

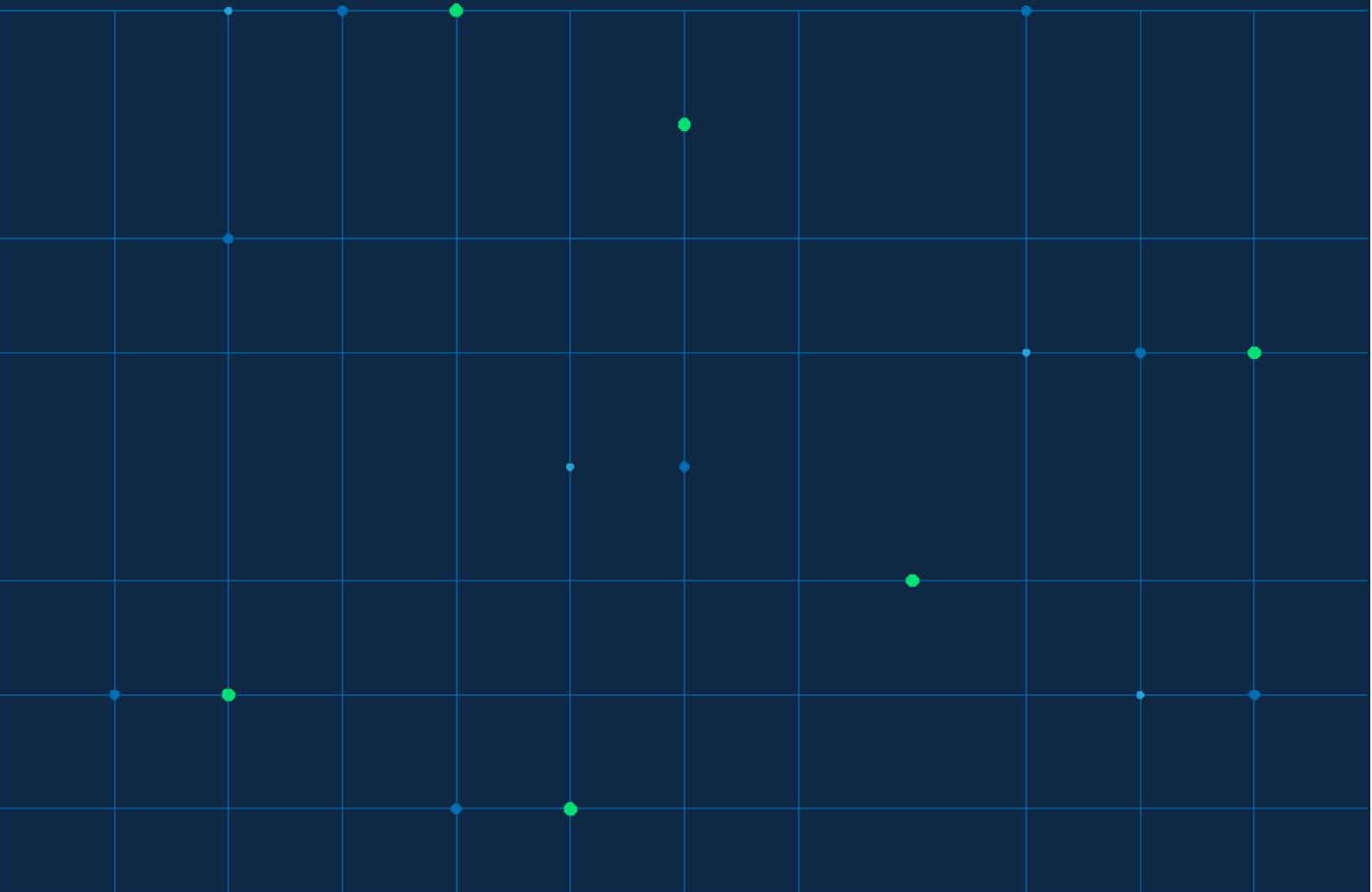
CME Soybean Oilshare Index (COSI)

BMR Benchmark Regulation Statement

CME Group Benchmark Administration Limited

Version 1.0

Publication Date: November 25th, 2024



Version Control

VERSION	KEY CHANGES	APPROVAL DATE
1.0	<ul style="list-style-type: none">Initial version	November 25, 2024

