

CME FX Link Spread

This topic provides information about CME FX Link, which provides a central limit order book for trading spreads between CME FX Futures and the OTC FX market.

CME FX Link is traded on CME Globex as the differential between CME FX Futures and OTC Spot FX, resulting in the simultaneous execution of FX Futures cleared by CME Group, and OTC Spot FX transactions subject to bilateral OTC relationships.

The CME FX Link spreads consist of OTC FX Spot vs. each of the front three quarterly CME FX Futures. Three consecutive CME FX Link months are listed for eligible currency pairs. A new spread will be added two weeks prior to the last trade date of an expiring CME FX Future. The OTC FX Spot leg is only tradeable as part of the CME FX Link spread.

The spreads are traded as a differential between FX Futures and OTC spot, with both legs expressed in OTC quote convention. Therefore, the spread construction is either non-inverted or inverted, depending on whether the quoting convention of the related futures leg is inverted or non-inverted with respect to the typical OTC convention for that currency pair.

With a **non-inverted** CME FX Link Spread (XF):

- The CME FX Future follows the same convention as the OTC market.
- The buyer of the spread buys CME FX futures and sells OTC spot. The seller sells CME futures and buys OTC spot.

With an **inverted** CME FX Link Spread (YF):

- The CME FX Future is inverted from the standard OTC convention.
- The buyer of the spread sells CME FX futures and sells OTC spot. The seller buys CME futures and buys OTC spot.

The following currency pairs are available:

Currency Pair	Inverted/Non-Inverted
EUR/USD	Non-Inverted
GBP/USD	Non-Inverted
AUD/USD	Non-Inverted
NZD/USD	Non-Inverted
USD/JPY	Inverted
USD/MXN	Inverted
USD/CAD	Inverted
USD/CHF	Inverted



Display Factor

When displaying FX Link instruments, CME Group recommends that client systems use the Display Factor (tag 9787). More information regarding the Display Factor can be found at this [link](#).

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CME FX Link on CME Globex

The following section outlines the functional considerations for CME FX Link CME Globex.

MDP Messaging Considerations

For the OTC Spot leg, the Security Definition (35-MessageType=d) is the only MDP3 message available. For CME FX Future legs on a CME FX Link spread trade, only the MDP3 trade volume will be sent. The CME FX Link spread will have standard MDP3 messaging updates.

iLink Messaging Considerations

iLink Execution Report - Fill messages include the actual OTC Spot FX leg fill price and full transaction details for the OTC Spot FX leg instruments.

Spot Leg Name and Expiration Date Formats

To ensure continuity, all spot instruments are set with a maturity date (tag 200-MaturityMonthYear) of 12/2050 and an expiration date (tag 865-EventType=7 and tag 1145-EventTime) of 12/31/2050. The actual value date for settlement of spot FX transactions resulting from CME FX Link spreads is as defined by CME Group rules, based on standard market value date and value date roll conventions.

Consequently, with this release the spot leg name will be assigned with the following static iLink tag 107-SecurityDesc and MDP 3.0 tag 55-Symbol values:

Product Name	<ul style="list-style-type: none"> iLink: tag 107-SecurityDesc MDP 3.0: tag 55-Symbol
Euro / US Dollar Spot FX	EURUSDZ5031
US Dollar / Canadian Dollar Spot FX	USDCADZ5031
British Pound / US Dollar Spot FX	GBPUSDZ5031
Australian Dollar / US Dollar Spot FX	AUDUSDZ5031
US Dollar / Japanese Yen Spot FX	USDJPYZ5031
US Dollar / Mexican Peso Spot FX	USDMXNZ5031
US Dollar/Swiss Franc Spot FX	USDCHFZ5031
New Zealand Dollar/US Dollar Spot FX	NZDUSDZ5031

Value Date

Value dates are for transaction settlement dates based on trading business days. For the OTC Spot FX spread leg fills, tag 64-SettleDate will contain the value date (T+2).

In addition to the trading date, currency pair settlement change at the rollover time. Most currency pairs follow the end of day rollover time, but some currencies have different trade date rollover time, such as the New Zealand Dollar.

Trade and Value Date for New Zealand Dollar/US Dollar Spot FX

Trading date rollover for the New Zealand Dollar/US Dollar Spot FX (NZD) occurs before the Global trade date rollover (4:00 pm Chicago Time), and the value dates can change during the active session.

Example 1: New Zealand Dollar/US Dollar Spot FX Basis Spread Trades for Monday, **before** the NZD trade date rollover.

