



Cboe One-Month AMERIBOR® Futures Product Launch

Reference ID: C20200213

Overview

Cboe Futures Exchange, LLC ("CFE") plans to launch trading in the following AMERIBOR (American Interbank Offered Rate) future.

Description	Symbol	Launch Date	Settlement Type
Cboe One-Month AMERIBOR Future	AMB1	Sunday, March 29, 2020 for business date Monday, March 30, 2020	Cash settled

Trading will commence for AMB1 futures on Sunday, March 29, 2020 at 5:00 p.m. CT for business date **Monday, March 30, 2020**. The queuing periods for AMB1 futures will mirror those of Cboe Volatility Index ("VX") futures. Accordingly, the pre-opening queuing period for AMB1 futures on Sunday, March 29, 2020 will commence at 4:00 p.m. CT.

AMB1 futures are cash-settled futures designed to reflect the market expectations of average daily simple annualized AMERIBOR interest during the calendar month immediately prior to the final settlement of each AMB1 futures contract.

Product Specifications

Product Schedules

For each AMB1 futures contract, the contract month is the month that precedes the settlement month. The settlement month is the month that immediately follows the contract month and that includes the final settlement date of the contract. The final settlement date is the first Exchange business day of the settlement month. If the final settlement date is a CFE holiday, the final settlement date shall be the business day immediately following the holiday. The contract measurement period for an AMB1 futures contract begins on the first calendar day of the contract month and ends on the last calendar day of the contract month.

For example, the contract measurement period for the AMB1 April/2020 contract begins on Wednesday, April 1, 2020 and ends on Thursday, April 30, 2020. The final settlement date for the AMB1 April/2020 future is Friday, May 1, 2020. The ticker symbol for the AMB1 April/2020 contract is AMB1/J0, referencing that the contract measurement period is in April 2020.

Ticker Symbols

The table below reflects the ticker symbol conventions that will be used for AMB1 futures by showing the CFE ticker symbols for four of the initial AMB1 contract months.

Symbol	Descriptions
AMB1/J0	Contract Measurement Period in April 2020
AMB1/K0	Contract Measurement Period in May 2020
AMB1/M0	Contract Measurement Period in June 2020
AMB1/N0	Contract Measurement Period in July 2020

Please refer to the sections below relating to Ticker Symbol Conventions, Naming Conventions for Clearing, and References to AMB1 Futures by Other Parties for further information regarding naming of AMB1 futures.

Trading Hours

Trading hours for AMB1 futures are detailed in the table below.

Type of Trading Hours	
Extended	Monday – Friday 5:00 p.m. CT (previous day) to 8:30 a.m. CT
Regular	Monday – Friday 8:30 a.m. CT to 3:15 p.m. CT
Extended	Monday – Friday 3:30 p.m. CT to 4:00 p.m. CT

Pricing Conventions

An AMB1 futures contract price is expressed as 10,000.00 minus the product of average daily annualized AMERIBOR interest during the contract measurement period multiplied by 100. For example, a contract price of 9775.75 points represents average daily annualized AMERIBOR interest of 2.2425% (equivalent to 224.25 basis points).

Minimum Increments

The minimum increment tick size for single leg AMB1 futures transactions and for the net prices of spread transactions in AMB1 futures is 0.25 basis points. The individual legs of spreads in AMB1 futures may be in increments of 0.01 basis points.

Order Types

Valid Time in Force values for AMB1 futures include Day, IOC, FOK, GTC, and GTD.

Trade at Settlement (“TAS”) transactions are not permitted in AMB1 futures. Market Orders for AMB1 futures contracts will not be accepted. Any Market Orders for AMB1 futures contracts received by the Exchange will be automatically rejected or canceled back to the sender. Stop Limit Orders are permitted during regular and extended trading hours for AMB1 futures.

Block Trades

Block Trades are permitted in AMB1 futures.