Introduction

CME Group Benchmark Administration Limited (CBA or the Administrator) capitalises on CME Group's wealth of electronic transaction-based data in the calculation of its indices and benchmarks. CBA is authorised and regulated by the UK Financial Conduct Authority (FCA), for the administration of the CME Soybean Oilshare Index, a family of nine indices with designation COSI1, COSI2, COSI3, COSI4, COSI5, COSI6, COSI7, COSI8, and COSI9 (each an Index). The CME Soybean Oilshare Index (the Benchmark) is designed on the basis of industry best practices and the IOSCO Principles for Financial Benchmarks.

The objective of the Benchmark is to be a measure of soybean oil's relative value compared to soybean meal and is measured as soybean oil's share of output relative to soybean meal when crushing soybeans. This Benchmark is calculated by normalising prices calculating the ratio of the result¹.

The CME Soybean Oilshare Index Methodology uses the settlement values of the front nine pairs of futures contracts for both Soybean Oil Futures and Soybean Meal Futures. These futures contracts are traded on CME Group's Chicago Board of CBOT Exchange (CBOT) Designated Contract Market (DCM).

CBA is the Benchmark Administrator of the CME Soybean Oilshare Index, with Chicago Mercantile Exchange Inc. (CME Inc.) providing calculation agent and distribution services.

The Benchmark is determined from input data of the same nature which provides specific measures of the same or similar market or economic reality and therefore is classified as a "family of benchmarks" under Article 3(1)(4) BMR.

The CME Soybean Oilshare Index (the Benchmark) is classified as a "regulated data benchmark" under Article 3(24) of the UK Benchmark Regulation (BMR)².

¹ CME Group: [What is Oil Share?](#)

² <https://www.fca.org.uk/markets/benchmarks/regulation>

BMR / RTS	BMR Benchmark Statement requirement	Administrator's statement
Article 27 (1) BMR	<p>Within two weeks of the inclusion of an administrator in the FCA register, the administrator shall publish, by means that ensure fair and easy access, a benchmark statement for each benchmark or, where applicable, for each family of benchmarks, that may be used in the United Kingdom in accordance with Article 29. Where that administrator begins providing a new benchmark or family of benchmarks that may be used in the United Kingdom in accordance with Article 29, the administrator shall publish, within two weeks and by means that ensure a fair and easy access, a benchmark statement for each new benchmark or, where applicable, family of benchmarks. The administrator shall review and, where necessary, update the benchmark statement for each benchmark or family of benchmarks in the event of any changes to the information to be provided under this Article and at least every two years.</p>	<p>In order to facilitate fair and easy access, this Benchmark Statement appears on the Administrator's website.</p> <p>The Administrator shall ensure that this Benchmark Statement is updated in the event of any material changes and no later than every two years.</p>
<p>The Benchmark Statement shall:</p>		
(a)	<p>clearly and unambiguously define the market or economic reality measured by the benchmark and the circumstances in which such measurement may become unreliable;</p>	<p>The CME Soybean Oilshare Index is a measure of soybean oil's relative value compared to soybean meal and is measured as soybean oil's share of output relative to soybean meal when crushing soybeans. This index is calculated by normalising prices and calculating the ratio of the result³.</p> <p>The CME Soybean Oilshare Index may become unreliable as a result of insufficient input data or severe market disruption.</p> <p>The input data used in the calculation of the CME Soybean Oilshare Index is from CME Group's Chicago Board of Trade (CBOT) Designated Contract Market (DCM). Details of the CME Futures contracts and their volume and open interest is available here for soybean oil futures and here for soybean meal futures.</p>
(b)	<p>lay down technical specifications that clearly and unambiguously identify the elements of the calculation of the benchmark in relation to which discretion may be exercised, the criteria applicable to the exercise of such discretion and the position of the persons that can exercise</p>	<p>Expert Judgement or discretion is not used in the ordinary day to day calculation of the CME Soybean Oilshare Index.</p>

³ CME Group: [What is Oil Share?](#)

