures and Options

KC HRW Wheat futures and options have provided solid risk management for producers and processors of Hard Red Winter wheat for more than 130 years. Representing the majority of the U.S. wheat crop, Hard Red Winter wheat is also the primary ingredient in the world's production of bread. In addition to standard options, we also list Weekly and Short-Dated New Crop options on KC HRW Wheat futures.

Black Sea Wheat Futures

Introduced in June 2012 in response to this region's increasingly important role in world wheat trade, the Black Sea Wheat futures contract is designed to be regionally relevant and globally accessible. Traditional exchange trading hours have been expanded to ensure availability during the underlying market's daytime trading hours, with CME Globex providing access to market participants around the world. Learn more at www.cmegroup.com/bsw.

Benefits

- One marketplace for Soft Red Winter, Hard Red Winter, and Black Sea Region wheat
- Availability of robust options markets on the world's two largest wheat futures contracts
- Enhanced spreading opportunities
- Cross margining and capital efficiencies by clearing through a single clearing house – CME Clearing
- Worldwide access via the CME Globex electronic trading platform

For more information visit cmegroup.com/wheat

Contract Specifications

	Chicago SRW Wheat Futures: Full and Mini-sized (Soft Red Winter)	KC HRW Wheat Futures: Full and Mini-sized (Hard Red Winter)
Contract Size	Full-Sized: 5,000 bushels Mini-Sized: 1,000 bushels	Full-Sized: 5,000 bushels Mini-Sized: 1,000 bushels
Deliverable Grade	No. 2 Soft Red Winter, No. 2 Hard Red Winter, No. 2 Dark Northern Spring and No. 2 Northern Spring at par. Other grades are acceptable for delivery at premiums and discounts — see Rules and Regulations for specific information.	No. 2 at contract price with a maximum of 10 IDK per 100 grams; No. 1 at a 1 1/2-cent premium. Deliverable grades of HRW shall contain a minimum 11% protein level. However, protein levels of less than 11%, but equal to or greater than 10.5% are deliverable at a ten cent (10¢) discount to contract price. Protein levels of less than 10.5% are not deliverable.
Price Quote	Cents per bushel	Cents per bushel
Tick Size	Full-sized: 1/4 cent per bushel (\$12.50 per contract) Mini-sized: 1/8 cent per bushel (\$1.25 per contract)	Full-sized: 1/4 cent per bushel (\$12.50 per contract) Mini-sized: 1/8 cent per bushel (\$1.25 per contract)
Contract Months	Jul, Sep, Dec, Mar, May	Jul, Sep, Dec, Mar, May
Last Trading Day	The business day prior to the 15th calendar day of the contract month.	The business day prior to the 15th calendar day of the contract month.
Last Delivery Day	Second business day following the last trading day of the delivery month.	Last business day of the delivery month.
Trading Hours	CME Globex: 7:00 p.m. – 7:45 a.m. CT, Sun – Fri and 8:30 a.m. – 1:20 p.m. CT, Mon – Fri (Settlement remains 1:15) Note: Mini-sized contracts close at 1:45 p.m. CT. Trading in expiring contracts closes at noon on last trading day.	CME Globex: 7:00 p.m. – 7:45 a.m. CT, Sun – Fri and 8:30 a.m. – 1:20 p.m. CT, Mon – Fri (Settlement remains 1:15) Note: Mini-sized contracts close at 1:45 p.m. CT. Trading in expiring contracts closes at noon on last trading day.
Ticker Symbols	Full-sized CME Globex: ZW Mini-sized CME Globex: XW	Full-sized CME Globex: KE Mini-sized CME Globex: MKC
Daily Price Limit	Daily price limits are variable and reset every 6 months in May and in November. There are no price limits in the current month contract on or after the second business day preceding the first day of the delivery month. For the current daily price limits, visit cmegroup.com/pricelimitupdate .	Daily price limits are variable and reset every 6 months in May and in November. There are no price limits in the current month contract on or after the second business day preceding the first day of the delivery month. For the current daily price limits, visit cmegroup.com/pricelimitupdate .

Black Sea Wheat Futures (Milling)

Contract Size	136 metric tons (~5,000 bushels)			
Deliverable Grade	Weight: Minimum 76 kg/hl Moisture: Maximum 14%	Grain Impurities: Maximum 8% Protein (on dry matter basis): Minimum 11.5%	Wet Gluten Content: Minimum 23% Falling Number: Minimum 230 sec	Misc. Impurities: Maximum 2% Bug Damage: Maximum 1.5%
Price Quote	U.S. dollars and cents per metric ton			
Tick Size	Ten cents (\$0.10) per metric ton (\$13.60 per contract)			
Contract Months	Jul, Sep, Dec, Mar, May			
Last Trading Day	The last business day of the month prior to the contract month			
Delivery Day	Business Day following the last trading day			
Trading Hours	CME Globex: Mon - Fri:	1:00 a.m. – 1:20 p.m. CT (Settlement remains 1:15)	10:00 a.m. – 10:15 p.m. GMT+4	9:00 a.m. – 9:15 p.m. GMT+2 (GMT+3 daylight savings time)
Ticker Symbols	CME Globex: BSW			
Daily Price Limit	\$22 per metric ton above or below the previous day's settlement price.			

Chicago SRW and KC HRW Wheat futures and options and Black Sea Wheat futures are listed with and subject to the rules and regulations of CBOT. CME Group is a trademark of CME Group Inc. CBOT is a trademark of the Board of Trade of the City of Chicago, Inc.

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 examples in this brochure are hypothetical situations, used for explanation purposes only, and should not be considered investment advice or the results of actual market experience.

The information within this brochure has been compiled by CME Group for general purposes only. Although every attempt has been made to ensure the accuracy of the information within this brochure, CME Group assumes no responsibility for any errors or omissions. All matters pertaining to rules and specifications herein are made subject to and are superseded by official CME, CBOT and NYMEX rules. Current rules should be consulted in all cases concerning contract specifications.

Nothing herein should be construed as a trading recommendation of MGEX. Information in this publication is taken from sources believed to be reliable but is not guaranteed by MGEX as to accuracy or completeness and is intended for the purpose of information and education only.