The minimum Block Trade quantity is 500 contracts for AMB1 futures if there is only one leg involved in the trade. If a Block Trade is executed as a transaction with legs in multiple contract expirations, each leg must meet the minimum Block Trade quantity.

Settlement

The contract multiplier for an AMB1 futures contract is \$50 multiplied by the contract price. The cash settlement amount of an AMB1 futures contract on its final settlement date is the final mark to market amount against the final settlement value multiplied by \$50.

The final settlement value of an expiring AMB1 future is determined through the following calculation: (100.0000 minus the arithmetic average of daily annualized AMERIBOR interest values during the contract measurement period rounded to four decimal places) multiplied by 100. For any weekend day or normally scheduled AFX holiday, the applicable value shall be the daily annualized AMERIBOR interest calculated for the immediately preceding AFX business day.

Product Specifications and Product Level System Parameters

More detailed product specifications and the product specification rules for AMB1 futures are included in CFE's [product certification](#). Upon activation, [current Product Level System Parameters](#) are available on <http://markets.cboe.com>.

New Contract Details

CFE plans to list the following AMB1 futures expirations on business date March 30, 2020. Please note the associated month/year or futures symbol, listing date, last trading day, and final settlement date for each contract. Trading in each contract on its last trading day ends at the close of regular trading hours for the contract.

Product	Month/Year or Futures Symbol	Listing Date	Last Trading Day	Final Settlement Date
Cboe One-Month AMERIBOR Futures (AMB1)	AMB1/J0	MAR 30 20	APR 30 20	MAY 01 20
Cboe One-Month AMERIBOR Futures (AMB1)	AMB1/K0	MAR 30 20	MAY 29 20	JUN 01 20
Cboe One-Month AMERIBOR Futures (AMB1)	AMB1/M0	MAR 30 20	JUN 30 20	JUL 01 20
Cboe One-Month AMERIBOR Futures (AMB1)	AMB1/N0	MAR 30 20	JUL 31 20	AUG 03 20
Cboe One-Month AMERIBOR Futures (AMB1)	AMB1/Q0	MAR 30 20	AUG 31 20	SEP 01 20
Cboe One-Month AMERIBOR Futures (AMB1)	AMB1/U0	MAR 30 20	SEP 30 20	OCT 01 20
Cboe One-Month AMBERIBOR Futures (AMB1)	AMB1/V0	MAR 30 20	OCT 30 20	NOV 02 20

Product	Month/Year or Futures Symbol	Listing Date	Last Trading Day	Final Settlement Date
Cboe One-Month AMBERIBOR Futures (AMB1)	AMB1/X0	MAR 30 20	NOV 30 20	DEC 01 20
Cboe One-Month AMBERIBOR Futures (AMB1)	AMB1/Z0	MAR 30 20	DEC 31 20	JAN 04 21
Cboe One-Month AMBERIBOR Futures (AMB1)	AMB1/F1	MAR 30 20	JAN 29 21	FEB 01 21
Cboe One-Month AMBERIBOR Futures (AMB1)	AMB1/G1	MAR 30 20	FEB 26 21	MAR 01 21
Cboe One-Month AMBERIBOR Futures (AMB1)	AMB1/H1	MAR 30 20	MAR 31 21	APR 01 21

Rates and Market Data

Daily annualized AMERIBOR interest refers to the AMERIBOR overnight unsecured interest rate which is calculated and reported by American Financial Exchange, LLC (“AFX”) following the end of each AFX business day. The AMERIBOR overnight unsecured interest rate is the volume-weighted average annualized interest rate of loan transactions that qualify for inclusion in the calculation under the AFX Rulebook and that are executed on AFX during that business day in the AMERIBOR overnight unsecured loan market.

AFX disseminates AMERIBOR rates on a daily basis through the AMERIBOR website at www.ameribor.net. These rates are also disseminated through the Cboe Streaming Market Index (“CSMI”) data feed service.

The following rate related to the AMB1 future is also available on CSMI:

- The current accumulated value of the One-Month AMERIBOR Benchmark for the AMB1 future closest to expiration.

