

Aluminum options

BUILDING TRANSPARENCY, LIQUIDITY, AND OPPORTUNITY

Manage your aluminum price risk

To enable greater risk management, CME Group offers an Aluminum option contract based on Aluminum futures. The Aluminum option (commodity code: AX) is an American-style option that exercises into Aluminum futures, a physically delivered contract with global warehouses located in the United States, Europe, and Asia.

Why trade the Aluminum option?

CME Group offers a physically delivered futures contract as well as regional premium futures and option contracts. The monthly structure of these products have been widely adopted and preferred by the aluminum industry. The Aluminum option contract would further expand CME Group's product offerings to aluminum market participants.

What is the exercise schedule?

The table below lists the Aluminum option contract months with the corresponding Aluminum futures contract months into which they exercise.

Where and when do the products trade?

- Electronically on the CME Globex platform
- Bilaterally agreed and centrally cleared through CME ClearPort
- Available to trade 23 hours per day

OPTION CONTRACT MONTH	EXERCISES INTO UNDERLYING FUTURES
Jan	Mar
Feb	Apr
Mar	May
Apr	Jun
May	Jul
Jun	Aug
Jul	Sep
Aug	Oct
Sep	Nov
Oct	Dec
Nov	Jan
Dec	Feb

ALUMINUM OPTIONS SPECIFICATIONS	
COMMODITY CODE	AX
RULEBOOK CHAPTER	123
UNDERLYING FUTURES CONTRACT/COMMODITY CODE	Aluminum futures / ALI
TRADING UNIT	An Aluminum put or call option contract traded on the Exchange represents an option to assume a short or long position in the underlying futures contract traded on the Exchange.
CONTRACT SIZE	25 metric tons/MT
PRICE QUOTATION	U.S. dollars and cents per metric ton
MINIMUM PRICE FLUCTUATION	\$0.25 per metric ton
VALUE PER TICK	\$6.25
OPTION EXERCISE STYLE	American
LISTING SCHEDULE	Monthly contracts listed for 12 consecutive months
INITIAL LISTED CONTRACT MONTH	Jul-22
STRIKE PRICE LISTING SCHEDULE	Minimum 20 strikes at \$25.00 per metric ton strike increment above and below the at-the-money strike plus dynamic strikes at \$25.00 per metric ton strike increment above and below the highest and lowest prelisted strikes for the nearest 12 months.
BLOCK TRADE MINIMUM THRESHOLD	5 contracts - subject to a 15-minute reporting window
TERMINATION OF TRADING	Trading terminates on the fourth last business day of the month prior to the contract month.
CME GLOBEX MATCH ALGORITHM	K-Split FIFO and Pro Rata
TRADING AND CLEARING HOURS	CME Globex Pre-open: Sunday 4:00 p.m. – 5:00 p.m. Central Time/CT Monday – Thursday 4:45 p.m. – 5:00 p.m. CT CME Globex Open: Sunday 5:00 p.m. – Friday 4:00 p.m. CT with a daily maintenance period from 4:00 p.m. – 5:00 p.m. CT

Visit cmegroup.com/aluminum for more information about CME Group Aluminum products.

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Neither futures trading nor swaps trading are suitable for all investors, and each involves the risk of loss. Swaps trading should only be undertaken by investors who are Eligible Contract Participants (ECPs) within the meaning of Section 1a(18) of the Commodity Exchange Act. Futures and swaps each are leveraged investments 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 either a futures or swaps 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 traders cannot expect to profit on every trade.

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