

## ***The Annual Price Return of the U.S. Dollar***

***The following table displays the annual price return of the U.S. Dollar from 1990 through 2002 versus the Euro, Japanese Yen, British Pound, Canadian Dollar, Swedish Krona, Swiss Franc and the U.S. Dollar Index<sup>®</sup>.***

***The charts and graphs display the average return for the same period and the standard deviation. Charts also show the average performance for the U.S. Dollar in years of appreciation and for years of depreciation.***

***Correlation studies and efficient frontier studies are included to present the value of currency indexing in a portfolio scenario. Results suggest the USD<sup>®</sup> will lower volatility of a portfolio and may improve returns.***

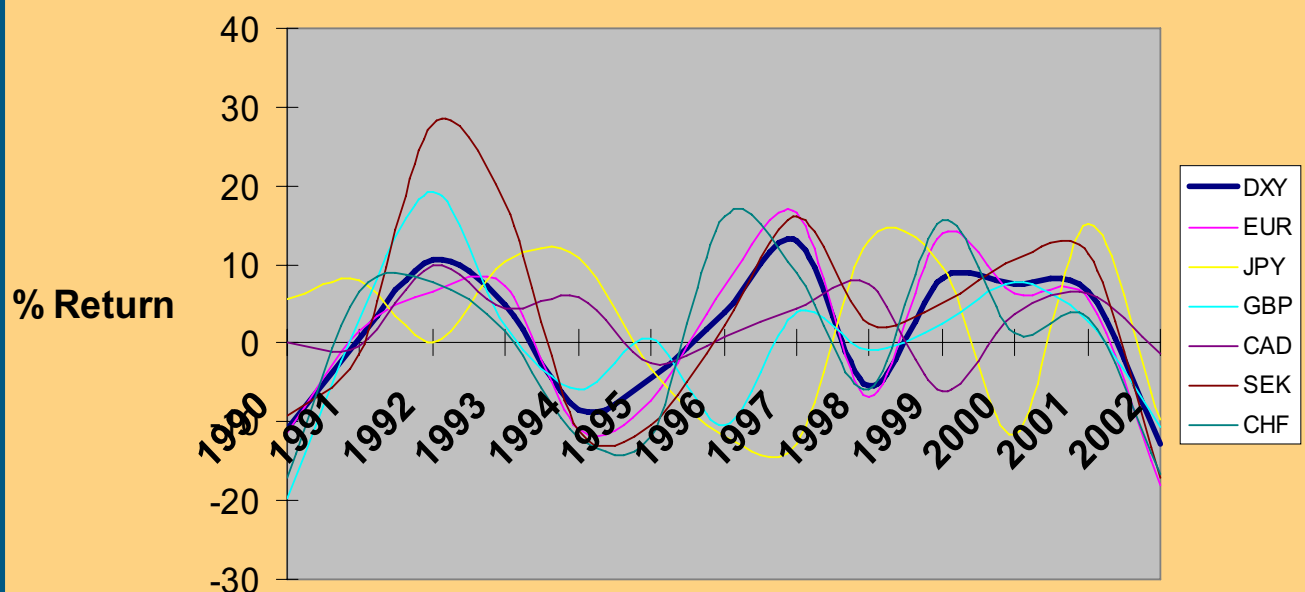
***Please contact FINEX Europe regarding the U.S. Dollar Index, its currency futures and options and about receiving a copy of research on the USD<sup>®</sup>, by Thomas Schneeweis, CISDM, UMASS***

*Tables have been extracted from "The NYBOT U.S. Dollar Index as an investment and hedging vehicle", Thomas Schneeweis, Michael and Cheryl Phillip Professor of Finance-University of Massachusetts Amherst, Richard Spurgin, Assistant Professor of Finance-Clark University Graduate School Of Management, Georgi Georgiev Research Associate/Ph.D. candidate CISDM/Isenberg School of Management-University of Massachusetts, Amherst, Mass.*

