

FREQUENTLY ASKED QUESTIONS

Micro E-mini Equity Index Futures

LAUNCH

When will the Micro E-mini products be listed for trading?

CME Group will launch the following futures contracts in May 2019.*

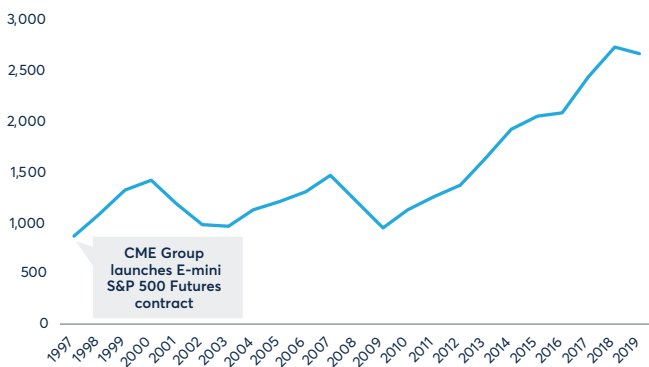
- Micro E-mini S&P 500 futures
- Micro E-mini Nasdaq-100 futures
- Micro E-mini Dow futures
- Micro E-mini Russell 2000 futures

Why is CME Group choosing to launch these products?

Since the launch of the E-mini product suite in 1997, the notional value of these contracts has increased dramatically. As a reference, see the price chart of the S&P 500 since its launch in 1997.

The notional value of the E-mini S&P 500 futures contract has increased from ~\$47K on the date that it launched to ~\$125K on December 31, 2018. The amount of capital needed to access the futures market has become too burdensome for many individual traders. To make our more market accessible to all, CME will launch the Micro E-mini suite of futures, which feature multipliers 1/10 the size of their E-mini counterparts (i.e. \$5 multiplier for Micro E-mini S&P 500 futures contract vs. \$50 for E-mini S&P 500 (ES) futures).

S&P 500 Price Chart since 1997



Subject to regulatory approval.

What are the differences between the currently listed E-mini products and the recently announced Micro E-mini products?

Index Family	Micro E-mini Multiplier	E-mini Multiplier
S&P 500	\$5	\$50
Nasdaq-100	\$2	\$20
Dow Jones	\$0.50	\$5
Russell 2000	\$5	\$50

Under which DCM will these contracts be listed?

Each of the contracts that are being listed will remain under the same DCM as their E-mini counterparties. A table is shown below:

Contract	DCM
Micro E-mini S&P 500 futures	CME
Micro E-mini Nasdaq-100 futures	CME
Micro E-mini Dow futures	CBOT
Micro E-mini Russell 2000 futures	CME

Product Details

What are the contract specifications?

Micro E-mini futures will be listed on the customary U.S. Equity Index futures cycle – there will be five concurrent futures that expire against the opening index value on the third Friday of March, June, September and December. The tick increments will follow their E-mini counterparts as follows:

Micro E-mini Futures Contract Specs	Outright	Calendar Spread
Micro E-mini S&P 500 futures	0.25 Index points= \$1.25	0.05 index points= \$0.25
Micro E-mini Nasdaq-100 futures	0.25 Index points= \$0.50	0.05 index points= \$0.10
Micro E-mini Dow futures	1.00 Index points= \$0.50	1.00 index points= \$0.50
Micro E-mini Russell 2000 futures	0.10 Index points= \$0.50	0.05 index points= \$0.25

What are the codes for these products?

Index Futures Contracts	Underlying Index (Bloomberg)	CME Globex	Bloomberg Front Month	Thomson Reuters Front Month
Micro E-mini S&P 500 futures	SPX	MES	Tbd	Tbd
Micro E-mini Nasdaq-100 futures	NDX	MNQ	Tbd	Tbd
Micro E-mini Dow futures	DJIA	MYM	Tbd	Tbd
Micro E-mini Russell 2000 futures	RTY	M2K	Tbd	Tbd

How many contracts will be listed at a given time?

There will be five months listed in the March Quarterly Cycle (Mar, Jun, Sep, Dec) for S&P 500, Nasdaq-100 and Russell 2000 Micro E-mini futures.

Dow Micro E-mini futures will list four months.

What are the trading hours on CME Globex and ClearPort?

Sunday – Friday 6:00 p.m. – 5:00 p.m. ET with a trading halt from 4:15 p.m. – 4:30 p.m. ET

How are the daily settlement price Micro E-mini futures determined?

