PCEY Terms and Conditions

Event Question: Will the year-over-year change in the US Personal Consumption Expenditures Price Index exceed [#.##%] in [Month][Year]?

Product Code: PCEY

Instructions: The Personal Consumption Expenditures Price Index ("PCE") is published by the Bureau of Economic Analysis ("BEA"), typically on the final Friday of each month at 7:30 AM CT as part of the Personal Income and Outlays release. However, publication date of the data may be changed due to a holiday. A schedule of release dates is available on the website: here. While BEA produced a Revised and Final Reading for PCE in the months following the Advance Reading, ForecastEx will only use the Advance Reading as the underlying of this product.

Underlying: The underlying is the year-over-year percentage change in the US Personal Consumption Expenditures Price Index. The underlying can be accessed: here. The reader should select "Current Release" in the table at the top of the page. From the "News Release" page, select "Related Material" and then "Full Release & Tables". Once the Full Release is accessed, scroll down to Table 7, titled "Price Indexes for Personal Consumption Expenditures: Percent Change from Month One Year Ago". The underlying is displayed on line 1, "Personal consumption expenditures (PCE)" with the most recent Reading being the 2nd to last column on the right. Links are provided for informational purposes only and the source agency may decide to publish the data at a different location at any time.

Source Agency: BEA

Minimum Tick: The Minimum Tick size for the referred Contract shall be $0.01

Listing Cycle: ForecastEx will list eight expirations of PCE at any given time which will go out to a maximum of 24 months. ForecastEx will list the next three calendar month releases. After the third monthly contract, ForecastEx will list the three monthly releases corresponding to the end of each quarter (The March, June, September, and December PCE data releases). Finally, ForecastEx will list the two monthly contracts corresponding with the next June and December releases that follow the third quarterly release.

Thresholds: For each contract expiration, five thresholds will initially be listed and additional thresholds will be listed at ForecastEx's discretion.

Position Accountability: The position accountability level is 250,000 Event Positions in any one Forecast Contract.

Last Trading Time: 11:59:59 PM CT on the trading day preceding Resolution Time.

Payout Criteria: The Settlement Value of each PCE Contract is $1.00 or $0 depending on the Outcome of the Event Question. If the Outcome of the Event Question is "Yes", then holders of the "Yes" Position will be entitled to receive the Settlement Value of $1.00 per contract and holders of the "No" Position will receive $0.00. If the Outcome of the Event Question is "No", then holders of the "No" Position will be entitled to receive the Settlement Value of $1.00 per contract and holders of the "Yes" Position will receive $0.00.

Resolution Time: 7:30 AM CT when BEA publishes the PCE.

Changes in Resolution Time: The Resolution Time of a Contract is dependent on the time that BEA releases PCE data. There are circumstances where ForecastEx may change the Resolution Time of a Contract.

1. **Delay by Source Agency:** In the event that the release of the PCE is delayed by BEA, for instance in a government shutdown, ForecastEx will delay the Resolution Time of the Contract until such time as the BEA releases the PCE data. In this case, ForecastEx would release a public notice to its website informing Market Participants that the Resolution of the Contract has been delayed and release a second notice to its website informing Market Participants when the contract ultimately resolves.
2. **Contracts with no currently scheduled release date**: The BEA generally publishes the release dates for PCE data up through the end of the current calendar year. ForecastEx will list multiple PCE contracts that have Resolution dates beyond the currently published schedule of releases. For these contracts, ForecastEx will approximate the Resolution Time based on the anticipated release schedule from BEA. Once BEA has published the release schedule, ForecastEx will update the Resolution Times of the contract if necessary and publish a public notice to its website informing Market Participants of the revised Resolution Time.

Expiration Time: Same as Resolution time.

Settlement Time: Settlement for Resolved US PCE Contracts will occur after Resolution Time at 13:00 PM CT that same Business Day in accordance with ForecastEx Rule 603(b)(3).