

AGRICULTURE

Wheat Futures and Options

CHICAGO. KANSAS CITY. BLACK SEA. AUSTRALIA.

Global wheat trading solutions in a single marketplace

While Chicago and KC Wheat Futures are the traditional industry standards in wheat risk management, the newer Australian and Black Sea Wheat Futures complement the wheat complex to provide enhanced risk management and trading opportunities to market participants around the world. The four wheat futures contracts address the world's most critical wheat trading needs in one efficient marketplace. The availability to trade of all four contracts via CME Globex and via block facilitates global access to these key wheat markets.

Additionally, market participants are able to take advantage of the many spread markets that exist among the four products. For years these spreads have been used to capitalize on price differentials inherent in the varying classes of wheat, due to differences in geographic region, protein content, and local supply and demand fundamentals.

Chicago Wheat Futures and Options

Today, Chicago Wheat futures and options are the global industry standard and the most actively traded wheat benchmarks in the world. Representing Soft Red Winter Wheat; producers, processors, millers and exporters continue to look to Chicago Wheat futures for

the liquidity that is critical for entering and exiting positions with ease. In addition to standard options, participants may choose among Weekly, Short-Dated New Crop, Intercommodity (KC-Chicago), and Calendar Spread Options. Learn more at cmegroup.com/wheat

KC Wheat Futures and Options

KC Wheat futures and options have been the risk management tool of choice for producers and processors of Hard Red Winter wheat for more than 140 years. Representing the majority of the U.S. wheat crop, hard wheat is also the primary ingredient in the world's production of bread. In addition to standard options, participants may choose among Weekly, Short-Dated New Crop, Intercommodity (KC-Chicago) and Calendar Spread Options.

Learn more at cmegroup.com/wheat

Black Sea Wheat FOB (Platts) Futures and Options

Introduced in December of 2017 in response to the Black Sea Region's increasingly important role in world wheat trade, Black Sea Wheat Futures and Options contracts are designed to be regionally relevant and globally accessible. Available on Globex though primarily traded via block market, Black Sea Wheat is financially-settled to a Platts price assessment for Russian wheat. These contracts have been widely adopted by physical market participants to manage price and counterparty risk in this significant region for price discovery.

Learn more at cmegroup.com/bsw

Australian Wheat FOB (Platts) Futures

Australian Wheat Futures were launched in June of 2017 to provide regional price discovery in the key Australian wheat export market. Wheat is a major winter crop grown in Australia, and the majority of it is sold overseas to Asian and Middle Eastern markets. Available on Globex though primarily traded via block market, Australian Wheat Futures are financially-settled to a Platts price assessment, which predominantly reflects export spot transactions from Western and Southern Australia. This allows participants to gain or reduce price exposure to Australian wheat exports. Learn more at cmegroup.com/trading/agricultural/grain-and-oilseed/australian-wheat.html

For more information visit cmegroup.com/wheat

Contract Specifications

	Chicago Wheat Futures: Full and Mini-sized (Soft Red Winter)	KC Wheat Futures: Full and Mini-sized (Hard Red Winter)
Contract Size	Full-Sized: 5,000 bushels	Mini-Sized: 1,000 bushels
Deliverable Grade	No. 2 Soft Red Winter, No. 2 Hard Red Winter, No. 2 Dark Northern Spring and No. 2 Northern Spring at par. Other grades are acceptable for delivery at premiums and discounts — see Rules and Regulations for specific information.	No. 2 at contract price with a maximum of 10 IDK per 100 grams; No. 1 at a 1 1/2-cent premium. Deliverable grades of HRW shall contain a minimum 11% protein level. However, protein levels of less than 11%, but equal to or greater than 10.5% are deliverable at a ten cent (10¢) discount to contract price. Protein levels of less than 10.5% are not deliverable.
Price Quote	Cents per bushel	
Tick Size	Full-sized: 1/4 cent per bushel (\$12.50 per contract)	Mini-sized: 1/8 cent per bushel (\$1.25 per contract)
Contract Months	Jul, Sep, Dec, Mar, May	
Last Trading Day	The business day prior to the 15th calendar day of the contract month	
Last Delivery Day	Second business day following the last trading day of the delivery month	Last business day of the delivery month
Trading Hours	CME Globex: 7:00 p.m. – 7:45 a.m. CT, Sun – Fri and 8:30 a.m. – 1:20 p.m. CT, Mon – Fri (Settlement remains 1:15)	
Ticker Symbols	Full-sized CME Globex: ZW Mini-sized CME Globex: XW	Full-sized CME Globex: KE Mini-sized CME Globex: MKC
Daily Price Limit	Daily price limits are variable and reset every 6 months in May and in November. There are no price limits in the current month contract on or after the second business day preceding the first day of the delivery month. For the current daily price limits, visit cmegroup.com/pricelimitupdate	

