



## U.S. Dollar/Offshore Chinese Renminbi (CNH) futures

**QUOTED IN INTERBANK TERMS. EXPANDED ACCESS TO ONE OF THE WORLD'S FASTEST GROWING CURRENCY MARKETS.**

In June 2010, in an important step towards internationalizing the renminbi (RMB), the Chinese government introduced offshore RMB deliverable in Hong Kong (CNH). This move enabled corporations anywhere in the world to settle transactions in RMB, leading to strong growth in deposits and trading volume. Rapidly rising international demand in turn has created a need for risk-management tools representing this market. To address this need, CME Group has developed USD/Offshore RMB (CNH) futures, available in both standard and E-micro contract sizes.

Physically delivered and quoted in interbank (European) terms, these contracts provide businesses, financial institutions and global FX traders with flexible, secure tools to help better hedge RMB exposure, improve on RMB funding costs and capitalize on opportunities associated with one of the world's fastest growing currencies.

### Two contract sizes

The new USD/CNH contracts are available in standard and E-micro sizes — one-tenth the size of standard FX futures. At one-tenth the risk exposure, the E-micro contract helps individual traders better participate in the market and allows for more flexibility for all market participants.

**Standard** Based on USD 100,000 and quoted in minimum increments of 0.0001 RMB per USD = 10 RMB.

**E-micro** Based on USD 10,000 and quoted in minimum increments of 0.0001 RMB per USD = 1 RMB.

### Physically delivered

The contracts enable market participants to make and take physical delivery of RMB versus USD, providing an efficient means to invest in and hold the Chinese currency or to facilitate transactions conducted in CNH.

### Nearly 24-hour access

The contracts are listed on the CME Globex electronic trading platform, providing nearly 24-hour a day access to opportunities of this growing market from anywhere in the world.

### Benefits

- Designed to allow physical delivery of RMB
- Hedging and risk-management opportunities based on the offshore RMB curve
- Multiple contract sizes allow for increased trading flexibility and broader market participation
- Nearly 24-hour access to one of the world's fast growing currencies through CME Globex
- Block-trading eligibility of standard size contracts, with maturities out three years to more effectively manage long-term exposure
- Further enhances an extensive suite of RMB products that include listed and cleared OTC FX offerings
- Capital efficiency of futures margins versus alternative bilateral OTC FX products, plus cross-margining opportunities with OTC RMB products cleared at CME Clearing U.S.
- Mitigation of counterparty credit risk through CME Clearing

## Expanded RMB opportunities from one marketplace

These contracts will add to an already extensive RMB FX product suite available from CME Group. That includes our existing RMB/USD futures and options contracts, quoted in American terms and cash settled, as well as the standard size and E-micro USD/onshore RMB (CNY) futures contracts, listed in European terms but with implied RMB (CNY) daily settlement variation translated into U.S. dollars and cash-settled.

Additionally, we offer OTC FX clearing services on USD Non-Deliverable Forwards (NDFs) for USD/CNY, enabling participants to retain the flexibility of OTC while addressing counterparty credit risk.

### CME Group FX

With more than \$123 billion in daily liquidity, CME Group FX markets provide you with the deep liquidity, safety and security you need, from the Sydney open to the Chicago close. As the world's largest regulated FX marketplace, we serve a diverse range of market participants that includes banks, hedge funds, CTAs, proprietary trading firms, multinational companies and active individual traders with a global product suite of 61 futures and 31 options based on 21 major world and emerging-market currencies. Additionally, we now offer flexible clearing services on 12 OTC Non-Deliverable Forward currency pairs and 26 Cash-Settled Forwards, all through CME Clearing.

[Learn more at cmegroup.com/fx](https://cmegroup.com/fx)

## Quoted in standard interbank terms

These new contracts will be quoted in standard interbank FX terms (European style). Daily pays and collects are calculated and banked in CNH.

## Two ways to trade. One secure clearing solution.

In today's market environment, effective risk management is a business imperative — and it is what the centralized clearing capability of CME Group brings to the FX markets it serves. Your counterparty credit risk is substantially mitigated as CME Clearing becomes the buyer to every seller and seller to every buyer regardless of how you choose to trade USD/CNH. These contracts will be available to trade:

- Electronically on the CME Globex trading platform
- Bilaterally in a block or Exchange for Related Positions (EFRP) format, which can be reported and cleared multiple ways, including:
  - **CME ClearPort**, a comprehensive set of flexible clearing services created to help mitigate counterparty credit risk in the OTC markets
  - **CME Global Command Center (GCC)\***
    - **US** +1 312 456 2391
    - **Asia** +65 6223 1357
    - **Europe** +44 20 7623 4708
  - **Front-End Clearing Systems (FEC)**

\*Note: EFPs cannot be submitted or reported through the GCC.