BMR / RTS	BMR Benchmark Statement requirement	Administrator's statement
	discretion, and how such discretion may be subsequently evaluated;	The CME Soybean Oilshare Index is calculated in accordance with the published Benchmark Methodology, which includes applicable contingency measures governing the exercise of Expert Judgment. For further details refer to the published Benchmark Methodology.
(c)	provide notice of the possibility that factors, including external factors beyond the control of the administrator, may necessitate changes to, or the cessation of, the benchmark; and	<p>There is the possibility that factors, including external factors beyond the control of the Administrator, may necessitate changes to, or the cessation of, the Benchmark.</p> <p>Where material changes to or the cessation of the Benchmark becomes necessary, the Administrator will engage stakeholders and users by way of a public consultation.</p> <p>All material changes are reviewed by the Oversight Committee.</p>
(d)	advise users that changes to, or the cessation of, the benchmark may have an impact upon the financial contracts and financial instruments that reference the benchmark or the measurement of the performance of investment funds.	<p>Changes to, or the cessation of, the Benchmark may have an impact upon the financial contracts and financial instruments that reference the benchmark or the measurement of the performance of investment funds.</p> <p>The Administrator advises users of the Benchmark to regularly assess whether it remains appropriate, suitable and fit for purpose. Users should develop contingency provisions and fall-back plans in the event of the benchmark becoming unavailable.</p>
Article 27(2) BMR	A benchmark statement shall contain at least:	
(a)	the definitions for all key terms relating to the benchmark;	See the Appendix for definitions used in this Benchmark Statement.
(b)	the rationale for adopting the benchmark Methodology and procedures for the review and approval of the Methodology;	The CME Soybean Oilshare Index is a measure of soybean oil's relative value compared to soybean meal and is measured as soybean oil's share of output relative to soybean meal when crushing soybeans. The Benchmark is

BMR / RTS	BMR Benchmark Statement requirement	Administrator's statement
		<p>calculated by normalising prices and calculating the ratio of the result⁴.</p> <p>The Administrator regularly monitors the Benchmark Methodology and its consistency with the stated objectives. The Benchmark Methodology is reviewed and approved annually by the Administrator and is reviewed annually by the Oversight Committee.</p> <p>The Oversight Committee reviews proposed material changes to the Benchmark Methodology including, but not limited to, the structure of the Benchmark, input data used and all aspects of the Calculation Methodology.</p> <p>The Oversight Committee may direct the Administrator to consult on any changes to the Methodology with stakeholders and the wider market.</p>
(c)	<p>The criteria and procedures used to determine the benchmark, including a description of the input data, the priority given to different types of input data, the minimum data needed to determine a benchmark, the use of any models or methods of extrapolation and any procedure for rebalancing the constituents of a benchmark's index;</p>	<p>The CME Soybean Oilshare Index is derived from the application of a formula using as sole input data the settlement prices of the Soybean Oil and Soybean Meal futures contracts as determined by a US CFTC regulated trading venue (CBOT) which benefits from a MiFIR Equivalence Decision by HM Treasury.</p> <p>These settlement prices, as determined by CBOT, are derived from transaction-based data consisting of executed arm-length transactions and observable prices of financial instruments traded in an active market subject to competitive supply and demand forces.</p> <p>Details on the settlement procedure for Soybean Oil Futures can be found here, and for Soybean Meal Futures can be found here.</p>

⁴ CME Group: [What is Oil Share?](#)

BMR / RTS	BMR Benchmark Statement requirement	Administrator's statement
(d)	the controls and rules that govern any exercise of judgement or discretion by the administrator or any contributors, to ensure consistency in the use of such judgement or discretion;	<p>Expert Judgement or discretion is not used in the ordinary day to day calculation of the CME Soybean Oilshare Index.</p> <p>The CME Soybean Oilshare Index is calculated in accordance with the published Benchmark Methodology, which includes applicable contingency measures governing the exercise of Expert Judgment. For further details refer to the published Benchmark Methodology.</p>
(e)	the procedures which govern the determination of the benchmark in periods of stress or periods where transaction data sources may be insufficient, inaccurate or unreliable and the potential limitations of the benchmark in such periods;	<p>The published Benchmark Methodology includes contingency measures to deal with determination of the Benchmark in periods of stress or periods where transaction data sources may be insufficient, inaccurate or unreliable.</p> <p>If the futures settlement prices are unavailable for use in the calculation, the Administrator will re-publish the prior day's Index level.</p> <p>In the event that the previous day CME Soybean Oilshare Index is republished for more than 3 (three) consecutive Business Days, the Administrator must promptly convene the Oversight Committee to assess available remedial actions.</p>
(f)	the procedures for dealing with errors in input data or in the determination of the benchmark, including when a redetermination of the benchmark is required; and	The Administrator has in place operating procedures to ensure the integrity of input data and prompt correction of calculation

