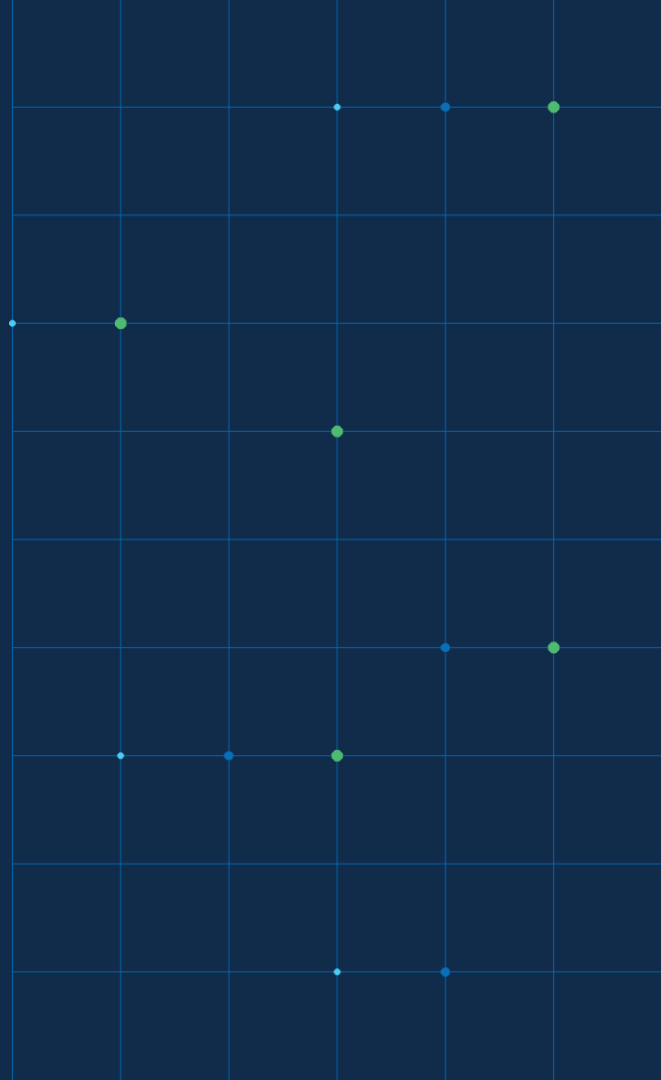


CME Group Overview

ALASA

January 2023



Disclaimer

Neither futures trading nor swaps trading are suitable for all investors, and each involves the risk of loss. Swaps trading should only be undertaken by investors who are Eligible Contract Participants (ECPs) within the meaning of Section 1a(18) of the Commodity Exchange Act. Futures and swaps each are leveraged investments 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 either a futures or swaps 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 traders cannot expect to profit on every trade.

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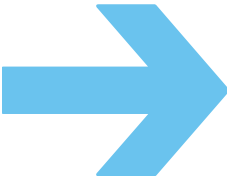
What is CME Group all about?

It all boils down to risk.

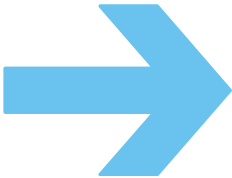
RISK

What does risk look like?

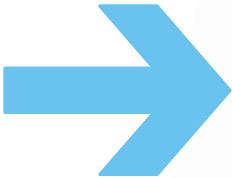
It's different for every industry.



It's different for every industry.



It's different for every industry.



Each kind of risk requires a different solution.