*Trade is made at 11:00 am (CT) on Monday	Trade Day	Value Date (T+2)
CME FX Link spread: 6N:XF:NZDUSD:M1	Monday	N/A
CME Futures Leg: 6NM1	Monday	N/A
CME FX Spot Leg (non-tradable): NZDUSDZ5031	Monday	Wednesday

Example 2: New Zealand Dollar/US Dollar Spot FX Basis Spread Trades for Monday, **after** the NZD trade date rollover.

*Trade is made at 3:00 pm (CT) on Monday	Trade Day	Value Date (T+2)

CME FX Link spread: 6N:XF:NZDUSD:M1	Monday	N/A
CME Futures Leg: 6NM1	Monday	N/A
CME FX Spot Leg (non-tradable): NZDUSDZ5031	Tuesday	Thursday

Settlement Date

Settlement date is sent in iLink messaging as follows.

Tag	Field Name	Binary Type	Binary Length	Required	Description
64	SettlDate	LocalMktDate	2	N	Specific date of trade settlement for the Spot leg.

Base and Counter Currency Notional Valuation

In iLink messaging base and notional currency values are sent in the following tags.

Tag	Field Name	Binary Type	Binary Length	Required	Description
1056	CalculatedCcyLastQty	Decimal64NULL	9	N	Total amount traded (in notional) in counter currency for the Spot leg
381	GrossTradeAmt	Decimal64NULL	9	N	Total amount traded (in notional) in base currency for the Spot leg

Security Exchange

The tag 207-SecurityExchange value "XFXS" is sent for CME FX Link spreads in the MDP3 Security Definition (35=d) message. The tag 207-SecurityExchange value "GLBX" is sent for FX Spot legs in the MDP3 Security Definition (35=d) message.

Tag	FIX Name	Req	Valid Values	Format	Description
207	SecurityExchange	Y	XFXS=CME FX Link spread GLBX=FX Spot leg	Exchange	Exchange used to identify a security.

FX Spot Security Type and Length

The tag 167-SecurityType value "FXSPOT" for the spot instruments is populated for iLink and MDP3 Security Definition (35=d) messages.

Tag	FIX Name	Req	Valid Values	Format	Description
167	SecurityType	N	FXSPOT=FX Spot	String (6)	Indicates instrument is future or option.

Spread Security SubTypes

The tag 762-SecuritySubType value of "XF" is sent for non-inverted spreads in the MDP3 Security Definition (35=d) message. The tag 762-SecuritySubType value of "XF" is sent for inverted spreads in the MDP3 Security Definition (35=d) message with a tag 762-SecuritySubType value of "YF".

Tag	FIX Name	Req	Valid Values	FIX Type	
762	SecuritySubType	C	XF=Non-inverted YF=Inverted	String	Indicates Spread type.

Spot Leg CFI Code

The OTC Spot leg is populated with a CFIcode (tag 461) and LegCFIcode (tag 608) of "IFXXXP". The following table contains the values for the six-character CFIcode string for the OTC Spot leg.

Byte	Valid Values	Description
1	I	I=Spot
2	F	F=Foreign Exchange
3	X	X=Undefined
4	X	X=Undefined

5	X	X=Undefined
6	P	P=Physical

Minimum Allowable Order Quantity

CME FX Link spreads require an order quantity (iLink tag 38-OrderQty) greater than 1. The minimum allowable order quantity for the spread is determined via tag 562-MinTradeVol on the MDP3 Security Definition (35-MsgType=d) message.

CME Globex iLink and MDP3 Messaging Example

The following section illustrates an example of an iLink CME FX Link spread trade.

