



Special Executive Report

S-7542

December 16, 2015

Initial Listing of 1-Month and 3-Month Euro/US Dollar (“EUR/USD”) Realized Volatility Futures Contracts

Effective Sunday, December 20, 2015 for trade date Monday, December 21, 2015, and pending all relevant CFTC regulatory review periods, Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) will list the 1-Month Euro/U.S. Dollar (EUR/USD) VolContracts™ (Euro 1-Month VolContracts™) Futures contract (CME Rulebook chapter: 261C; Code: 16E) and the 3-Month Euro/U.S. Dollar (EUR/USD) VolContracts™ (Euro 3-Month VolContracts™) Futures contract (CME Rulebook chapter: 261B; Code: 36E) (the “Contracts”) for trading on CME Globex and for submission for clearing through CME ClearPort. The Contracts will offer direct trading of EUR/USD exchange rate volatility. The Contracts will allow participants to buy or sell EUR/USD exchange rate volatility without the complexity of managing CME Euro/US Dollar standard options positions, and without the necessity of forming a strong directional view on the price movement of the underlying CME Euro/US Dollar futures contract. The Contracts will be cash-settled to one-month and three-month historical or “realized” volatilities, respectively, calculated by reference to the daily price movements of the Exchange’s underlying extant standard-sized EUR/USD futures contract. The realized volatility calculations for both contracts are based on a simple standard deviation formula.

Attachments 1 and 2 summarize the trading terms and conditions for both futures, respectively. Attachment 3 provides the fee schedule which will be effective in January 2017.

Please direct questions regarding this notice to:

Europe

Will Patrick +44 20 3379 3721

Will.Patrick@cmegroup.com

U.S.

Craig LeVeille +1 312 454 5301

Craig.LeVeille@cmegroup.com

Simon Burnham +1 312 930 3426

Simon.Burnham@cmegroup.com

Kevin McMillin +1 312 930 8264

Kevin.McMillin@cmegroup.com

Asia

Ravi Pandit +65 6593 5562

Ravi.Pandit@cmegroup.com

S-7542: Initial Listing of 1-Month and 3-Month Euro/US Dollar (“EUR/USD”) Realized Volatility Futures Contracts

December 16, 2015

Page 2

Attachment 1

1-Month Euro/US Dollar (“EUR/USD”) Realized Volatility Futures

Description	A cash-settled futures contract on the 1-month realized volatility of the CME Euro/US Dollar futures contract that calls for the physical delivery of 125,000 Euros for US dollars.
Product Code	16E
Rulebook Chapter	Chapter 261C
Contract Size	\$1,000 times the Euro 1-Month Reference Value, e.g., \$20,000.00 (= \$1,000 x 20.00).
Contract Months	3 contract expirations in the January, February, March, April, May, June, July, August, September, October, November, and December cycle.
First Listed Months	January 2016, February 2016, and March 2016
Price Basis	Quoted in US dollars.
Minimum Price Fluctuation	0.01 index points (\$10.00)
Daily Settlement	Settlement prices established at 2:00 p.m. Central Time (“CT”).
Last Trading Day	2:00 p.m. CT on the second Friday immediately preceding the third Wednesday of the contract month – i.e., usually a Friday.
Contract Settlement	Financial settlement
Final Settlement Price	The final settlement price of an expiring contract shall be \$1,000 times the Euro 1-Month Reference Value. The Euro 1-Month Reference Value shall be rounded to the nearest 1/100th of an index point – i.e., 0.01 or the second decimal price locator in pennies.
Trading Hours	CME Globex: Sundays – Friday, 5:00 p.m. – 4:00 p.m. CT the next day, except on Friday, when Globex closes at 4:00 p.m. CT and reopens Sunday at 5:00 p.m. CT. CME ClearPort: Sunday – Friday, 5:00 p.m. – 4:00 p.m. CT with a 60-minute break each day beginning at 4:00 p.m. CT.
Position Accountability	Single month level of 5,000 contracts and all months level of 5,000 contracts.
Reportable Position Level	25 contracts
Block Transactions	Not eligible
Exchange-for-Related-Physicals (“EFRP”)	Allowed
CME Trade Matching Algorithm	First In, First Out (“FIFO”)

S-7542: Initial Listing of 1-Month and 3-Month Euro/US Dollar (“EUR/USD”) Realized Volatility Futures Contracts