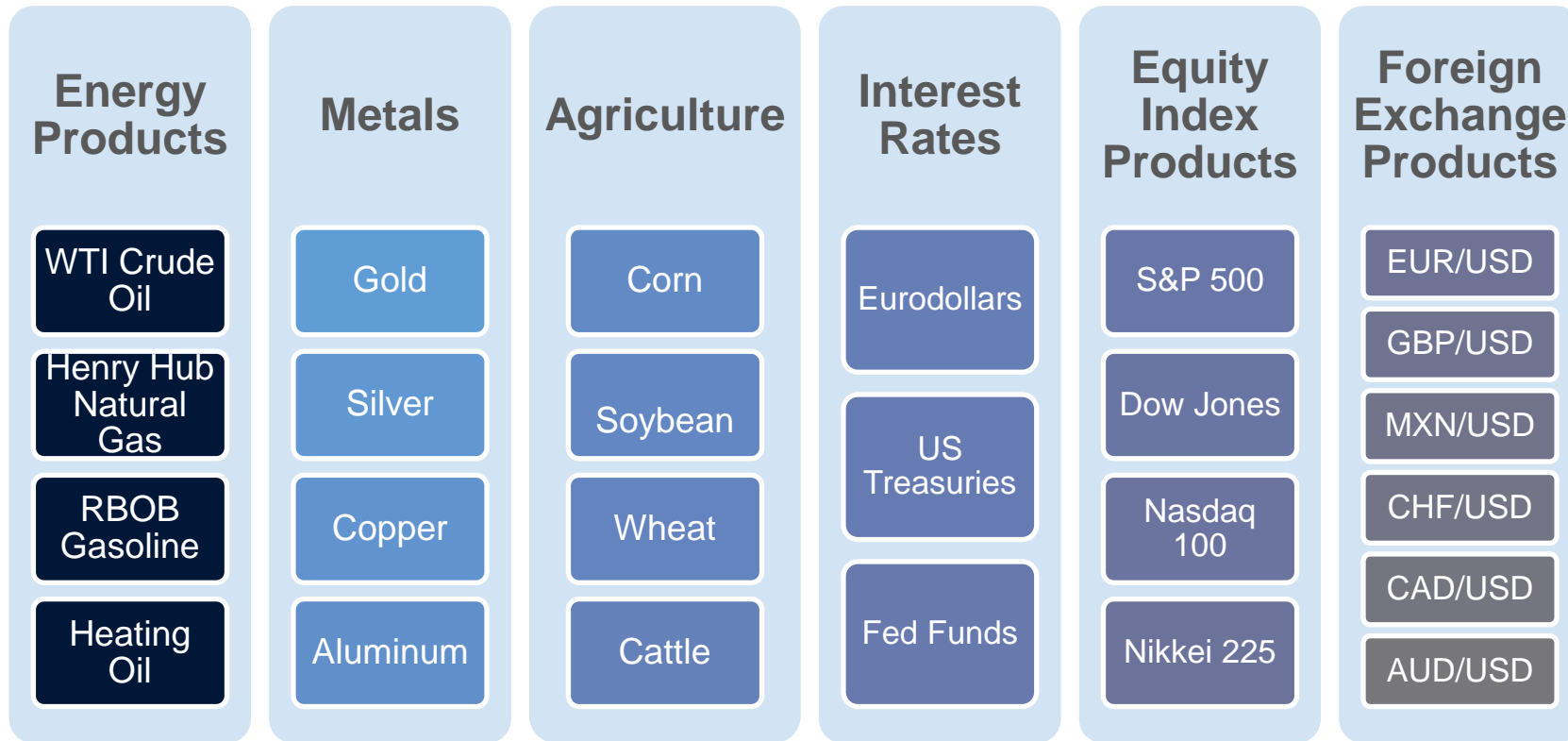




CME Group offers the widest range of benchmark futures and options products, covering all major asset classes – and all kinds of risk.



Broad Set of Benchmark Products



We bring those who want to manage risk together with those who want to profit from accepting that risk.



Hedging and speculating bring balance to the market.

The more trading there is, the easier it is to find someone who's buying what you're selling, so you can get in and out quickly.