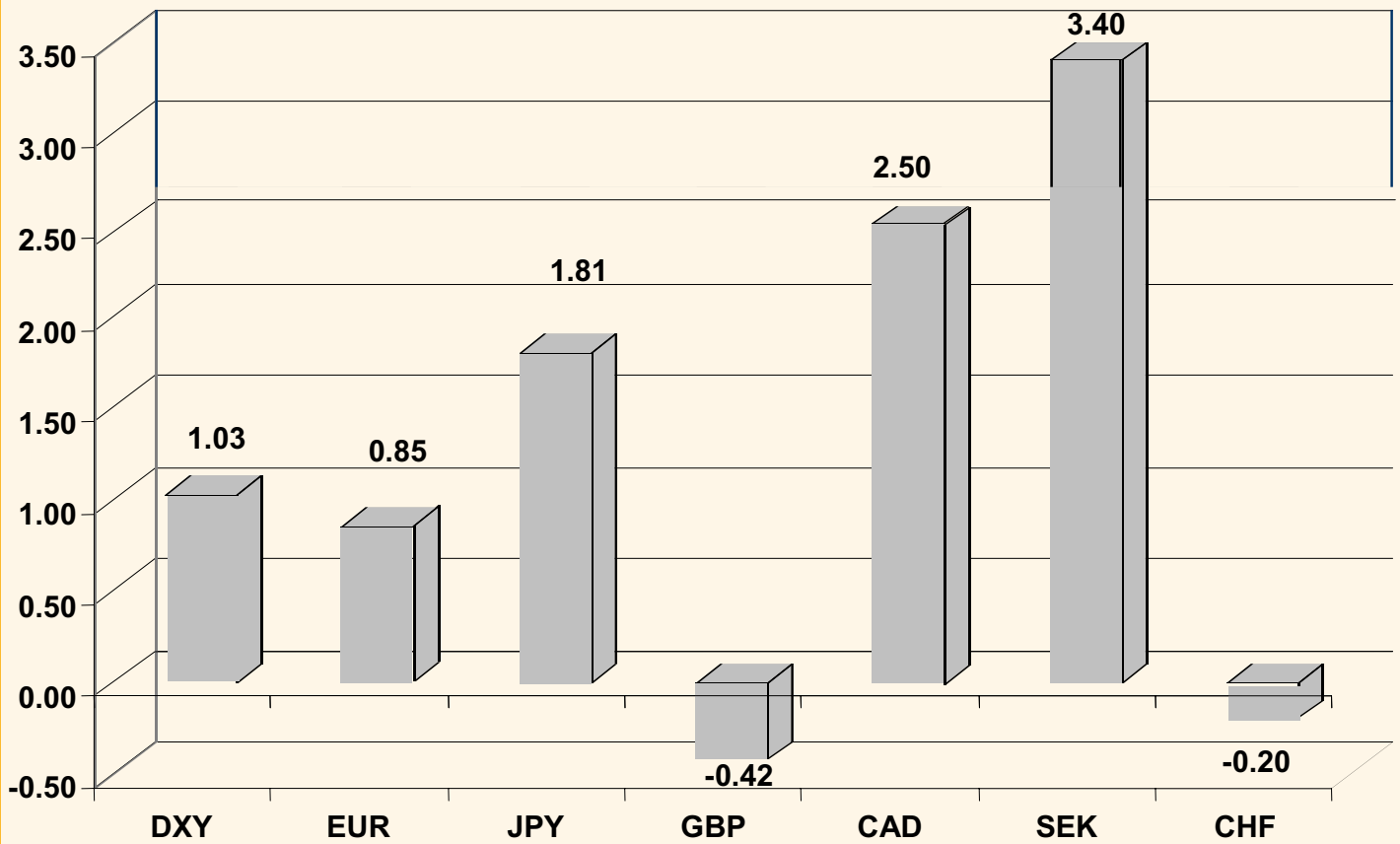
*The information presented here is for general information. All matters with respect to contract terms are subject to and superseded by Exchange rules; Current By Laws and Rules should always be consulted. The values stated have been compiled from sources believed to be accurate and current values should always be consulted. The Exchange assumes no responsibility for errors or omissions. All examples are for illustrative purposes only and should not be construed as investment advice. Trading on FINEX is governed by specific rules and regulations set forth by NYCE. These rules are subject to change.*

	<b><u>DXY</u></b>	<b><u>EUR</u></b>	<b><u>JPY</u></b>	<b><u>GBP</u></b>	<b><u>CAD</u></b>	<b><u>SEK</u></b>	<b><u>CHF</u></b>
<b>2002</b>	-12.76	-17.95	-9.78	-10.68	-1.33	-17.09	-16.67
<b>2001</b>	6.56	5.61	15.13	2.76	6.35	11.37	3.09
<b>2000</b>	7.55	6.31	-11.61	7.74	3.67	10.56	1.28
<b>1999</b>	8.18	13.98	9.76	2.52	-5.99	5.12	15.66
<b>1998</b>	-5.50	-6.78	13.01	-0.90	7.59	2.38	-5.92
<b>1997</b>	13.08	16.69	-12.87	4.02	4.32	16.18	8.97
<b>1996</b>	3.96	7.27	-11.84	-10.40	0.74	2.32	16.22
<b>1995</b>	-4.46	-7.21	-3.31	0.59	-2.64	-10.33	-11.79
<b>1994</b>	-8.38	-10.88	10.97	-5.91	5.77	-11.20	-12.09
<b>1993</b>	4.85	7.25	10.42	2.18	4.34	17.76	1.43
<b>1992</b>	10.57	6.66	0.03	19.25	9.91	27.81	7.79
<b>1991</b>	0.49	1.54	7.99	3.07	-0.40	-1.39	6.62
<b>1990</b>	-10.78	-11.39	5.60	-19.69	0.22	-9.23	-17.13

