



## EQUITY INDEX DERIVATIVES

### Morningstar Style Indexes – U.S. Style and Capitalization

#### OVERVIEW

U.S. Futures Exchange (USFE) provides investors with a new way to trade different ends of the stock market with its cash-settled futures contracts on each of the nine Morningstar Style Box™ indexes. Trade small caps against large caps, value against growth, or any other combination of strategies that are best for you. Balance your portfolio without trading a share of stock. USFE's Morningstar Style Index futures contracts make hedging your portfolio simple and cost efficient.

#### BENEFITS

- Target any part of the market: Large Growth, Large Core, Large Value, Mid Growth, Mid Core, Mid Value, Small Growth, Small Core, Small Value
- Trade electronically, real-time, any time during the U.S. market day
- Use your existing futures brokerage account or open a new account with any of the futures brokers connected to USFE
- Access continuous markets with competitive bid/ask spreads provided by USFE's dedicated market makers
- See free, live comprehensive order/quote books on USFE's website
- Enjoy the opportunity to place orders and get filled inside the quoted market
- Incorporate standard futures-style leverage, long or short, thanks to margin trading
- Trade with all the safety, security, and protections that a fully U.S. regulated and cleared futures exchange provides

#### PERFORMANCE

	Value	Core	Growth
Large Cap	+13.0%	+18.9%	+20.5%
Mid Cap	+14.1%	+21.5%	+26.7%
Small Cap	+8.1%	+16.0%	+20.6%

All statistics trailing 12 months as of August 2, 2007

Style	Index Level
Large Value	1,749.64
Mid Value	2,334.81
Small Value	2,275.85
Large Core	1,696.85
Mid Core	2,447.83
Small Core	3,026.00
Large Growth	1,092.69
Mid Growth	1,913.36
Small Growth	1,477.41

The graph above illustrates percentage returns per category for the trailing 12 months. Note that these statistics reflect performance of sectors of the equity markets and are continuously subject to change. Please consult your broker for further information and advice.



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#### COMPARISONS

Given the large number of stocks in each of the Morningstar Style Box™ indexes, there are only two ways to effectively trade the categories as whole entities: with ETFs or futures. USFE's futures offer several advantages for the active trader:

- Futures are leveraged, requiring less capital for trading
- Futures trading profits are taxed at a much lower rate than ordinary income (please consult your tax accountant)
- Futures are generally less expensive to actively trade than ETFs, when considering all-in transaction costs, including brokerage and market impact

#### CONTRACT DETAILS

UNDERLYING EQUITY	QUOTATION	CONTRACT SIZE	DELIVERY	TICK SIZE	TICK VALUE
9 Morningstar Style Box™ Indexes	Index Points	\$10 per Index Point	Cash Settled	0.05	\$5

- **TRADING HOURS:** 7:15 a.m. – 4:00 p.m., Monday through Friday, Chicago time.
- **CONTRACT MONTHS:** March, June, September, December.
- **LAST TRADING DAY:** Third Friday of the contract month. Trading in the expiring contract ceases at 8:30 a.m. Chicago time on the third Friday of the expiration month.
- **FINAL SETTLEMENT PRICE:** The final settlement price is based on the opening prices of the component stocks on the last trading day as reported by Morningstar.

#### ADDITIONAL RESOURCES

Information including index composition and Morningstar Style Box™ categorization can be found at <http://indexes.morningstar.com>.

For more information about USFE's Morningstar Style Index futures, please refer to [www.usfe.com](http://www.usfe.com).

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