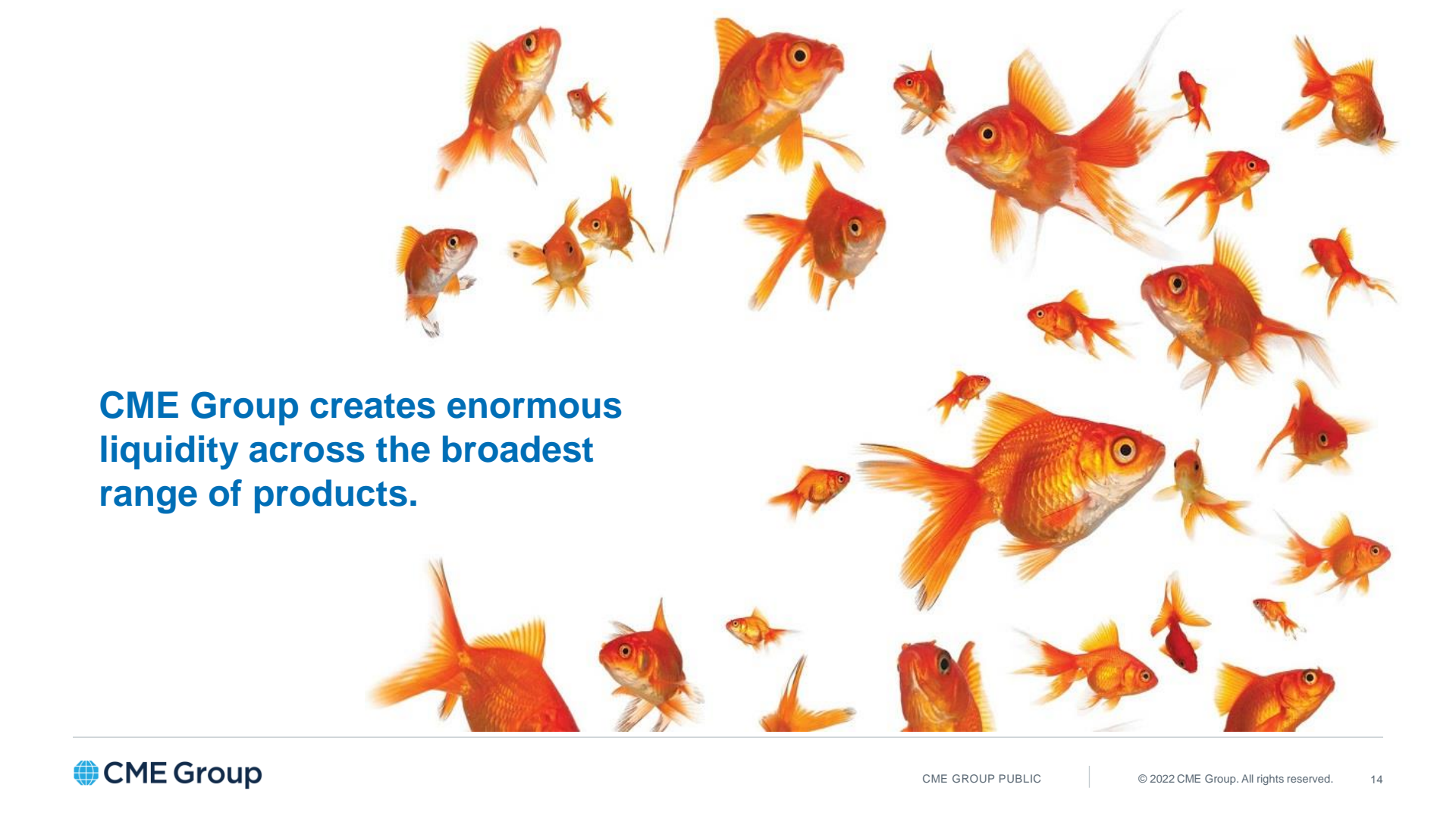
This is called liquidity.



Greater liquidity means tighter pricing and lower costs for end-users.

In other words, liquidity creates efficiency.





CME Group creates enormous liquidity across the broadest range of products.

