



Chicago Mercantile Exchange Introduces eFX Incentive Plan for Non-Member Bank Customers

Extends Benefits of Regulated FX Marketplace to New Customer Base

CHICAGO, May 25 /PRNewswire-FirstCall/ -- Chicago Mercantile Exchange Inc. (CME), the largest U.S. futures exchange and the world's largest regulated foreign exchange marketplace, today announced a new incentive pricing program for electronic foreign exchange (eFX) trading for commercial banks that are not currently CME members.

The program would allow participating banks, who currently represent a very small fraction of CME FX volume, trading for their proprietary accounts to trade FX products on CME's GLOBEX[®] electronic trading platform for a combined cost of 44 cents per side (34 cents GLOBEX fee and 10 cents clearing fee), representing a 73 percent discount from current combined electronic trading and clearing fees. The 18-month program will become effective on June 1.

CME Chairman Terry Duffy said, "As the trend toward electronic FX trading continues to grow, CME is committed to capturing an even larger share of this market. While our just-announced agreement with Reuters gives CME's FX markets a tremendous new distribution channel, this price incentive program will now make the cost of CME FX trading for non-member banks extremely cost competitive with over-the-counter markets."

"CME offers the world's largest regulated FX marketplace with numerous advantages -- such as credit efficient, anonymous trading via central counterparty clearing, extremely liquid markets and total price transparency -- that are not available on many other trading platforms," said CME CEO Craig Donohue. "In conjunction with CME's other recent eFX initiatives, we believe there is significant opportunity for additional growth of our foreign exchange franchise."

Foreign exchange is the most actively traded asset class in the world, with over \$1.2 trillion in average value traded every day, according to the Bank for International Settlements. Commercial banks are the single largest segment of the global FX trading community, representing 56 percent of all volume.

CME lists futures contracts on 30 different U.S. dollar-denominated, cross-rate and index FX products and options on futures for 16 products. Since CME began virtual around-the-clock electronic trading of FX on GLOBEX in 2001, volume has more than doubled, and GLOBEX volume currently represents nearly 70 percent of total FX volume. CME's total FX volume grew 40 percent in 2003 compared to 2002 and an additional 49 percent in the first quarter of 2004 versus year-ago levels. In March, the notional value of CME FX trading averaged \$23 billion per day.

On May 24, CME and Reuters announced an agreement that will bring the professional interbank FX market direct futures trading by offering CME's eFX markets to Reuters' global customer base in a spot equivalent format. This agreement marks the first major linkage of sell side traders in the interbank FX market to CME eFX futures markets. CME also announced in April a 12-month incentive fee program to provide fee discounts to existing CME members and customers who achieve certain volume levels.

Chicago Mercantile Exchange Inc. (<http://www.cme.com>) is the largest futures exchange in the United States. As an international marketplace, CME brings together buyers and sellers on its trading floors and GLOBEX[®] electronic trading platform. CME offers futures and options on futures primarily in four product areas: interest rates, stock indexes, foreign exchange and commodities. The exchange moved about \$1.5 billion per day in settlement payments in the first quarter of 2004 and managed \$38.1 billion in collateral deposits at March 31, 2004. CME is a wholly owned subsidiary of Chicago Mercantile Exchange Holdings Inc. (NYSE: CME), which is part of the Russell 1000[®] Index.

Statements in this news release that are not historical facts are forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied in any forward-looking statements. More detailed information about factors that may affect our performance may be found in our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K, which can be obtained at its Web site at <http://www.sec.gov> . CME undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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