

INTEREST RATE PRODUCTS

CME Swaps on Swapstream

Over-the-counter interest rate swaps with the financial safeguards of a clearing house.

Overview

When launched in the first quarter of 2008, CME Swaps on Swapstream will be the first over-the-counter (OTC) interest rate swap product to offer the clearing efficiencies and financial safeguards of a clearing house. It will facilitate direct access to the deep liquidity pools of the OTC swap market by providing a guaranteed central counterparty and removing the need for ISDA documentation. The Swapstream sPro platform gives market participants the ability to trade interest rate swaps electronically without sacrificing the value of relationships between customers and liquidity providers.

Contracts

CME Swaps on Swapstream will include forward-dated interest rate swaps denominated in U.S. dollars vs. 3M Libor with maturities from three months to 30 years, and Euros vs. 6M Euribor with maturities from six months to 30 years, as well as short-term Overnight Index Swaps (OIS) swaps ending on monthly International Monetary Market (IMM) start dates. The contracts will be marked to market daily by resetting the coupon to match the settlement rate.

About Swapstream

Swapstream is a global, OTC electronic trading platform for interest rate swaps. The Swapstream sPro platform was designed to meet the specific needs of the interest rate swap community, combining cutting edge functionality with trade processing efficiencies.

Swapstream is a wholly owned subsidiary of CME Group. For more information on Swapstream, please contact a marketing representative at +44 20 7796 7201 or visit www.swapstream.com.

Benefits

- Mitigated counterparty risk
- No ISDA documentation required
- Cross-margined with other CME Group interest rate products
- Positions are automatically netted (eliminates unwinds)
- Streamlined trade allocation
- Automatic and immediate confirmation
- Daily mark-to-market minimizes financial risks

CME SWAPS ON SWAPSTREAM

CONTRACT SPECIFICATIONS

USD: CME IMM FORWARD STARTING SWAPS

Maturities	Three months to 30 years
Start and End Dates	IMM dates
Index	Three month USD-LIBOR-BBA
Start Date	Nearest coupon anniversary
End Date	IMM date
FLOATING/FIXED LEG	
Basis	ACT/360
Payment Frequency	Three months
Payment and Reset Calendar	IMM
Business Calendar	US-NY and GB-LN
Trading Unit	Traded and quoted in notional terms. The notional values are in multiples of \$100,000
Quoting Convention	In rates, e.g., 5.355 represents 5.355%
Hours	New York time: Monday – Friday 1:00 a.m. to 3:00 p.m. Next day trading from 3:05 p.m. to 5:00 p.m.
Product Code	USD3L
ITC Commodity Code	U3L
Limits	No limits
Minimum Fluctuation	One-tenth of a basis point
Listing Rules	Three consecutive monthly IMM start dates
Roll Convention	Re-tenored two business days before the start date

USD: CME OVERNIGHT INDEX SWAPS (OIS)

Maturities	One to 12 months
Index	USD-Effective overnight Federal Funds rate
Start Date	Trade date less one business day (T-1)
End Date	IMM date
FLOATING/FIXED LEG	
Basis	ACT/360
Payment Frequency	Floating Leg: Daily Fixed Leg: Term
Business Calendar	US-NY and GB-LN
Trading Unit	Traded and quoted in notional terms. The notional values are in multiples of \$1,000,000
Quoting Convention	In rates, e.g., 5.355 represents 5.355%
Hours	New York time: Monday – Friday 1:00 a.m. to 3:00 p.m. Next day trading from 3:05 p.m. to 5:00 p.m.
Product Code	USDDF
ITC Commodity Code	UDF
Limits	No limits
Minimum Fluctuation	One-tenth of a basis point
Listing Rules	Twelve consecutive monthly IMM end dates
Roll Convention	Re-tenored at 2:00 p.m. immediately following the end-of-day fixing

EUR: FORWARD STARTING SWAPS

Maturities	Six months to 30 years
Start and End Dates	IMM dates
Index	Six month EURIBOR
	FLOATING/FIXED LEG
Basis	ACT/360
Payment Frequency	Six months
Payment and Reset Calendar	IMM
Business Calendar	EUR-TARGET
Trading Unit	Traded and quoted in notional terms. The notional values are in multiples of €100,000
Quoting Convention	In rates, e.g., 5.355 represents 5.355%
Hours	London time: Monday – Friday 7:00 a.m. to 4:00 p.m. Next day trading from 4:05 p.m. to 10 p.m.
Product Code	EUR6E
ITC Commodity Code	E6E
Limits	No limits
Minimum Fluctuation	One-tenth of a basis point
Listing Rules	Six consecutive monthly IMM start dates
Roll Convention	Re-tenored two business days before the start date

EUR: CME OVERNIGHT INDEX SWAPS (OIS)

Maturities	One to 12 months
Index	Effective overnight EONIA rates
Start Date	Trade date less one business day (T-1)
End Date	IMM date
	FLOATING/FIXED LEG
Basis	ACT/360
Payment Frequency	Floating Leg: Daily Fixed Leg: Term
Business Calendar	EUR-TARGET
Trading Unit	Traded and quoted in notional terms. The notional values are in multiples of €1,000,000
Quoting Convention	In rates, e.g., 5.355 represents 5.355%
Hours	London time: Monday – Friday 7:00 a.m. to 4:00 p.m. Next day trading from 4:05 p.m. to 10 p.m.
Product Code	EUREO
ITC Commodity Code	EDO
Limits	No limits
Minimum Fluctuation	One-tenth of a basis point
Listing Rules	Twelve consecutive monthly IMM end dates are pre-listed
Roll Convention	Re-tenored at 10 a.m. immediately following the end-of-day fixing



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