



## CME Group to Launch Micro Treasury Yield Futures

June 9, 2021

### Micro 2-Year, 5-Year, 10-Year and 30-Year Yield futures will be cash-settled to BrokerTec U.S. Treasury benchmarks

CHICAGO, June 9, 2021 /PRNewswire/ -- [CME Group](#), the world's leading and most diverse derivatives marketplace, today announced it will expand its suite of deeply liquid U.S. Treasury futures and options with the introduction of four new Micro Treasury Yield futures contracts on August 16, pending regulatory review.

These innovative, micro-sized contracts will provide market participants – from institutions to sophisticated, active, individual traders – exposure to the yield of on-the-run Treasury securities in an efficient, cost-effective way. Micro 2-Year, Micro 5-Year, Micro 10-Year, and Micro 30-Year Yield futures will be sized at \$10 per basis point of yield, and will be cash settled to newly created BrokerTec cash U.S. Treasury benchmarks.

"The introduction of Micro Yield futures responds directly to client demand for products that reference one of the most widely quoted market metrics – yield on U.S. Treasury securities," said Sean Tully, CME Group Global Head of Financial and OTC Products. "Our new, smaller yield-based futures are designed for market participants of all sizes who want to gain exposure to, or more precisely hedge against, U.S. Treasury auction issuance. These new contracts will complement our existing suite of U.S. Treasury futures and options, and further demonstrate the value of offering cash and futures markets side-by-side."

The launch of Micro Yield futures comes at a time when U.S. Treasury risk management is more important than ever. Over the last year, U.S. debt issuance has surpassed levels not seen since WWII, and the U.S. budget deficit recently reached a record \$1.9 trillion from October 2020 to April 2021. At the same time, average daily volume in CME Group's U.S. Treasury futures and options grew more than 30% year-over-year during both April and May, in response to increased hedging and trading activity.

BrokerTec U.S. Treasury benchmarks are already providing robust volume weighted average yields for seven on-the-run U.S. Treasuries (2-Year, 3-Year, 5-Year, 7-Year, 10-Year, 20-Year and 30-Year), are calculated and published four times a day and are administered by CME Group Benchmark Administration Limited (CBA). The benchmarks are based on industry best practices, compliant with UK Benchmark Regulation and aligned to IOSCO Principles. CBA is the benchmark administrator with Chicago Mercantile Exchange Inc. (CME Inc.) providing Calculation Agent services.

The contracts will be listed on and subject to the rules of the CBOT. For more information on Micro Yield futures, please visit [www.cmegroup.com/yieldfutures](http://www.cmegroup.com/yieldfutures).

As a leading and diverse derivatives market operator, CME Group is the parent of four U.S.-based designated contract markets ("DCMs"): Chicago Mercantile Exchange Inc. ("CME"), Board of Trade of the City of Chicago, Inc. ("CBOT"), New York Mercantile Exchange, Inc. ("NYMEX"), and the Commodity Exchange, Inc. ("COMEX") (collectively, the "CME Group Exchanges"). These exchanges offer a wide range of products available across all major asset classes, including futures and options based on [interest rates](#), [equity indexes](#), [foreign exchange](#), [energy](#), [metals](#) and [agricultural commodities](#). CME Group offers futures trading through the [CME Globex](#)® electronic trading platform ("Globex"), fixed income trading via BrokerTec, foreign exchange trading on the EBS platform, and central counterparty clearing services through CME Clearing, a division of CME. With a range of pre- and post-trade products and services underpinning the entire lifecycle of a trade, CME Group also offers optimization services through TriOptima and trade processing and reconciliation services through Traiana and RESET. CBA capitalizes on CME Group's wealth of electronic transaction-based data in the calculation of its indices and benchmarks.

CME-G

 View original content: <http://www.prnewswire.com/news-releases/cme-group-to-launch-micro-treasury-yield-futures-301308721.html>

SOURCE CME Group

Media: Chris Grams, 312.930.3435, Matt Southerlan, 312.622.8951, [news@cmegroup.com](mailto:news@cmegroup.com), [www.cmegroup.mediaroom.com](http://www.cmegroup.mediaroom.com), Investor: John Peschier, 312.930.8491