



20 South Wacker Drive  
Chicago, IL 60606-7499  
[www.cme.com](http://www.cme.com)

312/930.1000 *tel*  
312/466.4410 *fax*

## Advisory Notice

Clearing House

TO: All Firm Personnel  
Service Bureau Representatives  
Independent Software Vendors

FROM: Clearing House Department

ADVISORY #: 05-242

DATE: October 17, 2005

SUBJECT: Implied CME E-Livestock Spreads on CME® Globex® – **Effective Monday, October 31, 2005**

Please find details of two upcoming changes which will affect CME® E-Livestock Spreads traded on CME® Globex®, effective **Monday, October 31, 2005**:

### **Implied Meat Spreads on CME Globex**

Effective **Monday, October 31, 2005**, implied spread pricing for E-Live Cattle (LE) and E-Lean Hogs (HE) Calendar spreads will be available on CME Globex. Implied spread pricing enhances trading and risk management opportunities on these products. To understand how implied spread pricing works, please refer to our "Implied Pricing for Eurodollar Futures on Globex" document, located at <http://www.cme.com/files/EUImpliedPrice.pdf>, which explains the concept thoroughly.

Please refer to the table on the following page that details the various implied spreads that will be available in CME Globex.

### **Two New E-Live Cattle, E-Lean Hogs and E-Feeder Cattle Butterfly Spreads**

Additionally, CME will be adding 2 new butterfly spreads for E-Live Cattle (LE), E-Lean Hogs (HE) and E-Feeder Cattle (GF) on Monday, October 31, 2005. Implied spread pricing will be available for the E-Live Cattle and E-Lean Hogs Butterfly spreads; implied spread pricing for the E-Feeder Cattle Butterflies will be made available in the near future.

If you have any questions regarding this notice, please contact Laura Sutor at 312.648.5480, email [lsutor@cme.com](mailto:lsutor@cme.com), or Lisa Amato at 312.338.2654, email [lamato@cme.com](mailto:lamato@cme.com).  
Thank you.