



EUR/USD 3-Month Realized Volatility Futures Final Settlement Procedure

The final settlement price of EUR/USD 3-Month Realized Volatility futures (36E) is equal to \$1,000 times the Euro 3-Month Realized Volatility (RV).

RV is calculated as the annualized standard deviation of log returns of daily futures settlement prices, where P_t is the daily settlement price for the EUR/USD futures (6E) contract in the month corresponding to the 3-Month Realized Volatility futures (36E) contract, on day t . P_{t-1} is the daily settlement price on the business day immediately prior to day t , and N is number of business days in quarterly calculation period.

Euro 3-Month Realized Volatility (RV)

P_t = Daily settlement price of the underlying futures on day t

N = Number of business days in the quarterly calculation period

t = Day's number within the contract period

$$RV = 100 * \sqrt{\left(\frac{252}{N}\right) \sum_{t=1}^N \left(\ln \frac{P_t}{P_{t-1}}\right)^2}$$

The quarterly calculation period begins on the first business day immediately following the second Friday immediately preceding the third Wednesday of the third calendar month preceding named contract month. The quarterly calculation period ends on the day on which trading is terminated. Days for which futures settlement prices are not available do not contribute to calculation.

The result is multiplied by 100 to get RV. As a result, a value of 20.00% (0.20) is expressed as 20.00 and a value of 10.00% (0.10) is expressed as 10.00.

If you have any questions, please call the CME Global Command Center at 312.456.2391, in Europe at 44.20.7623.4708, or in Asia at 65-6223-1357.

Note: In the event the aforementioned calculations described in this advisory cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity yields results that are not representative of the fair value of the contract, the staff may determine an alternative settlement price.