BMR / RTS	BMR Benchmark Statement requirement	Administrator's statement
		<p>errors, including re-publication of the Benchmark.</p> <p>The Administrator will notify clients of instances where a re-publication is required, including via the publication of a notice to the CME Website.</p>
(g)	<p>the identification of potential limitations of the benchmark, including its operation in illiquid or fragmented markets and the possible concentration of inputs.</p>	<p>The Methodology relies solely on the futures contracts settlement prices produced by a CFTC regulated DCM based on transaction data.</p> <p>The Administrator regularly monitors volumes in the underlying markets and reports back to the Oversight Committee to assess whether the input data have sufficient liquidity.</p> <p>If the futures settlement prices are unavailable for use in the calculation, the Administrator will re-publish the prior day's Index level.</p> <p>In the event that the previous day CME Soybean Oilshare Index is republished for more than 3 (three) consecutive Business Days, the Administrator must promptly convene the Oversight Committee to assess available remedial actions.</p>
RTS (2018/16 43) Article 1(1)	<p>The benchmark statement shall state:</p>	
(a)	<p>the date of publication of the statement and, where applicable, the date of its last update;</p>	<p>Please see the beginning of this document for the date of publication and last update.</p>
(b)	<p>where available, the international securities identification number (ISIN) of the benchmark or benchmarks; alternatively, for a family of benchmarks, the statement may provide details of where the ISINs are publicly accessible free of charge;</p>	<p>Not applicable to the Benchmark.</p>

BMR / RTS	BMR Benchmark Statement requirement	Administrator's statement
(c)	whether the benchmark, or any benchmark in the family of benchmarks, is determined using contributions of input data;	The Benchmark is not determined using contributions of input data.
(d)	whether the benchmark or any benchmark in the family of benchmarks qualifies as one of the types of benchmarks listed under Title III BMR, including the specific provision by virtue of which the benchmark qualifies as that type.	<p>The CME Soybean Oilshare Index is classified as a Regulated Data Benchmark as all input data are futures contracts settlement prices obtained entirely and directly from a US CFTC regulated DCM (CBOT) which benefits from a MiFIR Equivalence Decision by HM Treasury.</p> <p>These settlement prices, as determined by CBOT, are derived from transaction-based data consisting of executed arm-length transactions and observable prices of financial instruments traded in an active market subject to competitive supply and demand forces.</p>
RTS (2018/16 43) Article 1(2)	In defining the market or economic reality, the benchmark statement shall include at least the following information:	
(a)	a general description of the market or economic reality;	The CME Soybean Oilshare Index represents the relative value of soybean oil and soybean meal, both of which are bi-products of the crushing of soybeans. Soybeans represents an international market that is actively traded with contracts listed 8 months of the year (January, March, May, July, August, September, October, December).
(b)	the geographical boundaries, if any, of the market or economic reality;	The Soybean market and consequently the Soybean Oil and Soybean Meal markets are international in nature, with Soybean production most concentrated in North America, South America, and East Asia.
(c)	any other information that the administrator reasonably considers to be relevant or useful to help users or potential users of the benchmark to understand the relevant features of the market or economic reality, including at least the following	In Q3 2024, Soybean Oil and Soybean Meal Futures had an average daily volume of 167K and 184K contracts respectively. In that same period,