### Annual Returns U.S. Dollar



## Average Annual Return US Dollar 1990-2002



## Standard Deviation of Returns

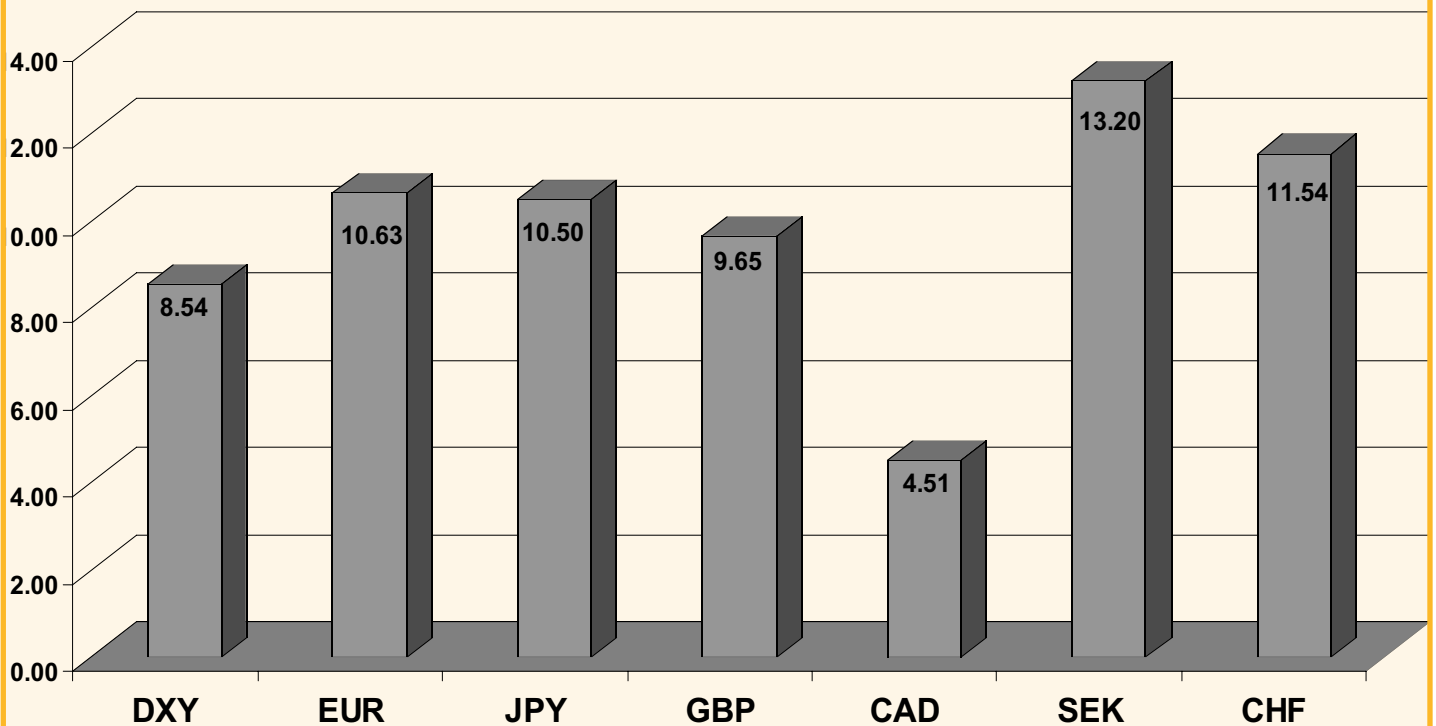


EXHIBIT 1

Performance: January 1991 - April 2002

	<b>DX</b>	<b>Australian Dollar</b>	<b>Austrian Schilling</b> <small>Since 9/91</small>	<b>Belgian Franc</b>	<b>British Pound</b>	<b>Canadian Dollar</b>	<b>Danish Krona</b>	<b>Euro</b> <small>Since 1/99</small>
<b>Average Annual Return</b>	1.32%	-1.55%	-1.55%	-2.39%	-1.43%	-2.17%	-1.39%	-7.79%
<b>Standard Deviation</b>	8.82%	9.52%	10.43%	10.61%	9.80%	5.25%	10.43%	10.94%
<b>Sharpe Ratio</b>	0.15	-0.16	-0.15	-0.23	-0.15	-0.41	-0.13	-0.71
<b>Corr DX</b>	1.00	-0.12	-0.62	-0.63	-0.75	-0.04	-0.62	-0.90
<b>Corr SP500</b>	0.11	0.03	-0.11	-0.09	-0.07	0.13	-0.09	-0.22
<b>Corr Russell 1000</b>	0.11	0.03	-0.12	-0.09	-0.07	0.13	-0.09	-0.22
<b>Corr Europe STOXX 50 USD</b>	-0.32	0.08	0.06	0.12	0.28	0.12	0.13	0.18
<b>Corr Euro STOXX 50 USD</b>	-0.33	0.07	0.09	0.15	0.23	0.13	0.15	0.21
<b>Corr MSCI EAFE Price USD</b>	-0.25	0.18	0.22	0.27	0.18	0.13	0.26	0.17
<b>Corr Lehman Govt./Corp. Bond</b>	-0.06	-0.06	0.04	0.06	0.05	0.06	0.06	0.13
<b>Corr MSCI Europe Bond</b>	-0.65	0.17	0.91	0.92	0.36	-0.02	0.92	0.70
<b>Corr MSCI Euro Bond</b>	-0.64	0.17	0.89	0.90	0.40	-0.02	0.91	0.69
<b>Corr MSCI EAFE Bond</b>	-0.67	0.19	0.84	0.84	0.38	-0.02	0.84	0.62

