

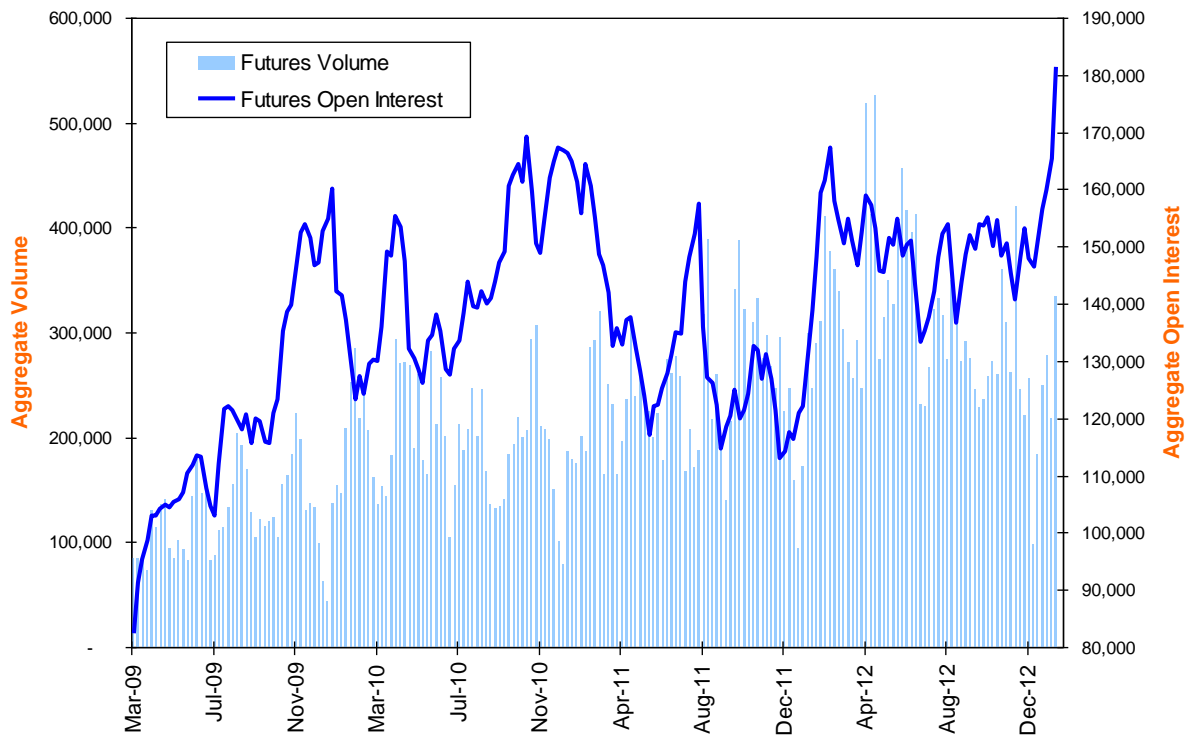
Comex Copper Moving Up From Bronze Medal Status

That liquidity begets liquidity is understood by all futures market participants. The most liquid markets become the price-discovery benchmarks, form the basis for cash market contracts and tend to have the narrowest bid-ask spreads and the greatest market depth.

This makes the steady growth of the Comex high-grade copper contract in the face of very strong competition in London and Shanghai so noteworthy: A longstanding contract such as Comex copper does not break out to new highs in open interest without reason. And it did not: Reasons include

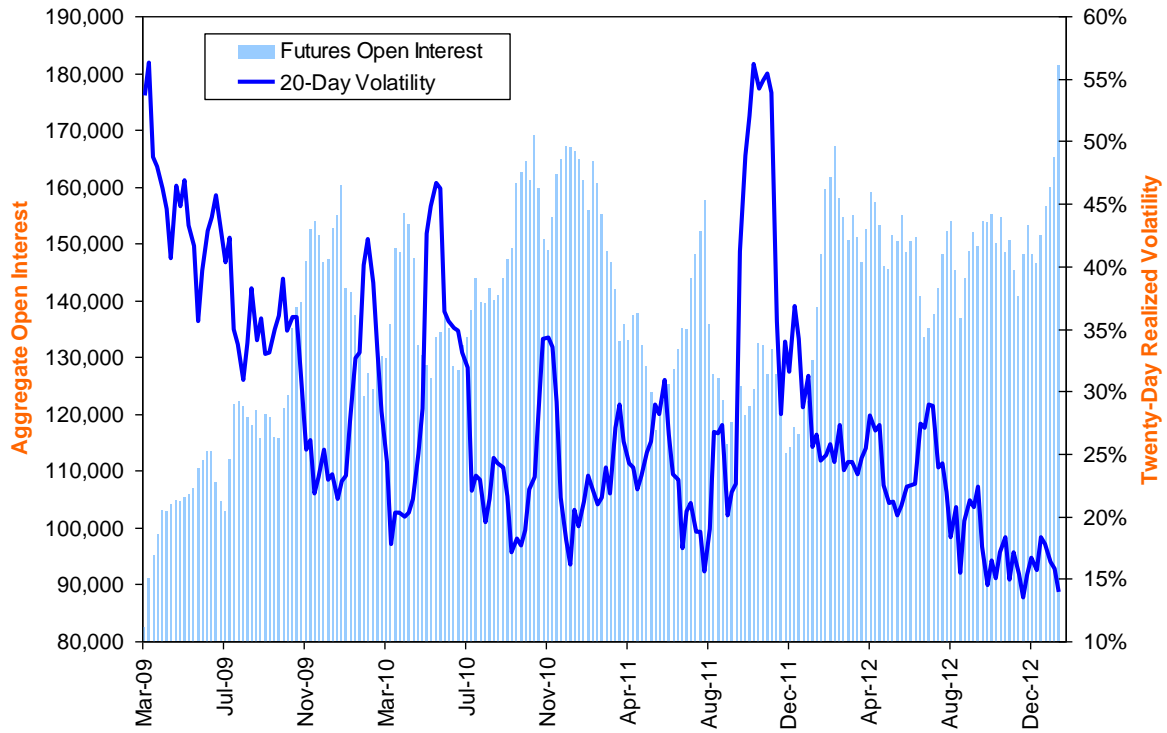
- A superior electronic trading platform capable of providing deep, liquid markets to traders on an around-the-clock basis;
- A strong and transparent warehousing and delivery network;
- Pricing in USD; and
- The U.S. regulatory environment

The Growing Success Of Comex Copper



Copper's growing success as a trading vehicle has been independent of market volatility. It would be one thing to see trading volatility expand during a period of financial market turbulence, economic crisis or a supply disruption such as an earthquake in Chile, but the Comex copper contract's open interest has grown to a record while twenty-day realized volatility has declined steadily. This is not success dependent on temporary factors but rather something intrinsic to a superior market structure.

Open Interest Has Expanded In A Quiet Market



Analysts know copper's value as a coincident economic indicator in both directions; copper simply does not lie in this regard. The same can be said about the growing success of the Comex contract, both in futures and increasingly in options as well: Traders know value when they see it.