BMR / RTS	BMR Benchmark Statement requirement	Administrator's statement
	elements insofar as reliable data on these elements is available: (i) information on actual or potential participants in the market; (ii) an indication of the size of the market or economic reality.	Soybean Oil and Soybean Meal Futures had an average daily open interest of 523K and 552K contracts respectively.
RTS (2018/16 43) Article 1(3)	In defining the potential limitations of the benchmark and the circumstances in which the measurement of the market or economic reality may become unreliable, the benchmark statement shall include at least:	
(a)	a description of the circumstances in which the administrator would lack sufficient input data to determine the benchmark in accordance with the Methodology.	<p>The accuracy and reliability of the Benchmark could no longer be ensured in the event of continued insufficient liquidity in the underlying Soybean Oil and Soybean Meal futures markets.</p> <p>To that extent, the Administrator regularly monitors transacted volumes for each specific Benchmark and reports to the Oversight Committee any concern regarding the liquidity of the underlying markets.</p>
(b)	where relevant, a description of instances when the accuracy and reliability of the Methodology used for determining the benchmark can no longer be ensured, such as when the administrator deems the liquidity in the underlying market as insufficient;	<p>The accuracy and reliability of the Benchmark could no longer be ensured in the event of continued insufficient liquidity in the underlying Soybean Oil and Soybean Meal futures markets.</p> <p>To that extent, the Administrator regularly reviews transacted volumes and will report any concern regarding the liquidity of the underlying market to the Oversight Committee.</p>
(c)	any other information that the administrator reasonably considers to be relevant or useful to help users and potential users to understand the circumstances in which the measurement of the market or economic reality may become unreliable, including a description of what might constitute an exceptional market event.	<p>The Benchmark relies on the regular functioning of the underlying Soybean Oil and Soybean Meal futures markets; reliable representation of underlying markets could be severely affected if the mentioned futures markets were not operating due to severe disruptions or regulatory limitations to their normal functioning.</p>
RTS (2018/16 43) Article 1(4)	In specifying the controls and rules that govern any exercise of judgement or discretion by the administrator or any contributors in calculating the benchmark or benchmarks, the benchmark statement shall include an outline of each step of	Expert Judgement or discretion is not used in the ordinary day to day determination of CME Soybean Oilshare Index.

BMR / RTS	BMR Benchmark Statement requirement	Administrator's statement
	the process for any ex post evaluation of the use of discretion, together with a clear indication of the position of any person(s) responsible for carrying out the evaluations.	For details relating to the use of Expert Judgement refer to the published Benchmark Methodology.
RTS (2018/16 43) Article 1(5)	In specifying the procedures for review of the Methodology, the benchmark statement shall at least outline the procedures for public consultation on any material changes to the Methodology.	<p>The published Benchmark Methodology provides that the Administrator will consult with stakeholders on material changes to the Methodology.</p> <p>Consultation will ordinarily consist of publishing of proposals, providing stakeholders with a reasonable time to respond and publishing actions as a result of the consultation.</p> <p>In addition, the Oversight Committee can request the Administrator to consult on any change as appropriate.</p> <p>Details of any consultation, including a summary of the results, will be published to the CME Website.</p>
RTS (2018/16 43) Article 2	In addition to the information to be included pursuant to Article 1, for a regulated-data benchmark or, where applicable, family of regulated-data benchmarks, the benchmark statement shall state at least the following in its description of the input data:	
(a)	the sources of the input data used;	<p>The Benchmark is calculated using the settlement prices for Soybean Oil and Soybean Meal futures contracts as produced by CME Group's Chicago Board of Trade (CBOT) Designated Contract Market (DCM).</p> <p>The settlement prices of the futures contracts are sourced directly and entirely from the CFTC regulated trading venue, CBOT (part of CME Group).</p>
(b)	for each source, the relevant type, as listed in Article 3(1)(24) of BMR	<p>The Benchmark is classified as a Regulated Data Benchmark as all input data is contributed entirely and directly from a US CFTC regulated DCM, CBOT (part of CME Group), which benefits from a MiFIR Equivalence Decision by HM Treasury.</p>
RTS (2018/16	In addition to the information to be included pursuant to Article 1, for an interest rate benchmark or, where applicable, family of interest rate benchmarks, the benchmark statement shall include at least the following information:	

