



## **CME Announces New Initiatives to Expand GLOBEX® Eurodollar Futures Market**

### **Initiatives Include Aggressive New Migration Plan, Expanded Market Maker Program and Eurodollar Pit Reconfiguration Designed to Facilitate Market Growth and Side-by-Side Trading**

CHICAGO, Feb 10, 2004 /PRNewswire-FirstCall via COMTEX/ -- Chicago Mercantile Exchange Inc. (CME), the largest futures exchange in the U.S., today announced a comprehensive initiative to further facilitate electronic trading of its flagship Eurodollar futures contracts.

CME will ask its Class B shareholders to approve a plan that will give CME's Board the authority to transition the front two Eurodollar futures contract months onto CME's GLOBEX platform. Under the plan, if electronic trading in those contracts fails to achieve at least 25 percent of total Eurodollar trading volumes during CME's regular trading hour session by March 12, 2004, the Board will transition these contracts to the GLOBEX platform in an orderly fashion. Additionally, if electronic trading volumes of these contract months fall below the 25 percent threshold in the future for two consecutive five day trading periods, measured from the end of each trading week, CME's Board will be authorized to transition them to the GLOBEX platform. A proxy statement containing additional information will be distributed to our Class B shareholders and a special shareholder meeting will be held on March 16.

CME will also expand on the GLOBEX market maker program in its electronic Eurodollar futures market by increasing the number of market makers allowed in the program from 6 to 15 and by extending the program to include CME's regular trading hours session from 7:20 a.m. to 2:00 p.m. (CST). Designed to ensure liquidity, market makers are required to post sizeable bids and offers in designated Eurodollar futures contracts.

Participants in the expanded market maker program, including members or member firms that trade at least an average of three percent of regular trading hour volume on a monthly basis, will have all GLOBEX fees waived. For the first time, the program will also allow non-member proprietary trading groups or arcades to participate at a rate of 22 cents per side for all Eurodollar futures trades. The program is set to begin in March 2004.

Additionally, the exchange will enhance CME's Eurodollar trading complex to increase floor access to GLOBEX and expand the use of hand held electronic trading devices on the floor to further promote side-by-side trading of Eurodollar futures contracts on its GLOBEX and open outcry markets.

"GLOBEX Eurodollar futures volume is growing fast and is on track with our long-term strategy," said CME Chairman Terry Duffy. "With January volume up over 200 percent from one year ago, the market is responding affirmatively to our aggressive pricing and distribution initiatives. The purpose of submitting this issue to the Class B shareholders is to ensure that we have the authority to transition these contracts to GLOBEX in an orderly fashion. We will continue to act decisively and effectively to ensure our strong competitive position and to execute our growth strategy."

"During the last five years, CME has been extremely successful in extending its open outcry markets to include electronic trading on our GLOBEX system," said Craig Donohue, Chief Executive Officer of CME. "Our success has allowed us to ensure the efficient growth of electronic trading in our key products without disrupting the liquidity in our open outcry markets. These bold initiatives allow us to build on that success and create new opportunities for the entire complex."

Last year, approximately 310 million Eurodollar futures and options on futures traded at CME, the busiest year ever for the contract. In January volume in Eurodollars was up more than 50 percent from the same period the year earlier.

CME is also proposing to waive equipment fees for traders who use handheld electronic trading devices to electronically trade Eurodollars from the trading pits and who meet minimum trading volume thresholds.

Chicago Mercantile Exchange Inc. ([www.cme.com](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 \$1.4 billion per day in settlement payments in 2003 and managed \$39.5 billion in collateral deposits at 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.

Chicago Mercantile Exchange, CME 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](http://www.cme.com).

SOURCE Chicago Mercantile Exchange Inc.

Media, Anita S. Liskey, +1-312-466-4613, or John Holden, +1-312-930-3446, [news@cme.com](mailto:news@cme.com) , or Investor, John Peschier, +1-312-930-8491, all of the Chicago Mercantile Exchange Inc.

<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.