Latin America IRS Clearing

Leading Liquidity Pool

- Over 340 unique participants have cleared LatAm IRS at CME
- Over 85 clients trading a new LatAm currency since 2021
- CME Group consistently clearing >95% of all notional volume across the four LatAm IRS currencies

Growth in Latin America Client Base

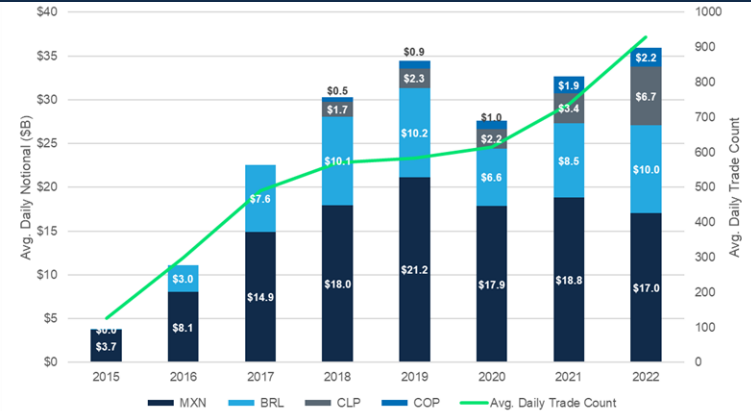
- 75+ LatAm based participants clearing at CME including:
 - Mexican pensions, Brazilian hedge funds, local liquidity-providing banks
- Accepting MXN sovereign debt (Mbonos, Cetes) to meet initial margin
- Supporting MXN tenors out to 31 years

Unmatched Capital and Margin Efficiencies in Latin America

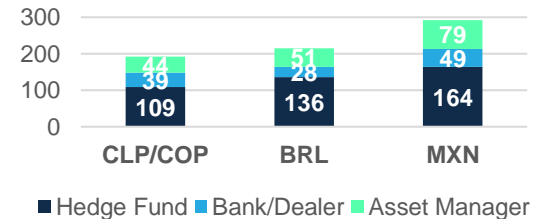
- \$11.5T compressed by triReduce in LatAm currencies
- 48 triReduce cycles in LatAM across MXN, BRL, CLP, and COP



Average Daily Activity by Currency



Participant Counts by Currency



Where did we come from?


We grew from regional agricultural centers to global marketplaces around the world.



A leader in industry innovation, the Chicago Mercantile Exchange introduced financial futures in 1972.

Futures contracts on currencies were developed with the help of Milton Friedman of the University of Chicago.





From floor-traded,
open-outcry pit
trading.

**To electronically transmitted and
matched computer-driven systems.**



This development allowed more people equal access to prices and liquidity through a central limit order book.





NEW YORK



HONG KONG



TOKYO



SYDNEY



LONDON



PARIS



BERLIN



MOSCOW

And converted historically regional exchanges with time zones limitations into a truly global, 24/7 business.

4

Futures Exchanges

Board of Trade of the City of Chicago (CBOT)

Chicago Mercantile Exchange (CME)

New York Mercantile Exchange (NYMEX)

Commodity Exchange Inc. (COMEX)