BMR / RTS	BMR Benchmark Statement requirement	Administrator's statement
43) Article 3		
(a)	a reference alerting users to the additional regulatory regime applicable to interest rate benchmarks under Annex I to BMR;	N/A – Not an interest rate benchmark.
(b)	a description of the arrangements that have been put in place to comply with that Annex.	N/A – Not an interest rate benchmark.
RTS (2018/16 43) Article 4	In addition to the information to be included pursuant to Article 1, for a commodity benchmark or, where applicable, family of commodity benchmarks, the benchmark statement shall at least:	
(a)	indicate whether the requirements of Title II of, or Annex II to, BMR apply to the benchmark, or family of benchmarks as prescribed by Article 19 of BMR;	N/A – Not a commodity benchmark
(b)	include an explanation as to why Title II of or, as the case may be, Annex II to BMR applies;	N/A – Not a commodity benchmark
(c)	include in the definitions of key terms a concise description of the criteria that define the relevant underlying physical commodity;	N/A – Not a commodity benchmark
(d)	where applicable, indicate where the explanations are published that the administrator is required to publish under paragraph 7 of Annex II to BMR .	N/A – Not a commodity benchmark
RTS (2018/16 43) Article 5	In addition to the information to be included pursuant to Article 1, for a critical benchmark, or, where applicable, a family of benchmarks that contains at least one critical benchmark, the benchmark statement shall include at least the following information:	
(a)	a reference alerting users to the enhanced regulatory regime applicable to critical benchmarks under BMR;	N/A – Not a critical benchmark
(b)	a statement indicating how users will be informed of any delay in the publication of the benchmark or of any re-de-termination of the benchmark and indicating the (expected) duration of measures.	N/A – Not a critical benchmark
RTS (2018/16 43) Article 6	In addition to the cases referred to in the third subparagraph of Article 27(1) of BMR , an update of the benchmark statement shall be required whenever the information contained in the statement ceases to be correct or sufficiently precise, and including in any event in the following cases:	
(a)	whenever there is a change in the type of the benchmark;	This Benchmark Statement shall be updated where information contained within it ceases to be correct or sufficiently precise, including where there is a change to the type of input data.
(b)	whenever there is a material change in the Methodology used for determining the benchmark or, if the benchmark statement is for a family of benchmarks, in the Methodology used for determining any benchmark within the family of benchmarks.	This Benchmark Statement shall be updated where there is a material change in the Methodology used for determining the Benchmark.

1. Appendix I – Key Terms & Definitions

Capitalised terms used in this Benchmark Statement that are not otherwise defined have the meaning set out below:

TERM	DESCRIPTION
Administrator	CME Group Benchmark Administration Limited
BMR	Benchmark Regulation
Business Day	Business Day in accordance with the CME Globex Trading Schedule
CBA	CME Group Benchmark Administration Limited
CBOT	Chicago Board of Trade (DCM forming part CME Group)
COS11 - COSI9	CME Soybean Oilshare Index
CFTC	Commodity Futures Trading Commission
DCM	Designated Contract Market
FCA UK	Financial Conduct Authority (UK)
IOSCO	International Organization of Securities Commissions

2. Appendix II – ESG Disclosures

Explanation of how ESG Factors are Reflected in the Key Elements of the Benchmark Methodology		
Item 1	Name of the benchmark administrator.	CME Benchmark Administration Limited
Item 2	Type of benchmark or family of Benchmark.	Other
Item 3	Name of the benchmark or family of Benchmark.	CME Soybean Oilshare Index
Item 4	Are there in the portfolio of the benchmark administrator any EU Climate Transition Benchmark, EU Paris-aligned Benchmark, Benchmark that pursue ESG objectives or Benchmark that take into account ESG factors?	No
Item 5	Does the benchmark or family of Benchmarks pursue ESG objectives?	No
Item 10	Does the benchmark align with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement	No
	The temperature scenario, in accordance with international standards, used for the alignment with the target of reducing GHG emissions or attaining of the objectives of the Paris Agreement	N/A
	The name of the provider of the temperature scenario used for the alignment with the target of reducing GHG emissions or the attainment of the objectives of the Paris Agreement	N/A
	The Methodology used for the measurement of the alignment with the temperature scenario	N/A
	The hyperlink to the website of the temperature scenario used	N/A