Daily settlement for Micro E-mini futures are based on the 30-second volume-weighted average price (VWAP) of CME Globex trades between 4:14:30 p.m. and 4:15:00 p.m. ET of their E-mini counterpart.

How are final settlement prices of the futures determined?

The Micro E-mini will have the same SOQ value as the corresponding E-mini contract on final settlement day. Final settlement value is based on the **Special Opening Quotation (SOQ)** on the third Friday of the contract month. The SOQ is based on the opening price of each component stock in the relative index, regardless of when those stocks open.

Are these futures contracts eligible for block trading or BTIC?

No, Micro E-mini Equity Index futures contracts will not be block or BTIC trading eligible.

What are the margin requirements for Micro E-mini Index futures?

Margins are indicative of their E-mini counterparts and the below estimates are based on current market conditions and are subject to change.

	Margin		Margin as Percent of Notional Value		Futures Price	Multiplier	Notional Value
	Initial	Maintenance	Initial	Maintenance or Hedge			
MES	\$660	\$600	4.74%	4.31%	\$2,786	\$5	\$13,930
MNQ	\$836	\$760	5.86%	5.33%	\$7,130	\$2	\$14,260
MYM	\$649	\$590	4.67%	4.25%	\$27,781	\$0.50	\$13,891
M2K	\$391	\$355	4.97%	4.51%	\$1,574	\$5	\$7,870

What are the available margin credits for offsetting positions between the Micro E-mini Index futures and CME Group's major U.S. benchmark index futures?

Margins credits are indicative of their E-mini counterparts and the below estimates are based on current market conditions and are subject to change. See all other Equity index margin offsets [here](#).

Micro E-mini Equity Index Futures Margin Offsets

	MES	MNQ	MYM	M2K
MES	x	1:1 (75%)	1:1 (85%)	1:2 (80%)
MNQ	1:1 (75%)	x	1:1 (55%)	1:2 (70%)
MYM	1:1 (85%)	1:1 (55%)	x	1:2 (70%)
M2K	2:1 (80%)	2:1 (70%)	2:1 (70%)	X

*Last updated March 21, 2019

Learn More about Margins:

- [Margins FAQ](#)
- [SPAN Methodology](#)

Are Micro E-mini products fungible with their E-mini counterparts? Can they be offset?

Yes, Micro E-mini futures are offset eligible versus their E-mini counterparts at 10:1 ratio. This can only be applied to offsetting positions. Request can be made by your clearing broker directly to CME Clearing.

Additional Information

Will there be on-screen market makers for the Micro E-mini products?

CME Group plans to introduce a market maker program to assure continuous two-sided markets are quoted on-screen throughout the trading day starting on launch date.

How can I see prices for Micro E-mini Index futures?

Delayed quotes will be available online on the [CME Group website](#). You can also access quotes through major quote vendors.

How can I get access to CME Globex?

To access CME Globex, you must have a relationship with a CME Clearing Member Firm.

→ [Learn more about connecting to CME Globex](#)

Are there circuit breakers on Micro E-mini products?

CME Group U.S. Equity Index price limits (and corresponding CME and CBOT rules) are designed to coordinate with circuit breakers provisions as applied by the New York Stock Exchange (NYSE). Micro E-mini contracts will follow the same rules as their E-mini counterparts.

- 7%, 13%, and 20% price limits are applied to the futures fixing price and are effective from 8:30 a.m. CT – 3:00 p.m. CT. Mondays through Fridays. This only applies to the downside.
- 5% up-and-down limits are effective 5:00 p.m. – 8:30 a.m. CT. Sundays through Fridays; and 3:00 p.m. – 4:00 p.m. CT, Mondays through Fridays. Between 3:00 p.m. – 4:00 p.m. the 5% price limit will not be allowed to breach the 20% daily limit.

→ [Learn more about Price Limits](#)

What trade matching algorithm will be used for the Micro E-mini futures on Globex?

Micro E-mini futures will use FIFO (First in, first out) algorithm, identical to their E-mini counterparts.

Where can I find more information on Micro E-mini products?

Get the latest information on [Micro E-mini products](#).

You can fill out the form on this page to stay up-to-date on Micro E-mini product updates

*Subject to regulatory approval

**Pending approval by the U.S. Commodity Futures Trading Commission (CFTC)



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