



Special Executive Report

S-5491

November 19, 2010

LAUNCH OF CBOT SOYBEAN – CORN PRICE RATIO OPTIONS

Soybean – Corn Price Ratio Options are scheduled to begin trading on Monday, December 13, 2010. These options will be available for trading initially only on the trading floor.

Soybean – Corn Price Ratio Options are cash-settled options on the commonly traded ratio between Soybean futures and Corn futures. The Soybean-Corn Ratio is defined as the designated Soybean futures month price divided by the designated Corn futures month price. The product represents an option on the price ratio between one Soybean futures contract and one Corn futures contract.

Trading hours will be Monday through Friday 9:30 a.m. to 1:15 p.m. Chicago time. Soybean – Corn Price Ratio Options will initially be listed only on the trading floor.

The product code will be “SCR.” The following expirations will be listed at contract launch:

Option Month	Mar 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Jan 2012
Underlying Corn	Mar 2011	May 2011	Dec 2011	Jul 2011	Dec 2011	Sep 2011	Dec 2011	Dec 2011	Mar 2012
Underlying Soybean	Mar 2011	May 2011	Nov 2011	Jul 2011	Nov 2011	Sep 2011	Nov 2011	Nov 2011	Mar 2012
Expiration Date	2/18/11	4/21/11	5/20/11	6/24/11	7/22/11	8/26/11	9/23/11	10/21/11	12/23/11

Note that the June, August, October, and November expirations all contain an underlying November Soybean futures contract and an underlying December Corn futures contract. Having multiple option expirations with the same underlying futures contracts give traders the ability to trade options with different expirations on the common November – December ratio. Similarly, both the January and March expirations are made-up with the common March Soybean – March Corn ratio.

Additional information may be found at www.cmegroup.com/gso.

Attached are salient features and the contract specifications.

Questions may be directed to Fred Seamon, Associate Director, Commodity Research and Product Development at 312-634-1587; Susan Sutherland, Associate Director, Commodity Products and Services, at 312-930-2325; or John Hill, Economist, Commodity Research and Product Development at 312-930-1852.

Contract Salient Feature

Contract Size	10,000 * Ratio.										
Tick Size	0.0005 (\$5.00 per contract)										
Price Basis	<p>Price ratio between one Soybean futures contract and one Corn futures contract rounded to the nearest 1/1,000th of a point (0.001).</p> <p>For example, assuming a soybean price of 917.50 cents per bushel and a corn price of 375.75 cents per bushel, the ratio is $917.50/375.75 = 2.4417831$ rounded to the nearest 0.001 of a point is 2.442.</p>										
Strike Price Interval	Strike prices will be listed in increments of 5/100's of one point (i.e., 2.40, 2.45, 2.50, 2.55, etc.). The minimum strike price range will include the strike price closest to the current Soybean – Corn futures price ratio, plus the next ten consecutive higher and the next ten consecutive lower strike prices.										
Contract Months	Option Month	Jan	Mar	May	Jun	Jul	Aug	Sep	Oct	Nov	
	Underlying Corn	Mar	Mar	May	Dec	Jul	Dec	Sep	Dec	Dec	
	Underlying Soybean	Mar	Mar	May	Nov	Jul	Nov	Sep	Nov	Nov	
Last Trading Day	The last Friday which precedes by at least two business days, the last business day of the month preceding the option month.										
Exercise	Cash Settled.										
Nature of Option	<p>The value of a Soybean – Corn Price Ratio put option on expiration day shall be the difference between the option strike price and the settlement price of the referencing Soybean futures contract divided by the referencing Corn futures settlement price rounded to the nearest 0.001, and multiplied by 10,000, or zero, whichever is greater.</p> <p>For example, on final settlement day if Soybean futures settle at 917.50 cents per bushel and Corn futures settle at 375.75 cents per bushel, the final ratio would be $917.50/375.75$ rounded to the nearest 0.001 or 2.442. The value of a 2.50 put would be $(2.50 - 2.442) * 10,000 = \\580.</p> <p>The value of a Soybean – Corn Price Ratio call option on expiration day shall be the difference between the referencing Soybean futures settlement price divided by the referencing Corn futures settlement price rounded to the nearest 0.001, and the strike price, multiplied by 10,000, or zero, whichever is greater.</p> <p>For example, on final settlement day if Soybean futures settle at 917.50 cents per bushel and Corn futures settle at 375.75 cents per bushel, the final ratio would be $917.50/375.75$ rounded to the nearest 0.001 or 2.442. The value of a 2.40 call would be $(2.442 - 2.40) * 10,000 = \\420.</p>										
Trading Hours (Chicago time)	Standard Agricultural Open Auction Hours										
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Chapter 10M