December 16, 2015

Page 3

Attachment 2

3-Month Euro/US Dollar (“EUR/USD”) Realized Volatility Futures

Description	A cash-settled futures contract on the 3-month realized volatility of the CME Euro/US Dollar futures contract that calls for the physical delivery of 125,000 Euros for US dollars.
Product Code	36E
Rulebook Chapter	Chapter 261B
Contract Size	\$1,000 times the Euro 3-Month Reference Value, e.g., \$20,000.00 (= \$1,000 x 20.00).
Contract Months	3 contract expirations in the March, June, September, and December quarterly cycle.
First Listed Months	March 2016, June 2016, and September 2016
Price Basis	Quoted in US dollars.
Minimum Price Fluctuation	0.01 index points (\$10.00)
Daily Settlement	Settlement prices established at 2:00 p.m. Central Time (“CT”).
Last Trading Day	2:00 p.m. CT on the second Friday immediately preceding the third Wednesday of the contract month – <i>i.e.</i> , usually a Friday.
Contract Settlement	Financial settlement
Final Settlement Price	The final settlement price of an expiring contract shall be \$1,000 times the Euro 3-Month Reference Value. The Euro 3-Month Reference Value shall be rounded to the nearest 1/100th of an index point – <i>i.e.</i> , 0.01 or the second decimal price locator in pennies.
Trading Hours	CME Globex: Sundays – Friday, 5:00 p.m. – 4:00 p.m. CT the next day, except on Friday, when Globex closes at 4:00 p.m. CT and reopens Sunday at 5:00 p.m. CT. CME ClearPort: Sunday – Friday, 5:00 p.m. – 4:00 p.m. CT with a 60-minute break each day beginning at 4:00 p.m. CT.
Position Accountability	Single month level of 5,000 contracts and all months level of 5,000 contracts.
Reportable Position Level	25 contracts
Block Transactions	Not eligible
Exchange-for-Related-Physicals (“EFRP”)	Allowed
CME Trade Matching Algorithm	First In, First Out (“FIFO”)

S-7542: Initial Listing of 1-Month and 3-Month Euro/US Dollar (“EUR/USD”) Realized Volatility Futures Contracts

December 16, 2015

Page 4

Attachment 3

Fee Schedule for 1-Month and 3-Month Euro/US Dollar (“EUR/USD”) Realized Volatility Futures*

Foreign Exchange Products Futures & Options	CLEARING FEE	CME GLOBEX FEE	EFP/BLOCK SURCHARGE
	FX Futures & Options	FX Futures	FX Futures & Options
	GLOBEX PIT	GLOBEX TRADE SPREAD	EFP/EFR/BLOCK
Individual Equity Members/Clearing Members/Rule 106.J Equity Member Firms/Rule 106.I Members/Rule 106.S Member Approved Funds	\$0.07	\$0.25	\$1.00
Rule 106.D Lessees / Rule 106.F Employees	\$0.27	\$0.25	\$1.00
Rule 106.R Electronic Corporate Member (Reduced rates for Globex Transactions Only)	\$0.34	\$0.10	\$1.00
Rule 106.H and 106.N Firms	\$0.34 \$0.45	\$0.10	\$1.00
International Incentive Program (IIP) Participants International Volume Incentive Program (IVIP) Participants (Reduced rates for Globex Transactions Only)	\$0.44	\$0.10	\$1.00
Central Bank Incentive Program (CBIP) Participants Emerging Markets Bank Incentive Program (EMBIP) Participants Latin American Fund Manager Incentive Program (FMIP) Participants Latin American Proprietary Trading Incentive Program (LAPTIP) Participants (Reduced rates for Globex Transactions Only)	\$0.44	\$0.56	\$1.00
Latin American Commercial Incentive Program (LACIP) Participants (Reduced rates for Agricultural and FX Products Only)	\$0.44	\$0.56	\$1.00
CTA/Hedge Fund Incentive Program Participants (Reduced rates for FX Products Only)	\$1.00	\$0.20	\$1.00
CBOE Members (Reduced Clearing Fee rates for S&P Products Only)	\$0.60	\$1.00 \$0.75	\$1.00
Members Trading Outside of Division (Reduced Globex Fee rates during ETH only)	\$0.60	\$0.25	\$1.00
Customers of Member Firms (Non-Members)	\$0.60	\$1.00 \$0.75	\$1.00

***These fees will be waived until January 2017.**