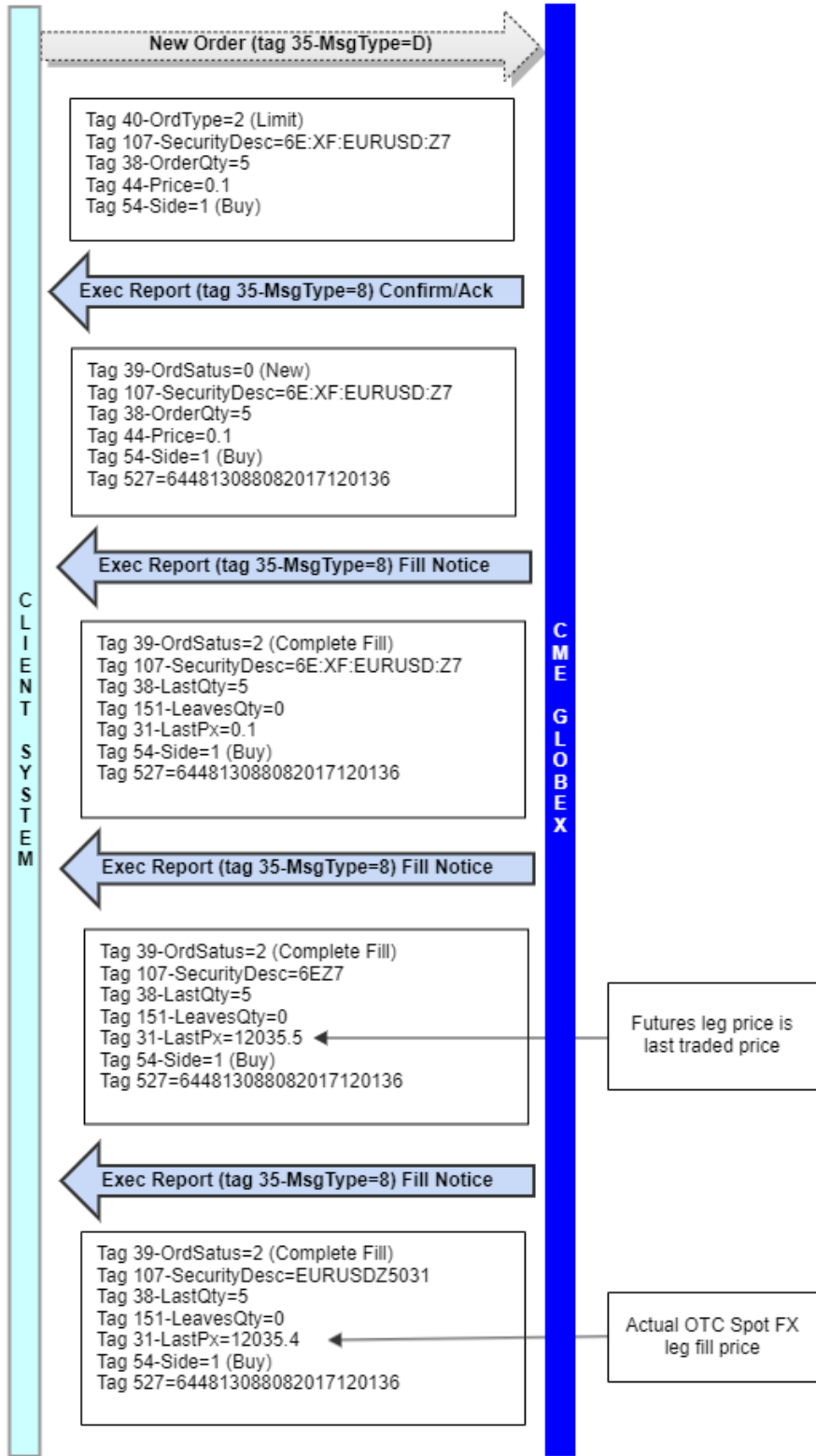
Example Spread

CME FX Link: 6E:XF:EURUSD:Z7

CME Futures Leg: 6EZ7 with the last traded CME Globex price of 12035.5

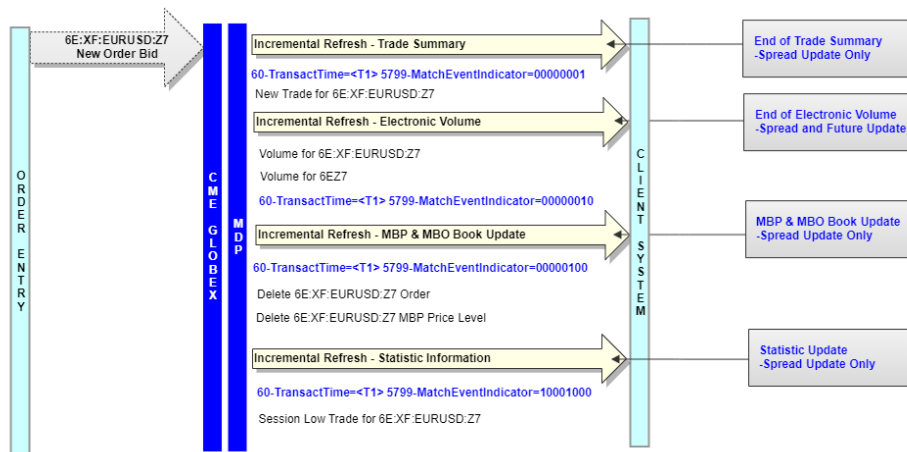
CME FX Spot Leg (non-tradable): EURUSDZ5031

In this example a buy order for a CME FX Link spread is accepted and filled. The CME FX Link spread assigned CME Globex fill price of 0.1 is equal to the OTC Spot FX leg fill price. The assigned CME FX futures leg price is the last traded price on CME Globex of 12035.5.