Soybean-Corn Intercommodity Ratio Options

10M00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on the Soybean-Corn Futures Intercommodity Ratio. In addition to the rules of this chapter, transactions in Soybean-Corn Intercommodity Ratio Options shall be subject to the general rules of the Exchange insofar as applicable.

10M01. OPTIONS CHARACTERISTICS

10M01.A. Contract Months

Trading in Soybean-Corn Intercommodity Ratio options may be scheduled in such months as determined by the Exchange.

10M01.B. Trading Unit

10,000 times the ratio value.

One Soybean-Corn Intercommodity Ratio Option reflects a position in the price ratio between one (1) Soybean futures contract of a specified contract month and one (1) Corn futures contract of a specified contract month on the Board of Trade of the City of Chicago, Inc. rounded to the nearest 1/1,000th of a point (0.001).

For example, assuming a corn price of 375.75 cents per bushel and a soybean price of 917.50 per bushel, the ratio is $917.50/375.75 = 2.4417831$, rounded to the nearest 0.001 of a point or 2.442.

10M01.C. Minimum Fluctuations

The premium for Soybean-Corn Intercommodity Ratio options shall be in multiples of 0.0005 of a cent, or \$5.00 per contract.

However, a position may be initiated or liquidated in Soybean-Corn Intercommodity Ratio options at premiums ranging from \$1.00 to \$4.00, in \$1.00 increments per option contract.

10M01.D. Trading Hours

The hours for trading of Soybean-Corn Intercommodity Ratio options contracts shall be determined by the Exchange. Soybean-Corn Intercommodity Ratio options shall be opened and closed for all months and strike prices simultaneously.

On the last day of trading in an expiring option, the expiring Soybean-Corn Intercommodity Ratio options shall be closed with a public call, made strike price by strike price, immediately following the close of the open outcry trading session for the

corresponding futures contracts.

10M01.E. Exercise Prices

Trading shall be conducted for put and call options with strike prices in integral multiples of 5/100's of one point per bushel (i.e., 2.40, 2.45, 2.50, 2.55, etc.). At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the previous day's Soybean-Corn Intercommodity Ratio; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's Soybean-Corn Intercommodity Ratio. If the previous day's ratio is midway between two strike prices, the closest strike price shall be the larger of the two. Over time, new strikes will be added to ensure that all strikes above and below the previous day's settlement price in the underlying futures contract are listed. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed.

All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis.

The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.

10M01.F. Position Limits

For the purposes of this rule, positions in Corn futures and options, mini-sized Corn futures, Corn Calendar Spread options, and Soybean-Corn Intercommodity Spread options and positions in Soybean futures and options, mini-sized Soybean futures, Soybean Calendar Spread options, and Soybean-Corn Intercommodity Ratio options will be aggregated for the purpose of determining compliance with the contracts' position limit.

In accordance with Rule 559, Position Limits and Exemptions, no person shall own or control Corn positions in excess of:

1. 13,500 futures-equivalent contracts net long or net short in any single contract month excluding the spot month. Additional options contracts may be held as part of option/option or option/futures spreads between months within the same crop year or across multiple crop years provided that the total of such positions, when combined with outright positions, does not exceed the all months combined limit. The futures-equivalents for both the options and futures contracts are aggregated to determine compliance with these net same side single month position limits.
2. 22,000 futures-equivalent contracts net long or net short in all months combined.

In accordance with Rule 559, Position Limits and Exemptions, no person shall own or control Soybean positions in excess of:

1. 6,500 futures-equivalent contracts net long or net short in any single contract month excluding the spot month. Additional options contracts may be held as part of option/option or option/futures spreads between months within the same crop year or across multiple crop years provided that the total of such positions, when combined with outright positions, does not exceed the all months combined limit. The futures-equivalents for both the options and futures contracts are aggregated to determine compliance with these net same side single month position limits.

