

# FX | Monthly Review

February 2017

Performance Overview of  
FX Futures and Options:

- Highlights
- Trends
- Resources

 CME Group

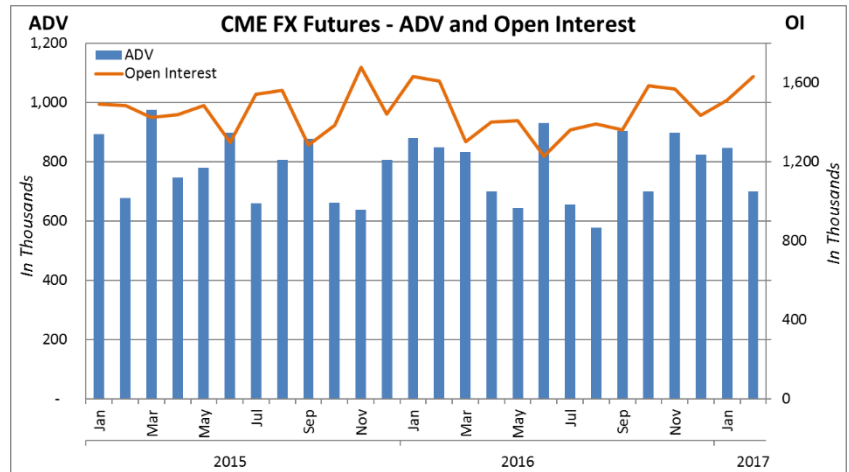
Awarded "Best FX Platform  
for Hedge Funds" at the  
2016 Profit & Loss  
Readers' Choice Awards



# PRODUCT OVERVIEW – FUTURES

## CME FX FUTURES

- February 2017 FX Futures ADV of 699,831 (\$74 billion notional)
- FX Futures ADV down 7% YTD YoY
- FX Futures Open Interest is up 8% vs. January 2017



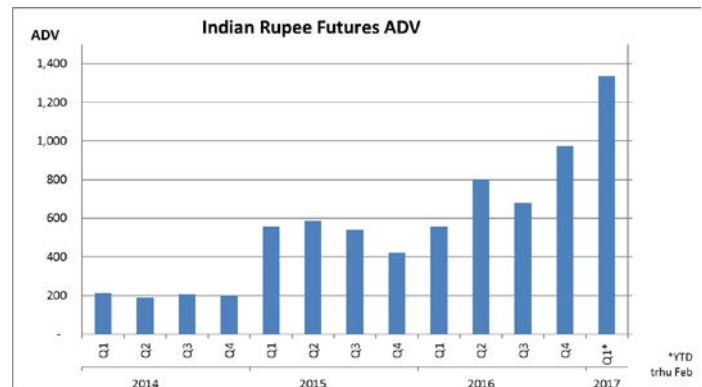
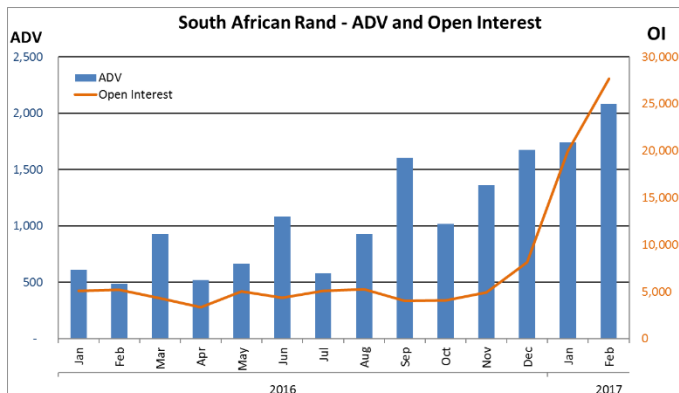
## LAUNCH OF FX MONTHLY FUTURES

- CME FX Monthly Futures launched on February 27 on six currency pairs where CME already offers quarterly futures. Click here to [view the Contract Specs](#).
- A minimum of four consecutive monthly expiries are now available in six currency pairs (Apr, May, Jun, Jul)
- After two weeks of trading, FX Monthly Futures reached 2,500 ADV with 4,800 Open Interest
- More than 6,600 FX Monthly Futures contracts traded on Friday, March 10
- Get involved in our **Market Development Program** and benefit from long term fee incentives for meeting minimum average daily volume thresholds
  - Contact Kevin McMillin ([kevin.mcmillin@cmegroup.com](mailto:kevin.mcmillin@cmegroup.com)) for more information
- Stay [updated on FX Monthly futures](#) and find out more information at this page