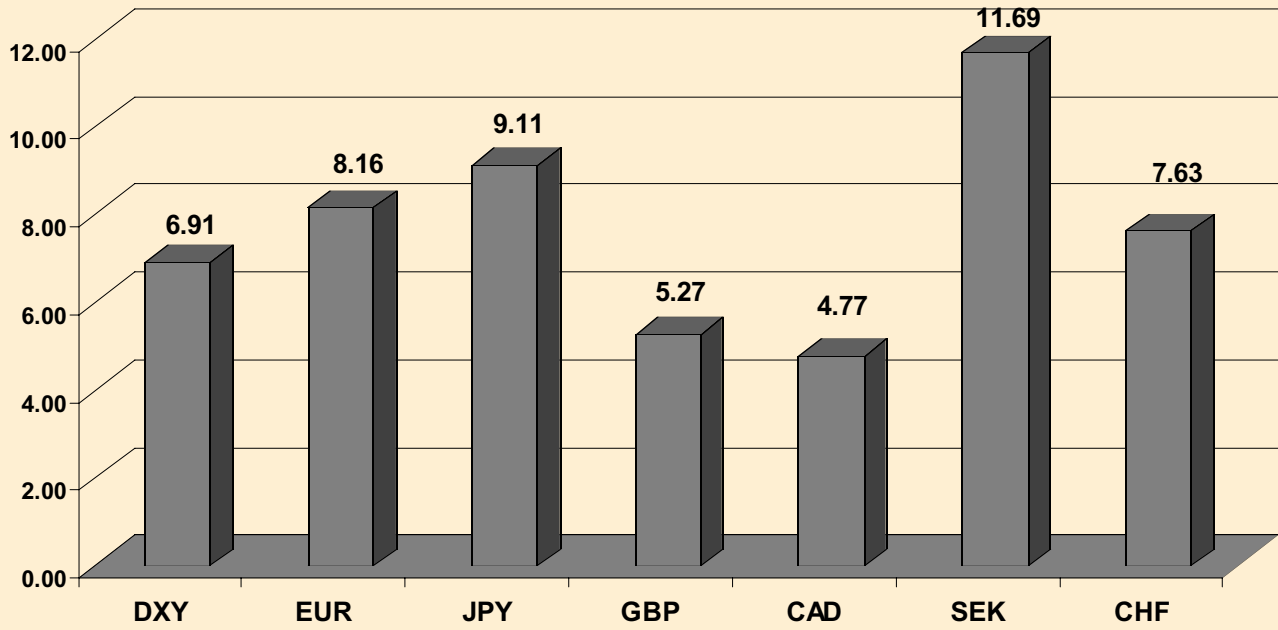
  

	<b>Finnish Markka</b>	<b>French Franc</b>	<b>German Mark</b>	<b>Greek Drachma</b> <small>Since 8/94</small>	<b>Hong Kong Dollar</b>	<b>Irish Punt</b>	<b>Italian Lira</b> <small>Since 3/91</small>	<b>Japanese Yen</b>
<b>Average Annual Return</b>	-3.71%	-1.97%	-2.60%	0.55%	0.92%	-1.96%	-2.24%	-2.82%
<b>Standard Deviation</b>	11.34%	10.29%	10.67%	10.04%	0.51%	10.42%	10.50%	12.25%
<b>Sharpe Ratio</b>	-0.33	-0.19	-0.24	0.05	1.81	-0.19	-0.21	-0.23
<b>Corr DX</b>	-0.56	-0.65	-0.65	-0.65	-0.07	-0.60	-0.60	-0.56
<b>Corr SP500</b>	-0.06	-0.09	-0.08	-0.10	0.02	-0.08	-0.08	-0.04
<b>Corr Russell 1000</b>	-0.07	-0.09	-0.09	-0.11	0.01	-0.08	-0.09	-0.04
<b>Corr Europe STOXX 50 USD</b>	0.14	0.14	0.13	0.06	0.02	0.14	0.15	0.15
<b>Corr Euro STOXX 50 USD</b>	0.16	0.16	0.16	0.09	0.03	0.15	0.17	0.14
<b>Corr MSCI EAFE Price USD</b>	0.25	0.27	0.27	0.20	0.05	0.26	0.26	0.27
<b>Corr Lehman Govt./Corp. Bond</b>	0.03	0.06	0.06	0.00	0.01	0.07	0.06	-0.08
<b>Corr MSCI Europe Bond</b>	0.90	0.93	0.92	0.86	0.05	0.86	0.89	0.22
<b>Corr MSCI Euro Bond</b>	0.89	0.92	0.90	0.85	0.06	0.86	0.88	0.21
<b>Corr MSCI EAFE Bond</b>	0.81	0.84	0.84	0.78	0.09	0.77	0.77	0.55