	Black Sea Wheat FOB (Platts) Futures	Australian Wheat FOB (Platts) Futures
Contract Size	50 Metric Tonnes	
Price Quote	US Dollars and Cents per Metric Tonne	
Tick Size	\$0.25 per metric tonne (\$12.50 per contract)	
Settlement Method	Financially-Settled	
Price Assessment	Russian Wheat 12.5% Fob Black Sea Deep Water: Russian origin, soft wheat with a protein content of 12.5%, a minimum test weight of 77 kg/hl, a maximum moisture content of 14%, a minimum wet gluten content of 25%, a minimum W number of 180, a minimum falling number of 250 seconds, maximum bug damage of 1.5% and maximum foreign matter content of 2%	Platts APW Wheat FOB Australia: the daily tradable value of Australian Premium White (APW) wheat, with a minimum of 10.5% protein (on an 11% moisture basis), a maximum of 12.5% total moisture, a minimum falling number of 300 seconds and a typical flour wet gluten of 24.5%
Final Settlement	The arithmetic average of the Russian Wheat 12.5% Fob Black Sea Deep Water" price assessments published by Platts for each day that it is determined during the contract calendar month, rounded to the nearest \$0.01.	The arithmetic average of the price assessment "APW Wheat FOB Australia" published by Platts for each day that it is determined during the contract month, rounded to the nearest \$0.25 increment
Contract Months	15 monthly contracts listed for the next 15 consecutive calendar months	12 monthly contracts listed for the next 15 consecutive calendar months
Last Trading Day	Trading shall cease on the last business day of the contract month that is also a Platts publication date for the price assessment.	Trading terminates on the last business day of the contract month
Trading Hours	Sunday – Friday 5:00 p.m. - 4:00 p.m. CST with 60-minute break each day beginning at 4:00 p.m. CST	
Ticker Symbols	CME Globex: BWF CME ClearPort: BWF	CME Globex: AUW CME ClearPort: AUW
Daily Price Limit	Daily price limits are variable and reset every 6 months in May and in November. There are no price limits in the current month contract on or after the second business day preceding the first day of the delivery month. For the current daily price limits, visit cmegroup.com/pricelimitupdate	

Chicago SRW and KC HRW Wheat futures and options and Black Sea Wheat futures are listed with and subject to the rules and regulations of CBOT. CME Group is a trademark of CME Group Inc. CBOT is a trademark of the Board of Trade of the City of Chicago, Inc.

Futures trading is not suitable for all investors, and involves the risk of loss. Futures are a leveraged investment, 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 a futures 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 they cannot expect to profit on every trade. All examples in this brochure are hypothetical situations, used for explanation purposes only, and should not be considered investment advice or the results of actual market experience.

The information within this brochure has been compiled by CME Group for general purposes only. Although every attempt has been made to ensure the accuracy of the information within this brochure, CME Group assumes no responsibility for any errors or omissions. All matters pertaining to rules and specifications herein are made subject to and are superseded by official CME, CBOT and NYMEX rules. Current rules should be consulted in all cases concerning contract specifications.

Nothing herein should be construed as a trading recommendation of MGEX. Information in this publication is taken from sources believed to be reliable but is not guaranteed by MGEX as to accuracy or completeness and is intended for the purpose of information and education only.

Copyright © 2015 CME Group. All rights reserved.

PM264/00/0719