

CBOT® mini-sized DowSM

• Electronically traded •

Introducing CBOT mini-sized DowSM Futures

The Chicago Board of Trade (CBOT®) has developed a mini-sized DowSM futures contract based on the Dow Jones Industrial AverageSM (DJIASM). The contracts represent a new opportunity for individual investors to trade futures on the world's best known stock index. The mini-sized DowSM futures will trade exclusively on the CBOT a/c/eSM electronic platform which will provide quick and efficient electronic execution.

The mini-sized DowSM futures contract gives traders an opportunity to profit from a position based on the performance of the DJIASM and provides portfolio protection in times of market uncertainty.

With a \$2 multiplier, one mini-sized DowSM futures contract would have a value of \$22,000 at a DJIASM level of 11000—an ideal size for individual investors.

Complementing the existing CBOT® Dow JonesSM complex, the mini-sized DowSM futures contract adds a new tool for outright trading and hedging. You can also use it to capitalize on spreading opportunities that may arise. The mini-sized DowSM futures contract builds on the status of the DJIASM—for more than a century the market's measure.

Q: Why trade mini-sized DowSM futures?

A: The new mini-sized DowSM futures contract allows you to:

- *Capitalize on profit opportunities by taking a position based on your expectations concerning the DJIASM—whether you're bullish or bearish*
- *Maximize price exposure—minimize cost*
- *Preserve your investment value during times of market turmoil*
- *Short the market more easily than with actual stocks*
- *Gain online access to round-the-clock trading opportunities (see www.cbot.com for current trading hours)*
- *Benefit from the financial safeguards that the AAA-rated Board of Trade Clearing Corporation confers on each trade*

Q: How do mini-sized DowSM futures contracts work?

A: With mini-sized DowSM futures, you can participate in a market move without having to buy or sell all 30 DJIASM stocks. If you believe the market will go up, you can buy a mini-sized DowSM futures contract. If you believe the market will go down, selling a mini-sized DowSM futures contract is just as easy.

- ***Futures trading requires a small deposit, referred to as “margin.” This margin—typically only a small percentage of the actual futures contract value—makes trading mini-sized DowSM futures an inexpensive means to achieve your desired degree of market exposure.***
- ***The value of a mini-sized DowSM futures contract equals the current DJIASM level times a \$2 multiplier. Suppose the DJIASM is currently at 11000. Since the mini-sized DowSM futures contract has a multiplier of \$2, holding a mini-sized DowSM futures contract at this level gives you market exposure equivalent to a \$22,000 position in the DJIASM. Protecting a \$44,000 stock portfolio would require a hedge in which you sell two mini-sized DowSM futures contracts (\$44,000 portfolio value/\$22,000 contract value = 2 futures contracts).***
- ***The mini-sized DowSM futures contracts are cash-settled; there is no delivery of the 30 DJIASM stocks. For example, if you held a position in the mini-sized DowSM futures contract until its expiration, you would simply receive (or pay) the final gains (or losses) on the contract based on the difference between the entry price and final settlement price.***

Q: How can I learn more?

A: For the most up-to-date information about the new mini-sized DowSM futures contracts and other CBOT mini-sized contracts, visit www.cbot.com and click on Knowledge Center. There you will find:

- ***mini-sized DowSM and CBOT® DJIASM futures contract specifications***
- ***Market news, charts, and data***
- ***An online investor tutorial featuring straightforward explanations of futures terminology and market mechanics that enables you to learn at your own pace***
- ***Trading strategies—tips for both beginning and experienced futures traders***
- ***Find a Broker—the next step to trading futures***
- ***CBOT literature—free online and printed publications covering CBOT contracts, markets, risk management, and research***

If you would like more information about Chicago Board of Trade contracts, contact a commodity broker of your choice, call a CBOT product manager at 312-341-7955, or visit www.cbot.com.

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“Dow JonesSM,” “The Dow[®],” “Dow Jones Industrial AverageSM,” “DJIASM,” “Dow Jones Transportation AverageSM,” “DJTASM,” “Dow Jones Utility AverageSM,” “DJUASM,” “Dow Jones Composite AverageSM,” and “DJCASM” are service marks of Dow Jones & Company, Inc. and have been licensed for use for certain purposes by the Board of Trade of the City of Chicago, Inc. (CBOT[®]). The CBOT futures and futures options contracts based on the Dow JonesSM Averages are not sponsored, endorsed, sold, or promoted by Dow JonesSM, and Dow JonesSM makes no representation regarding the advisability of trading in such products.