

Enhanced Functionality for CME Eurozone HICP Futures

CME Eurozone HICP futures contracts have been trading on the CME Globex platform since September 2005. Recently, CME launched implied spread functionality for all CME Eurozone HICP futures and futures spreads. This functionality has been available for a number of years on Globex for CME Eurodollar futures and the same principles apply to CME Eurozone HICP futures.

CME Globex Implied Prices are a way to provide CME customers with greater market liquidity and improved prices for Eurozone HICP futures.

Bids and offers in individual futures contracts are automatically combined by CME Globex to create additional liquidity in spread contracts, often at improved prices. These are called "Implied In" prices. Existing bids and offers in spread contracts are combined with bids and offers in individual futures contracts to create additional liquidity in other futures contracts. These are called "Implied Out" prices. For market makers, implied prices allow relatively low risk spread contracts to generate liquidity in the underlying contracts. For market takers, implied prices mean more liquidity and better prices, whether trading spreads or the underlying contracts. For answers to the most frequently asked questions, see the [Implied Pricing FAQ](#). This web page details how implied pricing works for CME Eurodollar futures on Globex, but the system is essentially the same for CME Eurozone HICP futures.

CME has also made available Request for Quote (RFQ) functionality for all CME Eurozone HICP futures and futures spreads. RFQ is designed to provide Globex customers with the ability to request a quote for a single instrument. Any quote request will be disseminated via CME Market Data Platform and Market Makers will have the opportunity to respond by generating a two-sided market for the instrument. The ISVs which currently support RFQ functionality are:

Barclays

Bloomberg

FFastFill

GL TRADE

Orc Software

Patsystems

Prime Analytics

RTS Realtime Systems

To find out specifically how RFQ functions on your ISV you may want to contact them yourself. And if your ISV is not listed above contact them to find out when they will offer RFQ functionality for CME Eurozone HICP futures.

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