

Implied Eurodollar Futures Packs

CME Globex Implied Pack trading provides customers trading CME Eurodollar futures greater market liquidity and improved prices. Implied trading allows spread traders to generate liquidity in the underlying contracts with relatively low-risk spread contracts.

Implied trading applies to outright packs and pack spreads. Implied trading functionality for packs is consistent with existing standard Eurodollar futures implied rules such that:

- Instruments consist of all front-month Packs for the first five years.
- Instruments consist of the White, Red, Green, Blue, and Gold Packs for the lead quarter and all possible spreads.
- Instruments roll over the weekend prior to expiration of the front quarterly.

Implied Pack Spreads

Implied spread functionality implies the front month to front month Pack Calendar spreads through the Copper listings only (see table below). The anchor leg, or most recently traded leg, is the same for the Pack spread as for the Calendar spread. A Pack, as with CME Eurodollar futures outright, is designated by a color code which corresponds to its position on the yield curve. CME Eurodollar futures Packs available for implied trading are color-coded as follows:

Color Code	Quarterly
White	1-4 (i.e. Z1 H2 M2 U2)
Red	5-8
Green	9-12
Blue	13-16
Gold	17-20
Purple	21-24
Orange	25-28
Pink	29-32
Silver	33-36
Copper	37-40



On the Saturday prior to expiration, the expiring front month Pack is no longer implied, but outright Packs can be traded.

Implied Pack Spread Example

This example uses Z2 as the first quarterly month.

White - Red Z2-Z3	Red - Green Z3-Z4	Green - Blue Z5-Z6	Blue-Gold Z7-Z8	Gold - Purple Z9-Z0
White - Green Z2-Z4	Red - Blue Z3-Z5	Green - Gold Z4-Z6	Blue - Purple Z5-Z7	
White - Blue Z2-Z5	Red - Gold Z3-Z6	Green - Purple Z4-Z7		
White - Gold Z2-Z6	Red - Purple Z3-Z7			
White - Purple Z2-Z7				

In this example, Implied Calendar Pack spreads are generated from outright Pack orders:

- Buy 1 M05 White Pack: +1
- Sell 1 M06 Red Pack: +3.0
- Creates 1 implied bid White/Red Pack spread: - 2.0

Implied Outright Pack Example

Consistent with implied functionality on the GE futures contracts, a combination of an outright Pack and a Pack spread generates implied outright Pack orders.

Example 1: Creates implied order in the Red Pack.

- Buy 1 M05 White Pack: +2.0
- Sell 1 M05 White/Red Pack Spread: +1.0
- Creates an implied 1 lot bid in the M06 Red Pack: + 1.0

Example 2: Creates an implied order in the White Pack.

- Sell 1 M06 Red Pack: + 2.0
- Sell 1 M05 White/Red Pack Spread: -1.0
- Creates an implied 1 lot offer in the M05 White Pack: + 1.0