1

Clearing House

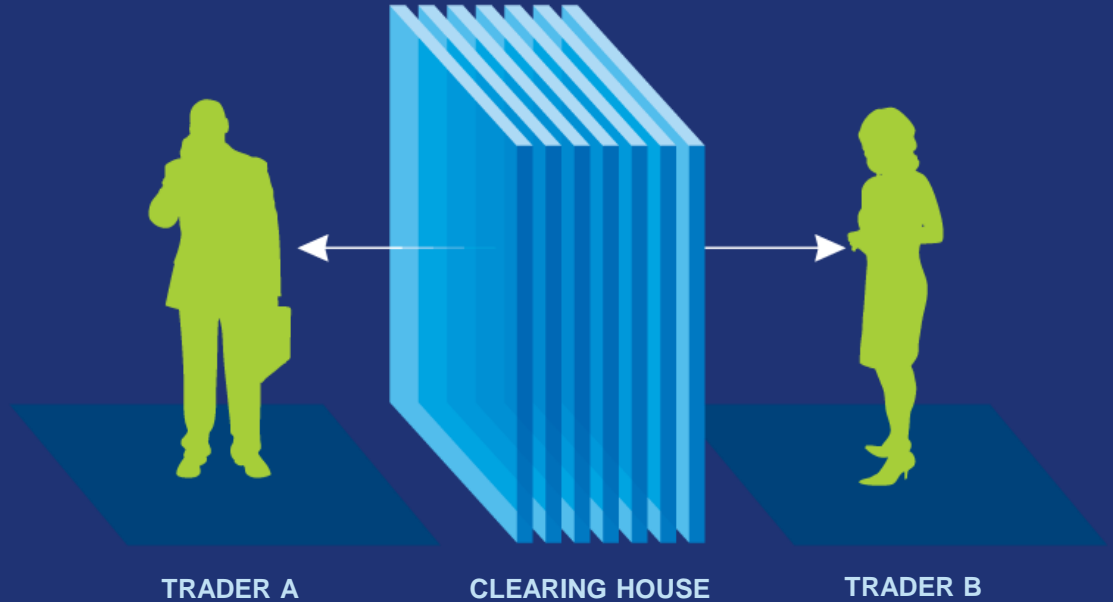
CME Clearing

CME Clearing processes and monitors all trades and ensures the financial integrity of every trading party and transaction in their respective markets.