2. 10,000 futures-equivalent contracts net long or net short in all months combined.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

10M01.G. Reserved

10M01.H. Nature of Options on Intercommodity Ratios

On expiration of a put option the buyer of one Soybean-Corn Intercommodity Ratio put option will be entitled to receive the value of that put option. The value of a Soybean-Corn Intercommodity Ratio put option at expiration will be defined as the difference between the strike price of the put option and the settlement price of the referencing CBOT Soybean futures contract divided by the settlement price of the referencing CBOT Corn futures contract rounded to the nearest 1/1,000th of a point (0.001), and multiplied by 10,000, or zero, whichever is greater. The seller of one Soybean-Corn Intercommodity Ratio put option incurs the obligation to pay the value of that put option. For example, on final settlement day for a November Soybean-Corn Intercommodity Ratio option, assume November Soybean futures settle at 917.50 cents per bushel and December Corn futures settle at 375.75 cents. The final ratio would be $917.50/375.75$ rounded to the nearest 0.001 or 2.442. The value of a 2.50 put would be $(2.50 - 2.442) * 10,000 = \580 .

On expiration of a call option the buyer of one Soybean-Corn Intercommodity Ratio call option will be entitled to receive the value of that call option. The value of a Soybean-Corn Intercommodity Ratio call option at expiration will be defined as the difference between the settlement price of the referencing CBOT Soybean futures contract divided by the settlement price of the referencing CBOT Corn futures contract rounded to the nearest 1/1,000th of a point (0.001), and the strike price, multiplied by 10,000, or zero, whichever is greater. The seller of one Soybean-Corn Intercommodity Ratio call option incurs the obligation to pay the value of that call option. For example, on final settlement day for a November Soybean-Corn Intercommodity Ratio option, assume November Soybean futures settle at 917.50 cents per bushel and December Corn futures settle at 375.75 cents. The final ratio would be $917.50/375.75$ rounded to the nearest 0.001 or 2.442. The value of a 2.40 call would be $(2.442 - 2.40) * 10,000 = \420 .

“Market Disruption Event” (“MDE”) shall mean: (a) the termination or suspension of, or material limitation or disruption in the trading of the referencing CBOT Soybean futures contract and/or the referencing CBOT Corn futures contract on that day, including if due to the closing of the Exchange prior to the regularly scheduled closing time of the Exchange; (b) the settlement price of the referencing CBOT Soybean futures contract and/or the referencing CBOT Corn futures contract reflects the maximum permitted price change from the previous day’s settlement price; or (c) the failure of the Exchange to publish an official Settlement Price(s) for the referencing CBOT Soybean futures contract and/or the referencing CBOT Corn futures contract. If an MDE occurs and the Exchange does not publish a settlement price for the referencing CBOT Soybean futures contract and/or the referencing CBOT Corn futures contract, the Soybean-Corn Intercommodity Ratio options on that day shall revert back to the settlement prices on the first preceding business day. If an MDE occurs and the Exchange publishes settlement prices for the referencing CBOT Soybean futures contract and the referencing CBOT Corn futures contract and it is not final settlement day, the Soybean-Corn Intercommodity Ratio options will settle normally. If an MDE occurs on final settlement day, then final settlement for expiring Soybean-Corn Intercommodity Ratio options shall be based on the next available set of referencing CBOT Soybean futures settlement prices and referencing CBOT Corn futures settlement prices for which an MDE is no longer in effect, with a delay limited to 10 business days from the original expiration date. If, on the 11th business day, an MDE is still in effect, then the Exchange will determine an appropriate estimated settlement price.

10M01.I. Termination of Trading

Subject to the provisions of rule 10M01.D no trades in Soybean-Corn Intercommodity Ratio options expiring in the current month shall be made after the close of trading of the open outcry trading session on the day identical to the expiration of standard Corn and Soybean options. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the November-December Soybean-Corn Intercommodity Ratio Option (November Soybeans divided by December Corn) will expire on the last Friday which precedes by at least two business days the last business day of October.

10M01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

10M02. EXERCISE OF OPTION

Soybean-Corn Intercommodity Ratio options will be cash settled on expiration day.

Soybean-Corn Intercommodity Ratio options cannot be exercised at any time during the life of the option.

10M03. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701.).

10M04. RESERVED

10M05. RESERVED

10M06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.