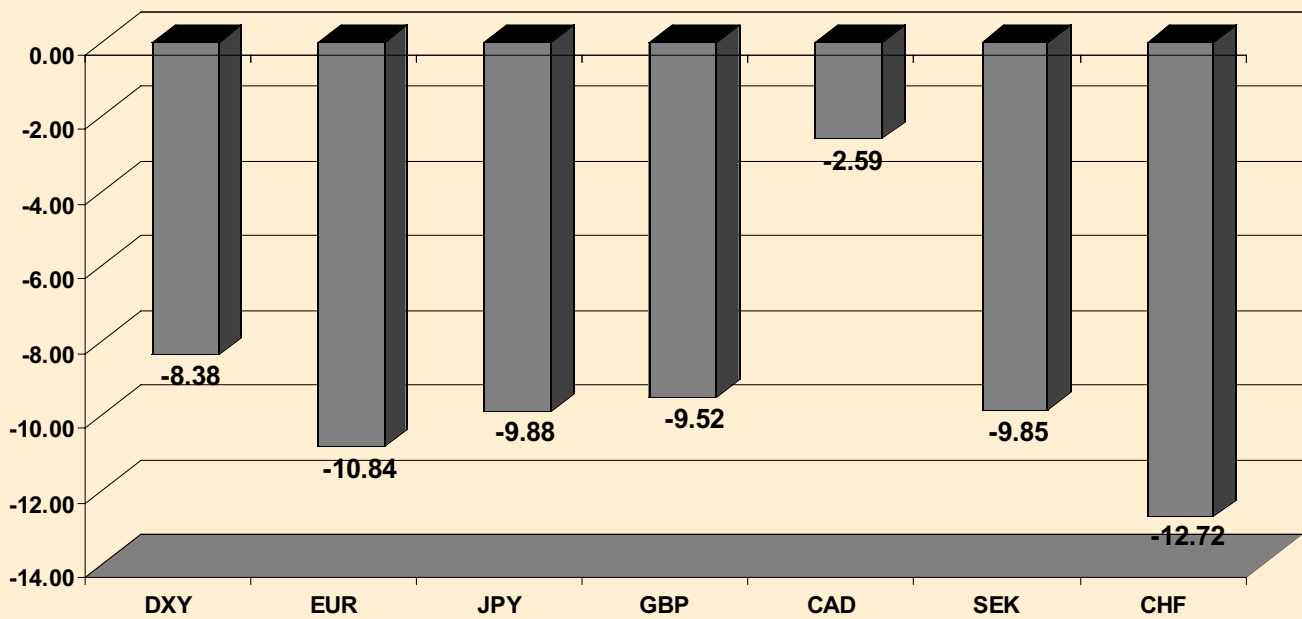
  

	<b>Netherlands Guilder</b>	<b>New Zealand Dollar</b>	<b>Norwegian Krona</b>	<b>Portuguese Escudo</b> <small>Since 2/91</small>	<b>Singapore Dollar</b>	<b>Spanish Peseta</b> <small>Since 3/91</small>	<b>Swedish Krona</b> <small>Since 12/92</small>	<b>Swiss Franc</b>
<b>Average Annual Return</b>	-2.71%	0.27%	-0.49%	-4.13%	-1.86%	-2.73%	-3.16%	-4.60%
<b>Standard Deviation</b>	10.63%	9.33%	10.13%	9.65%	5.77%	10.57%	9.98%	12.16%
<b>Sharpe Ratio</b>	-0.25	0.03	-0.05	-0.43	-0.32	-0.26	-0.32	-0.38
<b>Corr DX</b>	-0.65	-0.17	-0.59	-0.70	-0.25	-0.60	-0.52	-0.89
<b>Corr SP500</b>	-0.08	0.04	-0.06	-0.14	0.05	-0.08	-0.04	-0.16
<b>Corr Russell 1000</b>	-0.09	0.04	-0.06	-0.15	0.05	-0.09	-0.04	-0.16
<b>Corr Europe STOXX 50 USD</b>	0.13	0.10	0.17	0.04	0.11	0.12	0.17	0.21
<b>Corr Euro STOXX 50 USD</b>	0.16	0.11	0.19	0.07	0.12	0.15	0.18	0.22
<b>Corr MSCI EAFE Price USD</b>	0.27	0.19	0.30	0.16	0.25	0.25	0.30	0.14
<b>Corr Lehman Govt./Corp. Bond</b>	0.06	-0.02	0.04	0.02	-0.04	0.06	-0.02	0.05
<b>Corr MSCI Europe Bond</b>	0.92	0.25	0.78	0.93	0.17	0.92	0.71	0.60
<b>Corr MSCI Euro Bond</b>	0.90	0.25	0.77	0.92	0.17	0.91	0.72	0.59
<b>Corr MSCI EAFE Bond</b>	0.84	0.29	0.73	0.84	0.34	0.83	0.65	0.58

