

## **What's the big deal?**

**A single exchange, the CME Group, is now the world's largest exchange. You might be asking yourself what's the big deal? There is a lot to be excited about. And it all started with butter and eggs.**

**Imagine getting faster execution with better fills and less slippage! The new merger between CBOT and CME may just give traders the inside edge in the futures market. While institutions are the largest customer of the CME, individual investors benefit from the availability of information and services like free training for the foreign currency markets.**

**Paul Brittain of Alaron Trading is very excited about the changes coming with the merger. He says, "There will be greater transparency for the retail trader. Up to now you see a price on your screen but don't know what the price is on the floor. Now you will see the actual price which used to be reserved for the 'inside' guy."**

**More information, more education and lower costs, that's a good deal! Lower costs are a result of tighter bid/ ask spreads. And when there are reduced exchange fees, this can be passed on by the brokers to their customers. While the institutional investor is the primary customer of CME, individuals can now do market research like a Wall Street analyst.**

**Mary Haffenberg, Associate Director, Product Communications of CMEGroup, says, "There will be no overlap and in fact, far more information available. Customers can expect more service." Some benefits are free real time market data on select CME Group products and the convenience of one central location for all the information. Customers can access Daily Bulletins, Volume Analysis, Contract Specs and Resources by user group: futures traders, options traders, brokers, and others. At the left side of every page is a jump box that will take you to product information from all pages. Does fee free sound good? Clearing fees are waived for all S&P MidCap 400® and E-mini® S&P MidCap 400 Index futures and options on futures for all market participants. The S&P SmallCap 600 and MidCap 400 contracts, along with other products in the equity index complex, are attractive alternatives to the Russell 2000 contract, which will no longer be listed on CME Globex following the September 2008 contract expiration.**

**Take a tour of the new CMEGroup.com site and learn about the products available. Get global access to a wide array exchange-traded derivatives based on U.S. interest rate yield curve, equity indexes, foreign exchange, agricultural and industrial commodities, energy and alternative investment products such as weather and real estate. Bringing snowball fights to a new level, you can trade CME snowfall futures (since 1999). And if options futures aren't providing enough complexity to your day, trade TRAKRS®.**

**Paul Brittain is quick to caution that trading in futures and commodities is not to be done on a whim. With all this transparency and speed, computer systems, modeling techniques and analysis, the ratio of winners to losers has not changed. Education, practice and experience will make a difference. So take advantage of the expanded Trading Knowledge Center at CME Group that continues to provide education about futures trading.**

**Futures trading requires specific detail knowledge that is not pertinent to securities. For example, what exchange the commodity is traded at, hours of trading, size of contract, price fluctuations, maximum trading limits, margin, commissions, and first notice day of trading. A CMEGroup.com you can find all of this information in one place and daily bulletins pertinent to the product you are trading.**

**There will be one physical location soon and yes, Rick Santelli, the popular Bond Market Reporter, will still be shouting out his insights from the floor of the exchange.**

**If you are still wondering what does all this have to do with butter and eggs; The Chicago Butter and Egg Board was founded in 1898 and has evolved into the world's largest exchange, CMEGroup of today.**

**By Candy Schaap©2008**