Market participants may subscribe to receive these rates through CSMI by contacting the Cboe Operations Support Center at indexsupport@cboe.com.

AMB1 Fees

The following CFE transaction fees will apply for AMB1 futures:

<u>Transaction Fees in AMERIBOR Futures</u>	<u>Per Contract Side</u>
A. CFE TPH Permit Holder	\$1.40
B. Customer	\$1.40
C. Block Trades	\$1.35
(Fee is in addition to other applicable transaction fees)	

Fee Codes

Fee Code	Product	Description
1C	AMB1	Cboe One-Month AMERIBOR Futures – Customer
1P	AMB1	Cboe One-Month AMERIBOR Futures – TPH

Margin Requirements for AMERIBOR Futures

Margin requirements will be provided in a future notice.

CFE Clearing and TPH Risk Control Parameters

TPHs interested in trading AMB1 futures must contact their clearing firm to assure that Clearing Firm Risk Controls are set prior to participating in AMB1 futures trading. Optional TPH Risk Controls are also available through the CFE Customer Web Portal.

AMB1 Product Testing Opportunities

AMB1 futures are currently available for testing in the CFE certification environment. We strongly encourage all futures trading participants to test in our CFE certification environment prior to trading in the CFE production environment.

Ticker Symbol Conventions

The ticker symbols for AMB1 futures follow interest rate futures conventions when referencing the contract measurement period and settlement date of the contract.

The AMB1 futures ticker symbol reflects the month of the contract measurement period. The contract measurement period of an AMB1 future begins on the first calendar day of the contract month and ends on the last calendar day of the contract month. The settlement month is the month that immediately follows the contract month and that includes the final settlement date of the contract.

The CFE naming conventions for AMB1 futures are described in CFE's rules regarding AMB1 futures and in the [AMB1 Futures Contract Specifications](#). They will also be reflected in how AMB1 futures will be referenced on the [Products](#) page, [Daily Settlement Prices](#) page, and [Daily Market Statistics](#) page of the CFE website.

Naming Conventions for Clearing

For clearing purposes, OCC will use the last business date of the contract measurement period as the OCC Clearing Contract Date for an AMB1 future and will use the expiration date of an AMB1 future as its Expiration Settlement Date. For example, the table below reflects the relationship between the CFE Symbol, OCC Symbol, OCC Clearing Contract Date, and OCC Expiration Settlement Date for four of the

initial AMB1 contract months.

CFE Symbol	OCC Symbol	OCC Clearing Contract Date	Expiration Settlement Date	Description
AMB1/J0	AMB1	APR 30 20	MAY 01 20	Contract Measurement Period ending in April 2020
AMB1/K0	AMB1	MAY 29 20	JUN 01 20	Contract Measurement Period ending in May 2020
AMB1/M0	AMB1	JUN 30 20	JUL 01 20	Contract Measurement Period ending in June 2020
AMB1/N0	AMB1	JUL 31 20	AUG 03 20	Contract Measurement Period ending in July 2020

References to AMB1 Futures by Other Parties

It is possible that other parties, such as some market data vendors, may use the contract settlement month to refer to AMB1 futures contracts. Accordingly, when placing orders for AMB1 futures, CFE advises market participants to make sure the AMB1 futures contract orders they enter are for the Contract Measurement Period that they intend to trade.

Additional Information

For more information, refer to the following online resources. The Product Level System Parameters will be updated to reflect the parameters for AMB1 futures upon the launch of the product.

- [CFE-2019-011](#)
- [Cboe AMERIBOR Futures Web Page](#)
- [CFE Fee Schedule](#)
- [Product Level System Parameters](#)

Please contact the CFE Trade Desk for support or with any further questions.

We appreciate your business and remain committed to powering your potential with Cboe products, technologies, and solutions.

CFE Trade Desk

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Cboe Operations Support Center (CSMI Index Data Feed questions)

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