**Average Performance in Positive Return Years**



**Average Performance in Negative Return Years**



## The DX has low positive correlation to U.S. equity indices and a low negative correlation to U.S. bonds.

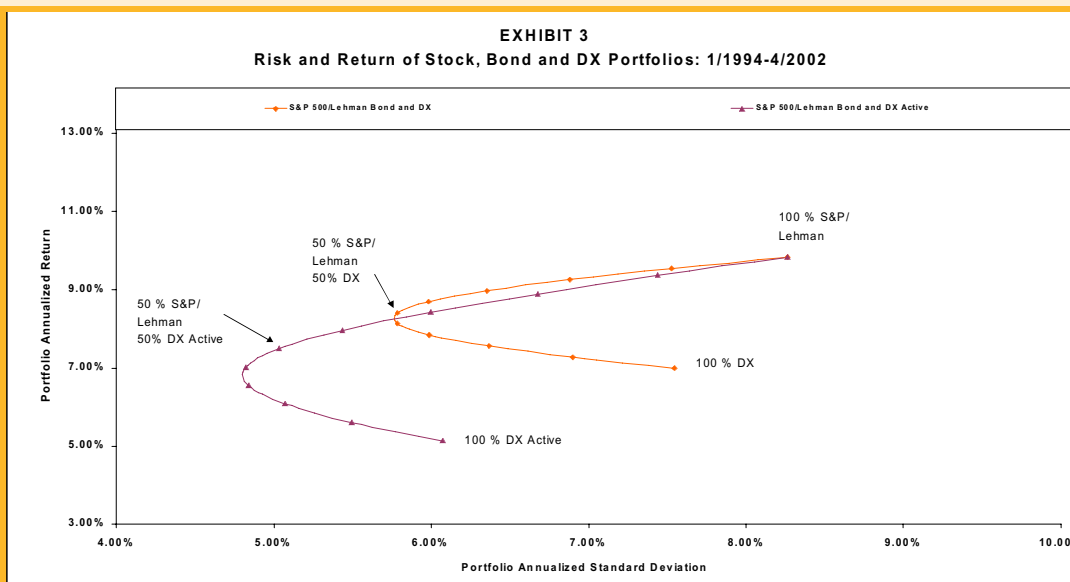
### EXHIBIT 2-a

Performance: January 1991 - April 2002

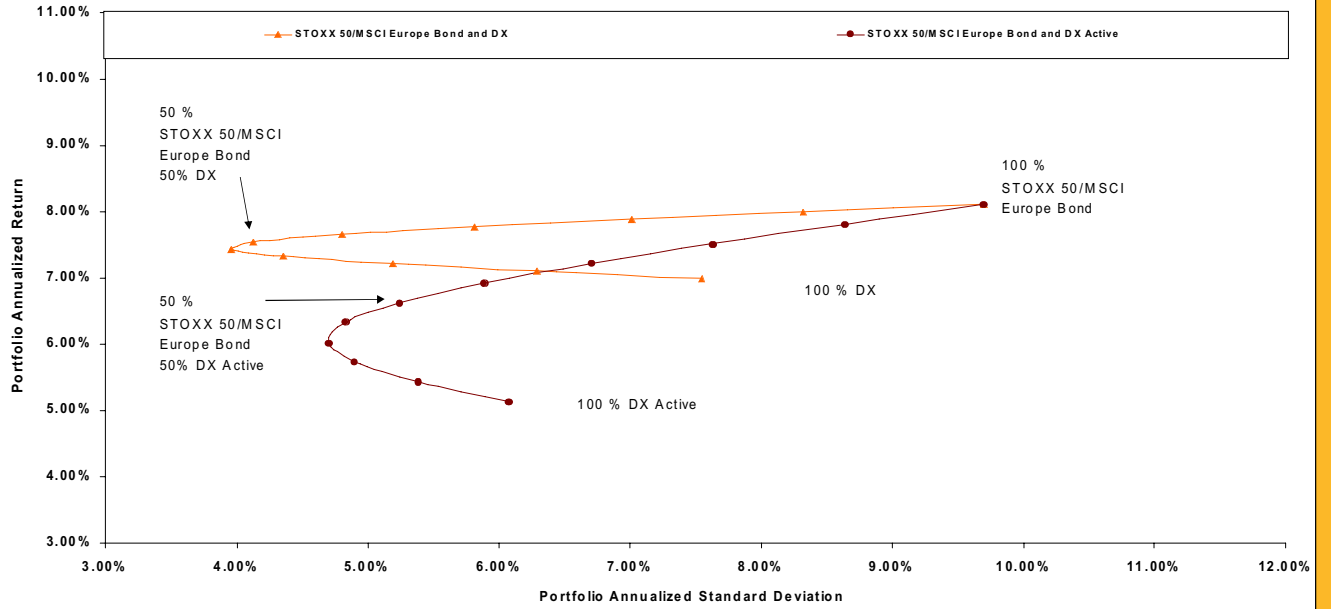
	DX*	S&P 500	Russell 1000	STOXX 50 USD Europe	STOXX 50 USD Euro-Zone
Average Annual Return	6.10%	13.43%	13.56%	12.29%	12.00%
Standard Deviation	8.82%	15.67%	15.56%	17.48%	18.95%
Sharpe Ratio	0.17	0.56	0.57	0.44	0.39
Corr DX	1.00	0.11	0.11	-0.32	-0.33
Corr DX Active	0.10	-0.02	-0.03	-0.10	-0.09
Corr SP500	0.11	1.00	0.99	0.36	0.34
Corr Russell 1000	0.11	0.99	1.00	0.37	0.35
Corr Europe STOXX 50 USD	-0.32	0.36	0.37	1.00	0.96
Corr Euro STOXX 50 USD	-0.33	0.34	0.35	0.96	1.00
Corr MSCI EAFE Price USD	-0.25	0.31	0.32	0.73	0.71
Corr Lehman Govt./Corp. Bond	-0.06	0.14	0.13	0.07	0.07
Corr MSCI Europe Bond	-0.65	-0.10	-0.11	0.08	0.11
Corr MSCI Euro Bond	-0.64	-0.10	-0.10	0.08	0.11
Corr MSCI EAFE Bond	-0.67	-0.10	-0.11	0.06	0.08

	DX Active*	Lehman US Govt./Cred.	MSCI EAFE Bond Index Since 1/94	MSCI Europe Bond Index Since 1/94	MSCI Euro Bond Index Since 1/94
Average Annual Return	6.01%	8.08%	3.57%	4.01%	4.51%
Standard Deviation	7.25%	4.44%	8.25%	9.95%	9.32%
Sharpe Ratio	0.19	0.78	-0.13	-0.06	-0.01
Corr DX	0.10	-0.06	-0.67	-0.65	-0.64
Corr DX Active	1.00	-0.03	-0.07	-0.12	-0.12
Corr SP500	-0.02	0.14	-0.10	-0.10	-0.10
Corr Russell 1000	-0.03	0.13	-0.11	-0.11	-0.10
Corr Europe STOXX 50 USD	-0.10	0.07	0.06	0.08	0.08
Corr Euro STOXX 50 USD	-0.09	0.07	0.08	0.11	0.11
Corr MSCI EAFE Price USD	-0.05	0.00	0.23	0.17	0.17
Corr Lehman Govt./Corp. Bond	-0.03	1.00	0.08	0.16	0.18
Corr MSCI Europe Bond	-0.12	0.16	0.87	1.00	0.99
Corr MSCI Euro Bond	-0.12	0.18	0.87	0.99	1.00
Corr MSCI EAFE Bond	-0.07	0.08	1.00	0.87	0.87