Resulting Market Data

The CME FX Link spread trade results in trade, volume, book data and statistic information. Volume information for the spread and CME FX Future is sent. There is no resulting market data for the OTC FX Spot leg.



CME FX Link Spread CME Globex Tag Summary

The following table is an overview of the iLink and MDP3 tags associated with the CME FX Link Spread.

Display Factor

When displaying FX Link instruments, CME Group recommends that customer systems use the Display Factor (tag 9787).

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Spread Name	Inverted /Non-Inverted	MDP 3.0 tag 6937-Asset	iLink tag 55-Symbol MDP3.0 tag 1151-SecurityGroup	MDP 3.0 tag 969-MinPriceIncrement	iLink and MDP 3.0 tag 167-SecurityType	MDP 3.0 tag 207-SecurityExchange	MDP 3.0 tag 762-SecuritySubType	MDP 3.0 tag 461-CFICode	MDP 3.0 Channel
Euro / US Dollar Spot FX Basis Spread	Non-Inverted	EURUSD	6E	0.05	FUT	XFXS	XF	FMCXSX	320
US Dollar / Canadian Dollar Spot FX Basis Spread	Inverted	USDCAD	6C	0.1	FUT	XFXS	YF	FMCXSX	320
British Pound / US Dollar Spot FX Basis Spread	Non-Inverted	GBPUSD	6B	1	FUT	XFXS	XF	FMCXSX	314
Australian Dollar / US Dollar Spot FX Basis Spread	Non-Inverted	AUDUSD	6A	1	FUT	XFXS	XF	FMCXSX	314
US Dollar / Japanese Yen Spot FX Basis Spread	Inverted	USDJPY	6J	0.1	FUT	XFXS	YF	FMCXSX	314
US Dollar / Mexican Peso Spot FX Basis Spread	Inverted	USDMXN	6M	5	FUT	XFXS	YF	FMCXSX	320

US Dollar /Swiss Franc Spot FX Basis Spread	Inverted	USDCHF	6S	1	FUT	XFXS	YF	FMCXSX	314
New Zealand Dollar/US Dollar Spot FX Basis Spread	Non-Inverted	NZDUSD	6F	1	FUT	XFXS	XF	FMCXSX	320

FX Spot Leg CME Globex Tag Summary

The following table is an overview of the iLink and MDP3 tags associated with the OTC FX Spot leg.

Product Name	MDP 3.0 tag	iLink tag 55-Symbol MDP3.0 tag 1151-SecurityGroup	MDP 3.0 tag 969-MinPriceIncrement	iLink and MDP 3.0 tag 167-SecurityType	MDP 3.0 tag 207-SecurityExchange	MDP 3.0 tag 461-CFICode	MDP3 Channel
Euro / US Dollar Spot FX	EURUSD	02 (Zero-2)	0.1	FXSPOT	GLBX	IFXXXP	320
US Dollar / Canadian Dollar Spot FX	USDCAD	02 (Zero-2)	0.1	FXSPOT	GLBX	IFXXXP	320
British Pound / US Dollar Spot FX	GBPUSD	01 (Zero-1)	1	FXSPOT	GLBX	IFXXXP	314
Australian Dollar / US Dollar Spot FX	AUDUSD	01 (Zero-1)	1	FXSPOT	GLBX	IFXXXP	314
US Dollar / Japanese Yen Spot FX	USDJPY	01 (Zero-1)	0.1	FXSPOT	GLBX	IFXXXP	314
US Dollar / Mexican Peso Spot FX	USDMXN	02 (Zero-2)	5	FXSPOT	GLBX	IFXXXP	320
US Dollar/Swiss Franc Spot FX	USDCHF	01 (Zero-1)	1	FXSPOT	GLBX	IFXXXP	314
New Zealand Dollar/US Dollar Spot FX	NZDUSD	02 (Zero-2)	1	FXSPOT	GLBX	IFXXXP	320