

[Inside CME](#)[Investor Relations](#)[Press Room](#)[Visiting CME](#)[Careers](#)[CME NEWS](#)[Latest News](#)[Archive - 3 to 6 Months](#)[Archive - 6 to 12 Months](#)[Archive - 2005](#)[MEDIA ROOM](#)

News

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CME and MACRO Securities

CME and MACRO Securities Research to Explore Development of Futures Contracts Based on Housing Prices

CHICAGO, Dec. 3, 2004 – CME, the largest futures exchange in the U.S., today announced it has executed a Letter of Intent with MACRO Securities Research, LLC (MSR), a financial innovations firm dedicated to the creation of instruments designed to unlock liquidity in new asset classes, to explore the development of derivatives based on the Fiserv, CSW, (CSW) family of Housing Price Indexes (HPI). These derivatives would create a market that ultimately will, for the first time, provide homeowners with tools to help them protect the value of their largest asset.

The CSW indexes are widely recognized as the most authoritative Home Price Indexes for tracking home price trends, and are used by some of the country's largest lenders for loan originations as well as various types of mortgage analysis. MSR owns the exclusive rights to develop financial products based on the CSW Indexes.

As the largest domestic asset class, U.S. single family homes represent a \$22.3 trillion market, according to the US Census Bureau and the Mortgage Bankers Association's Mortgage Finance Forecast. Given all of the participants in the U.S. housing sector, including insurance companies, pension funds, hedge funds, homebuyers, mortgage banks and insurers as well as developers, construction suppliers and homeowners, this type of product could appeal to a large number of potential market users.

"Given the volatility in home prices, which have advanced more significantly in the past 12 months than they have in the last ten years, we believe our timing is particularly relevant to fulfill the need to provide risk management tools for this market," said Rick Redding, CME Managing Director, Products & Services. "Innovation has been a key to our history and exploring the potential development of a CSW housing price index fits into our ongoing business strategy."

Sam Masucci, COO of MSR said "We are looking forward to working with the CME on these financial innovations in residential home prices. Individuals and institutions alike will benefit greatly from products that will offer better

risk management and add liquidity to the largest illiquid asset class in the world, housing."

CSW's Senior Vice President Terry Loeb added "Since the founding of CSW, Inc. well over a decade ago, our organization has consistently strived to produce the most credible home price information. Along with institutional investors and risk managers, we have been anxious to play a role in facilitating capital flows between stakeholders in this huge asset class."

Robert Shiller, Chief Economist of MSR, Stanley B. Resor Professor of Economics at Yale and author of the New York Times best seller Irrational Exuberance, which correctly predicted the bursting of the Stock Market Bubble of 2000 adds "Creating futures and options markets for owner-occupied homes will be a truly historic breakthrough, since our homes are a major asset class for which there has never been a liquid market. The gains in economic efficiency from hedging real estate risks will benefit all households, industrial and service firms and financial entities. The price discovery that will come from new liquid real estate markets will dramatically improve the allocation of resources and lead to a more stable and efficient economy."

Chicago Mercantile Exchange Inc. (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 CME 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 approximately \$1.5 billion per day in settlement payments in the first nine months of 2004 and managed \$39.8 billion in collateral deposits as of September 30, 2004. CME is a wholly owned subsidiary of Chicago Mercantile Exchange Holdings Inc. (NYSE: CME), which is part of the Russell 1000[®] Index.

Macro Securities Research, LLC is a boutique financial firm focused on the creation of global product and market innovations in risk management. For more information on MSR, visit their website at www.macromarkets.com.

Statements in this news release that are not historical facts are forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied in any forward-looking statements. More detailed information about factors that may affect our performance may be found in our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K, which can be obtained at its Web site at www.sec.gov. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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