\* Riskless Rate Added to DX Return for Comparison Purposes



**EXHIBIT 4**  
**Risk and Return of Stock, Bond and DX Portfolios: 1/1994-4/2002**



We also consider the performance of technical trading rules as applied to the DX. As already discussed, the series DX Active is generated by such a technical trading rule. We also applied the same trading rule to all of the component currencies of the DX. We formed baskets of the component currencies, both passive and active, using the DX weights.

## EXHIBIT 2-b

Performance: January 1991 - April 2002

	Portfolio 1 S&P500 & Lehman Bond	Portfolio 2 Russell 1000 & Lehman Bond	Portfolio 3 S&P500, Lehman Bond & DX*	Portfolio 4 Russell 1000, Lehman Bond & DX*	Portfolio 5 S&P500, Lehman Bond & DX Active*	Portfolio 6 Russell 1000, Lehman Bond & DX Active*
Average Annual Return	11.04%	11.13%	10.15%	10.22%	10.12%	10.20%
Standard Deviation	8.43%	8.36%	7.11%	7.07%	6.85%	6.80%
Sharpe Ratio	0.76	0.78	0.78	0.79	0.80	0.82
Corr DX	0.09	0.09	0.33	0.34	0.11	0.11
Corr DX Active	-0.03	-0.03	0.00	0.00	0.18	0.18
Corr SP500	0.97	0.96	0.94	0.94	0.94	0.94
Corr Russell 1000	0.96	0.96	0.94	0.94	0.94	0.94
Corr Europe STOXX 50 USD	0.35	0.36	0.25	0.26	0.32	0.33
Corr Euro STOXX 50 USD	0.33	0.34	0.23	0.24	0.30	0.32
Corr MSCI EAFE Price USD	0.29	0.30	0.21	0.22	0.28	0.29
Corr Lehman Govt./Corp. Bond	0.39	0.39	0.35	0.35	0.38	0.37
Corr MSCI Europe Bond	-0.05	-0.06	-0.19	-0.19	-0.07	-0.08
Corr MSCI Euro Bond	-0.04	-0.05	-0.18	-0.18	-0.06	-0.07
Corr MSCI EAFE Bond	-0.07	-0.08	-0.21	-0.21	-0.09	-0.09

\* Riskless Rate Added to DX Return for Comparison Purposes

Assets in Portfolios 1 through 5 with weights 50% and 50%, respectively

Assets in Portfolios 6 through 15 with weights 40%, 40% and 20%, respectively

EXHIBIT 2-c

Performance: January 1991 - April 2002

	Portfolio 7 STOXX 50 Europe & MSCI EAFE Bond Since 1/94	Portfolio 8 STOXX 50 Europe & MSCI Europe Bond Since 1/94	Portfolio 9 STOXX 50 Euro-Zone & MSCI Euro Bond Since 1/94	Portfolio 10 STOXX 50 Europe, & DX* Since 1/94	Portfolio 11 STOXX 50 Europe, & DX* Since 1/94	Portfolio 12 STOXX 50 Euro-Zone, & DX* Since 1/94	Portfolio 13 Europe STOXX 50, & DX Active* Since 1/94	Portfolio 14 Europe STOXX 50, & DX Active* Since 1/94	Portfolio 15 Euro-Zone STOXX 50 & DX Active* Since 1/94
Average Annual Return	7.80%	8.06%	8.38%	7.83%	8.05%	8.32%	7.39%	7.60%	7.87%
Standard Deviation	10.17%	10.65%	11.35%	7.55%	7.88%	8.46%	8.11%	8.47%	9.03%
Sharpe Ratio	0.31	0.32	0.33	0.43	0.44	0.44	0.34	0.35	0.36
Corr DX	-0.45	-0.48	-0.46	-0.28	-0.31	-0.31	-0.44	-0.47	-0.45
Corr DX Active	-0.10	-0.12	-0.11	-0.08	-0.11	-0.10	0.07	0.04	0.04
Corr SP500	0.29	0.27	0.26	0.35	0.32	0.31	0.29	0.27	0.26
Corr Russell 1000	0.30	0.28	0.27	0.36	0.33	0.32	0.30	0.27	0.27
Corr Europe STOXX 50 USD	0.91	0.89	0.87	0.94	0.92	0.89	0.90	0.88	0.86
Corr Euro STOXX 50 USD	0.89	0.87	0.91	0.91	0.89	0.94	0.88	0.86	0.91
Corr MSCI EAFE Price USD	0.78	0.73	0.72	0.80	0.75	0.73	0.77	0.73	0.72
Corr Lehman Govt./Corp. Bond	0.05	0.09	0.09	0.06	0.10	0.10	0.05	0.09	0.09
Corr MSCI Europe Bond	0.42	0.53	0.50	0.32	0.44	0.42	0.40	0.52	0.49
Corr MSCI Euro Bond	0.43	0.53	0.50	0.32	0.44	0.42	0.41	0.52	0.49
Corr MSCI EAFE Bond	0.46	0.46	0.43	0.35	0.36	0.33	0.45	0.45	0.42

