

Aluminium European Premium Duty-Paid

(METAL BULLETIN) FUTURES (EDP)



The Contract

The Aluminium European Premium Duty-Paid (Metal Bulletin) Futures contract (EDP) is part of CME's global suite of Aluminium premium contracts which includes the Aluminum MW U.S. Transaction Premium Platts (25MT) Futures, Aluminium European Premium Duty-Unpaid (Metal Bulletin) Futures and the Aluminum Japan Premium (Platts) Futures contracts.

European aluminium premiums have been volatile in recent years having reached record highs in October 2014 (duty-paid), exposing market participants along the value chain to significant price risks. This new, cash-settled futures contract offers the aluminium and associated industries the ability to effectively mitigate regional European Aluminium premium price risk exposure.

Using the EDP contract, market participants have the ability to employ a range of derivatives strategies from protecting margins, hedging physical long positions to offering floating and fixed price physical transactions. Market participants will have the ability to mitigate their duty paid aluminium price risk more closely using a futures contract settling against Metal Bulletin's Aluminium P1020A in-warehouse Rotterdam duty-paid \$/tonne index.

Benefits

- Cash settled
- True intraday price and spread transparency across the futures' curve
- Security through centralized clearing, guaranteed counterparty credit and segregation of customer funds through CME Clearing
- Easily accessible electronic execution
- Daily mark-to-market of positions

Market Participants

Market participants with access to CME ClearPort and CME Globex will be able to utilize this contract. Interest has come from commercial participants involved in the aluminium value chain including miners, refiners, distributors, merchants, consumers, traders and banks.

Ease Of Access

EDP is available to trade on CME Globex and via CME Direct, CME Group's free front end trading platform for accessing CME Group markets. CME Globex operates as a Central Limit Order Book, or CLOB. EDP is also available for clearing on CME ClearPort for privately negotiated trades.

CME Globex

The CME Globex platform was the first - and remains among the fastest-global electronic trading systems for futures and options. Through its advanced functionality, high reliability and global connectivity, it is now the world's premier electronic marketplace for derivatives. To learn more about CME Globex, visit cmegroup.com/globex.

CME Direct

Delivered securely across the Internet, CME Direct is a highly configurable trading front end for CME Group markets that offers a complete suite of solutions across the trading lifecycle. To learn more about CME Direct, CME Group's free trading front end, visit cmegroup.com/direct.

CME ClearPort

CME ClearPort is a comprehensive set of flexible clearing services for the over-the-counter (OTC) market. Launched in 2002 to provide centralized clearing services and mitigate risk in the energy marketplace, CME ClearPort today serves as a gateway for a diverse slate of asset class transactions submitted for clearing. With OTC clearing through CME ClearPort, you can continue to negotiate your own prices privately and conduct business off exchange – but you gain increased security and efficiency.

To register for clearing through CME ClearPort, you must establish an account with a COMEX Clearing Member and complete the Exchange User License Agreement (EULA) available at cmegroup.com/clearport.

Once you have received your username and password, contact your Clearing Member Firm and request that your clearing account be added to RAV (Risk Allocation Value) Manager. For more information about clearing member firms, please visit cmegroup.com/tools-information/clearing-firms.html.

Independent Software Vendor (ISV) Codes

| | |
|--------------------------|-------------|
| CME Globex/CME Clearport | EDP |
| Bloomberg | PEDA Comdty |
| TR-RIC Root (Composite) | EDP |
| TR-RIC Root (Globex) | 1EDP |
| TT | EDP |
| CQG | EDP |
| Fidessa | EDP |
| ION (Pats & FastFill) | EDP |
| SunGard | EDP |
| DTN (ProphetX) | QEDP |

Contract Specifications

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|---------------------------|---|
| Contract Unit | 25 metric tons |
| Price Quotation | U.S. dollars and cents per metric ton |
| Trading Hours | CME Globex and CME ClearPort Sunday – Friday 6:00 p.m. – 5:00 p.m. (5:00 p.m. – 4:00 p.m. Chicago Time/CT) with a 60-minute break each day beginning at 5:00 p.m. (4:00 p.m. CT) |
| Minimum Price Fluctuation | \$0.01 per metric ton |
| Product Code | CME Globex: EDP CME ClearPort: EDP Clearing: EDP |
| Listed Contracts | Monthly contracts listed for the current year and the next calendar year. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year. |
| Settlement Method | Financially Settled |
| Floating Price | The Floating Price for each contract month shall be equal to the arithmetic average calculated to two decimal places of each twice weekly mid-point of the Metal Bulletin Aluminium P1020A, in-warehouse Rotterdam duty-paid, spot low-high, \$/tonne for each day during the contract month published by Metal Bulletin. |
| Termination Of Trading | Trading terminates on the last business day of the contract month |
| Position Limits | Visit cmegroup.com/nymex-position-limits for detailed NYMEX Position Limits |
| Exchange Rulebook | COMEX 1109 This contract is listed with, and subject to, the rules and regulations of COMEX |
| Block Minimum | 10 contracts |

For more information about EDP, please visit cmegroup.com/aluminum, or contact metals@cmegroup.com.

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