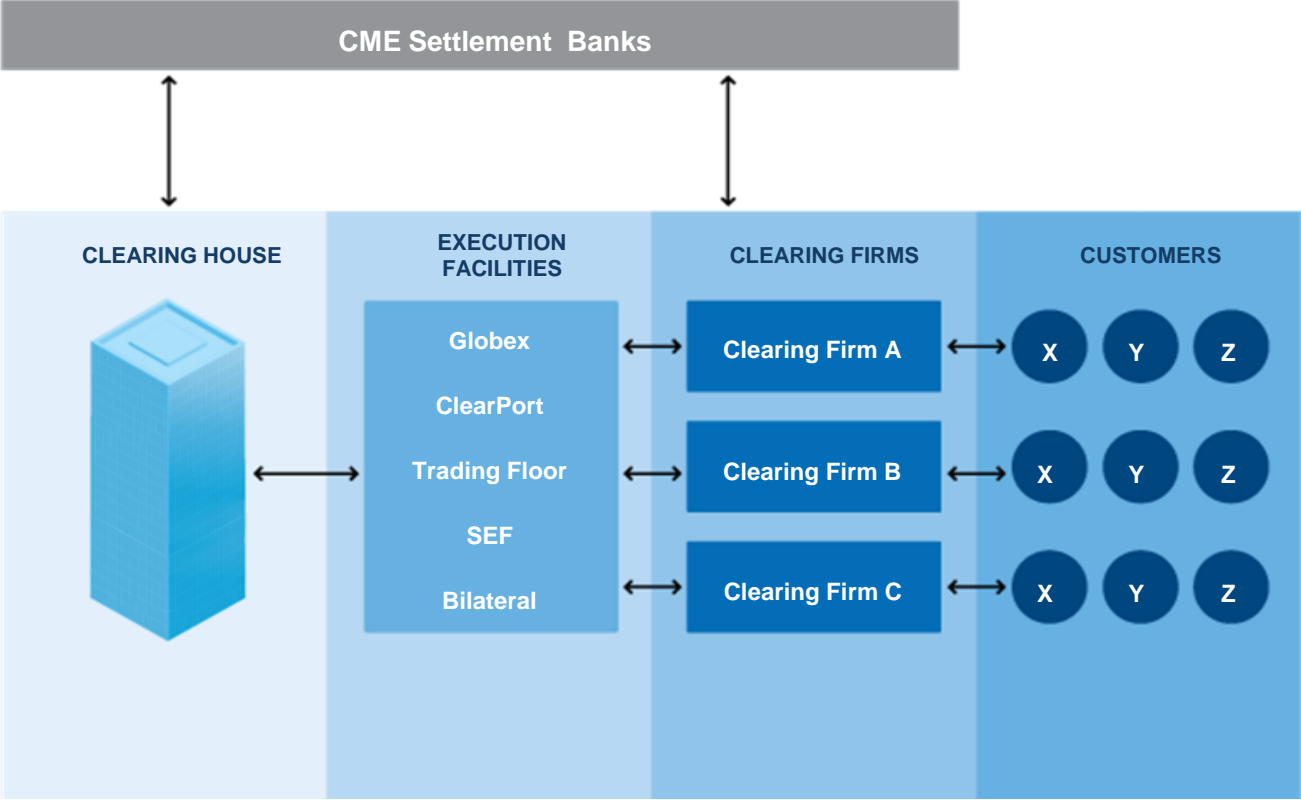


Important risk management practices

- Daily mark-to-market calculations
- Real-time monitoring of position and exposure
- Minimum margin requirements
- Monitoring of risk concerns
- Member and customer account stress testing
- Credit controls for use by clearing members



Basic market structure



CME Group, its products and services, are regulated by the CFTC

In 1974 Congress passed the Commodity Futures Trading Commission Act, creating the CFTC.

It is an independent agency established to regulate commodity futures and options markets in the United States.

Under this Act, the CFTC has authority to establish regulations that are published in title 17 of the Code of Federal Regulations.



Source: [CFTC.gov](https://www.cftc.gov)

Exchanges make a significant contribution to the real economy.

They provide transparent and efficient price discovery.

They operate a framework for efficient and safe risk transfer.

Central clearing, mark-to-market, and margining reduces systemic risk.

How do we impact the world?

It's not what we make – it's what we make possible.

**We help businesses around the world
navigate uncertainty.**

**We give them the confidence to make
better decisions faster, which helps
them expand and grow.**



Simply put, we provide the confidence that helps accelerate prosperity and progress all over the world.

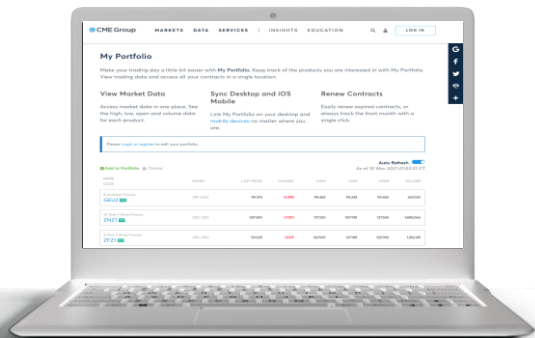


My Portfolio

Make your trading day a little bit easier with My Portfolio.

Keep track of the products you are interested in with My Portfolio. View trading data and access all your contracts in a single location.

Visit cmegroup.com/portfolio

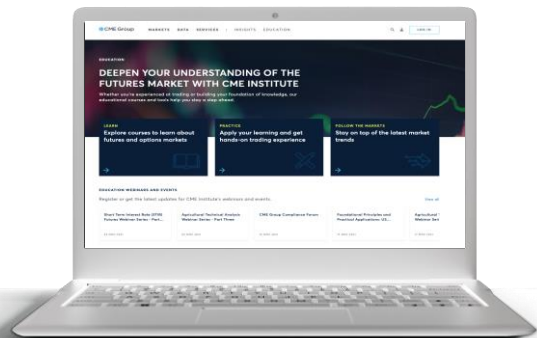


CME Institute

CME Institute is your place to learn more about futures and options markets.

We have a variety of free online classes, resources, trading simulators, and other tools to help you sharpen your skills and deepen your knowledge of our markets.

Visit cmegroup.com/education



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