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**We can help you get started today.**  
For more information, visit [cmegroup.com/rmb](https://cmegroup.com/rmb) or contact:

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## Contract Specifications

Standard and E-micro USD/Offshore RMB (CNH) Futures	
<b>Contract Size</b>	<b>Standard Futures</b> based on 100,000 USD (≈ RMB 636,400); <b>E-micro Futures</b> based on 10,000 USD (≈ RMB 63,640)
<b>Tick Size</b>	<b>Standard Contract:</b> Outrights quoted in 0.0001 RMB per USD = 10 RMB (≈ USD \$1.57) per contract; calendar spreads quoted in 0.00005 RMB per USD = 5 RMB (≈ USD \$0.79) per contract <b>E-micro Contract:</b> Outrights quoted in 0.0001 RMB per USD = 1 RMB (≈ USD \$0.16) per contract
<b>CME Globex Codes</b>	<b>Standard:</b> CNH <b>E-micro:</b> MNH
<b>CNH-Denominated</b>	Daily pays and collects calculated and banked in CNH
<b>Trading Hours</b>	CME Globex <b>Sundays through Fridays:</b> 5:00 p.m. - 4:00 p.m. (Chicago Time/CT) the next day. On Friday, CME Globex platform closes at 4:00 p.m. and reopens Sunday at 5:00 p.m. CME ClearPort <b>Sundays through Fridays:</b> 5:00 p.m. - 4:15 p.m. CT the next day, with a 45-minute break each day beginning at 4:15 p.m. CT
<b>Months</b>	<b>Standard:</b> 13 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec) plus 8 March quarterly months (3-year maturity range) <b>E-micro:</b> 12 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec)
<b>Last Trading Day</b>	Trading ceases at 11:00 a.m. Hong Kong time, two Hong Kong business days immediately preceding 3rd Wednesday of contract month
<b>Delivery Process/ Delivery Day</b>	Final settlement facilitated through delivery of \$100,000 (standard contract) or \$10,000 (E-micro contract) from short to long; vs. delivery of equivalent value of CNH from long to short; through correspondent banks as approved by CME Clearing on the business day of the 3rd Wednesday of contract month. Payment of CNH vs. USD embargoed by CME Clearing pending receipt of Payment Orders from both long and short.
<b>Position Limits/ Hedge Exemptions</b>	For speculative position limit purposes, standard- and E-micro-size futures positions are aggregated. A participant shall not own or control more than the aggregated equivalent of 1,000 CME standard-size contracts (100,000,000 U.S. dollars in notional value), in all months combined, net long or short, at any time, or no more than 500 CME standard-size contracts (50,000,000 U.S. dollars in notional value), in the delivery month contract, net long or short, on or after the day one week prior to the termination of trading day. Exemptions available for bona fide hedgers, but not in the delivery month contract during the last five business days of trading.
<b>Offset of Standard vs. E-micro USD/CNH Futures (Fungibility)</b>	10 long (short) E-micro USD/CNH futures may be offset with 1 short (long) Standard Size USD/CNH futures, if held in the same account and authorized by the account controller
<b>CME Globex Error Trade Policy</b>	40 ticks or less "no bust range"
<b>CME Globex Price Banding*</b>	60 ticks for outright trades, 5 ticks for spread trades
<b>Block Trade Minimum Threshold</b>	<b>Standard:</b> 50 contracts <b>E-micro:</b> Not applicable
<b>EFRP Eligibility</b>	Yes
<b>Reportable Positions</b>	<b>Standard:</b> 25 contracts <b>E-micro:</b> 250 contracts

Options on the Standard-sized futures will be added at a later date.

\* For CME Globex trading, automated price banding prevents execution of orders at prices falling outside of 60 ticks for outright trades and 5 ticks for spread trades from the last sale, best bid or best offer. Price banding prevents the entry of limit orders more than a pre-determined amount above the last price in the case of bids and more than the same pre-determined amount below the last price in the case of offers. The band "shadows" the currency futures price as it reacts to new transaction prices, higher bids and lower offers.



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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.

All references to options refer to options on futures.

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All matters pertaining to rules and specifications herein are made subject to and are superseded by official CME and NYMEX rules. Current rules should be consulted in all cases concerning contract specifications.