



CME Announces July 26 Launch of New Functionality for Eurodollar Options on GLOBEX®

DRW Trading Named as Lead Market Maker for Eurodollar Options on GLOBEX

CHICAGO and BOCA RATON, Fla., March 17 /PRNewswire-FirstCall/ -- Chicago Mercantile Exchange Inc. (CME) today announced it will launch its new Eurodollar Options on GLOBEX® functionality on July 26 providing global short term interest rate options markets with unprecedented levels of price transparency, competitiveness, and ease of execution.

CME also announced that DRW Trading, a proprietary trading firm based in Chicago and London that specializes in interest rate derivatives, has been named as a lead market maker for Eurodollar Options on GLOBEX.

This enhanced functionality for Eurodollar options trading on GLOBEX combines committed market making, indicative quotes, user defined spread combinations and electronic request for quote (e-RFQ) functions. This integrated technology will complement CME's GLOBEX and allow CME to enhance services to options trading customers.

"This state-of-the-art technology will revolutionize screen-based trading of short term interest rate options on futures," said CME Chairman Terry Duffy. "It further enhances CME's dominant position in short term interest rate products and underscores CME's commitment to continued innovation in our core markets. We will be providing a unified, transparent liquidity pool that offers market participants more efficient executions for their complex option combination trades, in sharp contrast to the fragmented and opaque European 'call-around' markets."

"The launch of this new GLOBEX functionality marks another step forward in the evolution of electronic trading at CME," said CME CEO Craig Donohue. "With the continued implementation of technology enhancements along with our aggressive pricing and distribution strategies, electronically traded interest rate futures volume has increased over 400 percent in the first quarter of 2004 versus year ago levels. We also are leveraging our ability to provide transaction processing services to third parties, consistent with our ongoing efforts to provide added value to our global customers."

"The Liquidity Direct technology solves the problems historically associated with electronic options trading," said Donald R. Wilson, Jr., founder and CEO of the DRW Trading Group. "Launching Eurodollar options on Liquidity Direct with a commitment from the DRW Trading Group to provide continuous liquidity will result in a transparent and efficient method to trade electronically in an already rapidly growing product."

CME is also reviewing additional market maker applicants for the Eurodollar Options on GLOBEX program, and expects to announce more participants by mid-April.

The core technology for the Eurodollar Options on GLOBEX program was obtained earlier this year as part of CME's acquisition of Liquidity Direct. Eurodollar Options on GLOBEX will be available throughout the world and via both CME's proprietary trading screens and alternative front end systems.

Over 100 million Eurodollar options were traded at CME in 2003. Through March 15, average daily volume in Eurodollar options was 466,643, up 19 percent compared to the first quarter of 2003. CME's benchmark Eurodollar futures contract traded a total 309.6 million contracts in 2003. In the second week of March, open interest of Eurodollar futures surpassed six million positions for the first time ever. Eurodollar options set numerous open interest records in the first half of March, peaking at 5,129,923 positions on March 12. Eurodollar Mid-curve options also set numerous open interest records peaking at 1,408,000 positions on March 11. Open interest represents open contract positions at the end of a trading session.

Chicago Mercantile Exchange Inc. (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 \$1.4 billion per day in settlement payments in 2003 and managed \$39.5 billion in collateral as of Jan. 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 is available in the Investor Information section of the CME Web site. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new

information, future events or otherwise.

Chicago Mercantile Exchange, CME, the globe logo and GLOBEX are registered trademarks of Chicago Mercantile Exchange Inc. Further information about CME and its products is available on the CME Web site at www.cme.com .

SOURCE Chicago Mercantile Exchange Inc.

CONTACT: Media, Anita S. Liskey, +1-312-466-4613, or John Holden, +1-312-930-3446, news@cme.com , or Investors, John Peschier, +1-312-930-8491, all of Chicago Mercantile Exchange Inc. Web site: <http://www.cme.com>

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding Chicago Mercantile Exchange's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most recently ended fiscal year.