Monthly Futures currency pairs:	
AUD/USD	GBP/USD
CAD/USD	JPY/USD
EUR/USD	EUR/GBP

## NEW RECORDS IN SOUTH AFRICAN RAND AND INDIAN RUPEE FUTURES

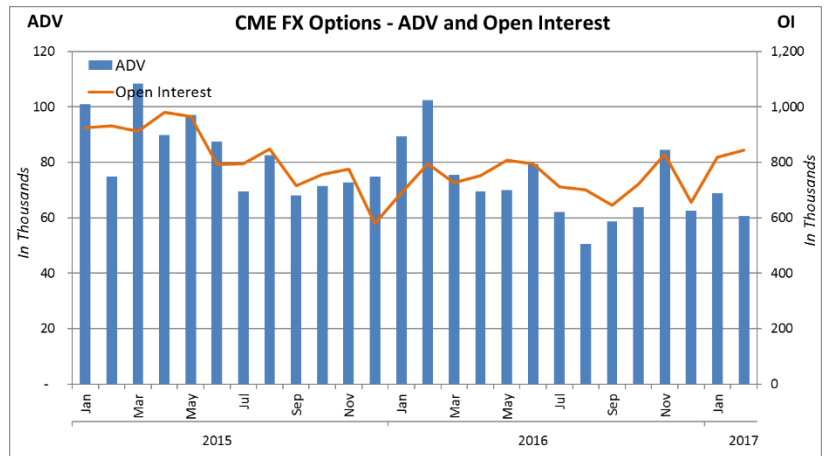
- ZAR futures reached new record ADV of 2,081 and Open Interest of 27,649 in February 2017
- New single day volume record in standard size Indian Rupee futures of 2,598 contracts, set on February 21
  - SIR futures YTD ADV of 1,336 is up 124%



# PRODUCT OVERVIEW – OPTIONS

## CME FX OPTIONS

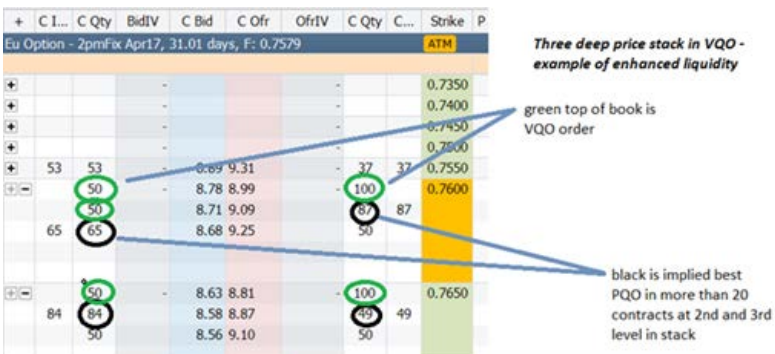
- February 2017 FX Options ADV of 60,524 (\$6.6 billion notional)
- FX Options ADV fell 12% MoM, with Open Interest up 3% MoM, up 6% YoY



## TRIANGULATION FUNCTIONALITY FOR VOLATILITY QUOTED OPTIONS IS LIVE

Triangulation functionality links Volatility-Quoted Options (VQO) with the premium-quoted options book and futures book.

- Multiple linked trades since launch have exemplified the enhanced liquidity provided by triangulation, and the development of a “best-of-breed” liquidity in the VQO book (see screenshot below)
- Triangulation was launched in AUD/USD products on Feb 27, and will be expanded to other major FX option pairs in Q2 2017.



## CHANGES TO EXPIRATION BEHAVIOR AND CONVERSION TO EUROPEAN-STYLE EXERCISE

Amendments to the [Exercise and Assignment Rule](#) for CME FX Options are effective Friday, March 24, 2017

- All FX options use an auto-exercise process with no contrary instructions. The futures settlement determines if an option is in-the-money, at-the-money, or out-of-the-money. Once this occurs, in-the-money options are exercised. If the settlement calculation falls exactly on a strike, at-the-money call options will be exercised and at-the-money puts will be abandoned.
- [Conversion from American to European-style for 17 FX Options](#) is effective Monday, March 27, 2017
  - On March 9, trading was suspended in the 17 FX American-style options being converted to European-style. There was no open interest in any of the contract months.
  - On Monday, March 27, 2017, these 17 FX options will be available for trading as European-style
  - No other changes are being made to the contracts. Expiration remains at 2pm CT.