\* Riskless Rate Added to DX Return for Comparison Purposes

Assets in Portfolios 1 through 5 with weights 50% and 50%, respectively

Assets in Portfolios 6 through 15 with weights 40%, 40% and 20%, respectively

**As shown in Exhibit 2-c, while average portfolio returns remain roughly unchanged after the addition of the DX, the reduction in volatility helps increase the Sharpe ratios by up to 36 % (portfolios 10, 11 & 12).**

**The above results suggest that the DX is a valuable investment vehicle, both on its own and as a part of a diversified domestic or international portfolio.**

**This suggests that an allocation the USDX would reduce the volatility of both domestic and global bond portfolios.**

EXHIBIT 9

Performance: January 1992 - April 2002

	STOXX 50 Europe Local	STOXX 50 Europe USD Unhedged	STOXX 50 Europe USD Hedged with DX	STOXX 50 Europe USD Hedged with Currency Basket	STOXX 50 Euro-Zone Local	STOXX 50 Euro-Zone USD Unhedged	STOXX 50 Euro-Zone USD Hedged with DX
Average Annual Return	15.91%	11.55%	16.64%	16.09%	15.90%	11.54%	16.69%
Standard Deviation	17.95%	17.38%	17.07%	18.99%	18.74%	18.74%	18.16%
Sharpe Ratio	0.63	0.40	0.71	0.61	0.61	0.37	0.67
Corr DX	0.20	0.15	-0.28	0.15	0.16	-0.29	0.17
Corr Europe STOXX 50 USD	0.83	0.34	1.00	0.34	0.82	0.96	0.86
Corr Euro STOXX 50 USD	0.76	0.32	0.96	0.32	0.84	1.00	0.89
Corr MSCI EAFE Price USD	0.60	0.30	0.72	0.30	0.60	0.70	0.61

	MSCI EAFE Price Local	MSCI EAFE Price USD Unhedged	MSCI EAFE Price USD Hedged with DX	MSCI EM Eur./M.E. Price Local	MSCI EM Eur./M.E. Price USD Unhedged	MSCI EM Eur./M.E. Price USD Hedged with DX	MSCI EM Asia Price Local	MSCI EM Asia Price USD Unhedged
Average Annual Return	4.81%	2.83%	7.38%	21.03%	2.41%	6.88%	3.74%	-0.54%
Standard Deviation	13.98%	14.45%	15.00%	20.86%	22.64%	23.24%	18.21%	20.12%
Sharpe Ratio	0.02	-0.12	0.19	0.79	-0.09	0.10	-0.04	-0.25
Corr DX	0.12	-0.23	0.35	0.05	-0.12	0.25	0.04	0.01
Corr Europe STOXX 50 USD	0.71	0.72	0.54	0.35	0.36	0.24	0.22	0.22
Corr Euro STOXX 50 USD	0.68	0.70	0.51	0.35	0.36	0.24	0.23	0.23
Corr MSCI EAFE Price USD	0.86	1.00	0.83	0.39	0.44	0.34	0.34	0.36

**It is encouraging to see that the DX performs well as a hedging tool for emerging market currency exposure. This is beneficial to investors with such exposure as it provides them with a liquid alternative to hedging the underlying currency exposure directly which may be costly or otherwise impractical.**

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## **NYBOT & TRADEPAQ TO WORK TOGETHER ON eCOPS**

The New York Board of Trade (NYBOT®) have announced that TRADEPAQ Corp has agreed in principle to work with the new Electronic Commodity Operation Processing System (eCOPS) as system integrators. The NYBOT and TRADEPAQ have signed a memorandum of understanding, outlining the new working relationship.

The eCOPS project upgrades and greatly expands the capabilities of the Commodity Operation and Processing System that has been used by the NYBOT business community for the last twelve years to control coffee and cocoa deliveries. The new system of electronic documentation is being designed for both cash and future market deliveries. The transformation to eCOPS has already brought important upgrades and new features to current COPS users.

“TRADEPAQ brings significant experience with coffee and cocoa delivery systems to their role as official eCOPS system integrators,” said Paul Fisher, Special Consultant on eCOPS. “Working together, eCOPS and TRADEPAQ are offering a simple way for coffee and cocoa supply chain operators to save time and money by using standard industry XML documents on the Internet. The goal is to make eCOPS the most efficient and lowest cost provider of title registry and inventory management for the industry,” he added.

## **NYBOT 2002 VOLUMES UP SIGNIFICANTLY FOR THE YEAR**

The New York Board of Trade (NYBOT®) have announced that its yearly exchange-wide volume was up 17% for the year (2002 vs. 2001), with the agricultural products volume up 16%, the currency products volume up 17%, and the index products up 52%.

“These new volume increases and trading records signify, among many things, the New York Board of Trade’s commitment to maintaining and expanding a secure, reliable and efficient marketplace for both hedgers and speculators in search of commodity price discovery,” said Charles H. Falk, Chairman & Acting President and CEO of the New York Board of Trade. “We’re very pleased with the level of activity in 2002, in spite of the challenges presented by the September 11th terrorist attacks, and we look forward to continued success in the new year.”

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*or visit our website at [www.nybot.com/finex](http://www.nybot.com/finex)*

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