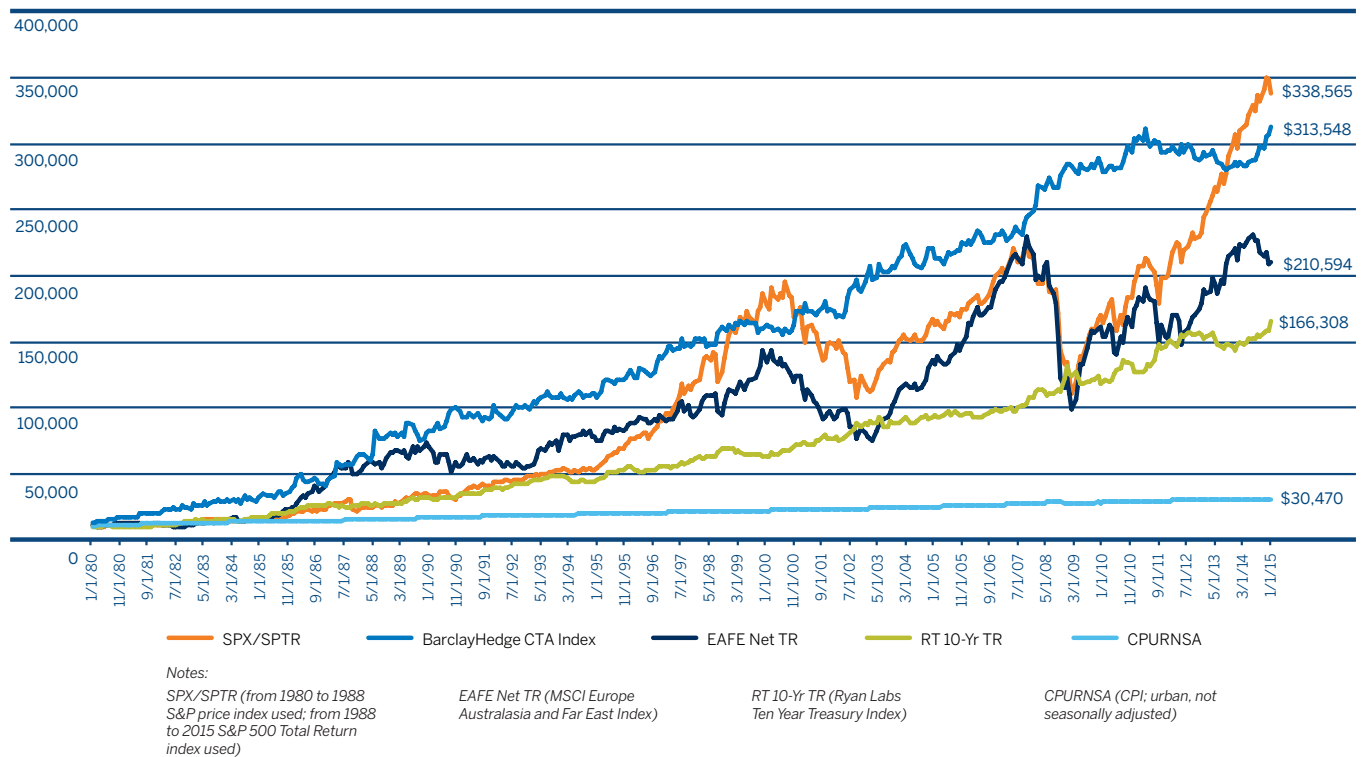


# 10 COMPELLING REASONS TO CONSIDER ADDING **MANAGED FUTURES** TO YOUR PORTFOLIO

COMPARISON OF PERFORMANCE (01/1980 – 01/2015)



- Diversify beyond the traditional asset classes.** Managed Futures are an alternative asset class that has achieved strong performance in both up and down markets, exhibiting low correlation to traditional asset classes, such as stocks, bonds, cash and real estate.
- Reduce overall portfolio volatility.** In general, as one asset class goes up, some other asset class goes down. Managed Futures invest across a broad spectrum of asset classes with the goal of achieving solid long-term returns.
- Increase returns and reduce volatility.** Managed Futures, as well as commodities, when used in conjunction with traditional asset classes, may reduce risk, while at the same time potentially increasing returns.
- Returns evident in any kind of economic environment.** Managed Futures may generate returns in bull and bear markets, boasting solid long-term track records despite economic downturns. Moreover, they often do so with less volatility and smaller drawdowns than other asset classes (see chart above).
- Strong performance during stock market declines.** Managed Futures may do well in down markets because they employ short-selling and options strategies that allow them to profit in such markets.
- Successful institutions use them.** Pension Plan Sponsors, Endowments and Foundations have long used Managed Futures to generate returns in excess of the S&P 500.

**7. Commodity Trading Advisors (CTAs), Pool Operators (CPOs), and Managed Futures Mutual Funds have access to a wide variety of global futures products that are liquid and transparent.**

There are more than 150 liquid futures products across the globe, including stock indexes, fixed income, energies, metals, and agricultural products.

**8. The CTA/CPO/Managed Futures Mutual Fund community is regulated.**

Trading in a regulated marketplace builds the credibility and trustworthiness of the CTA/CPO/Managed Futures Mutual Fund community.

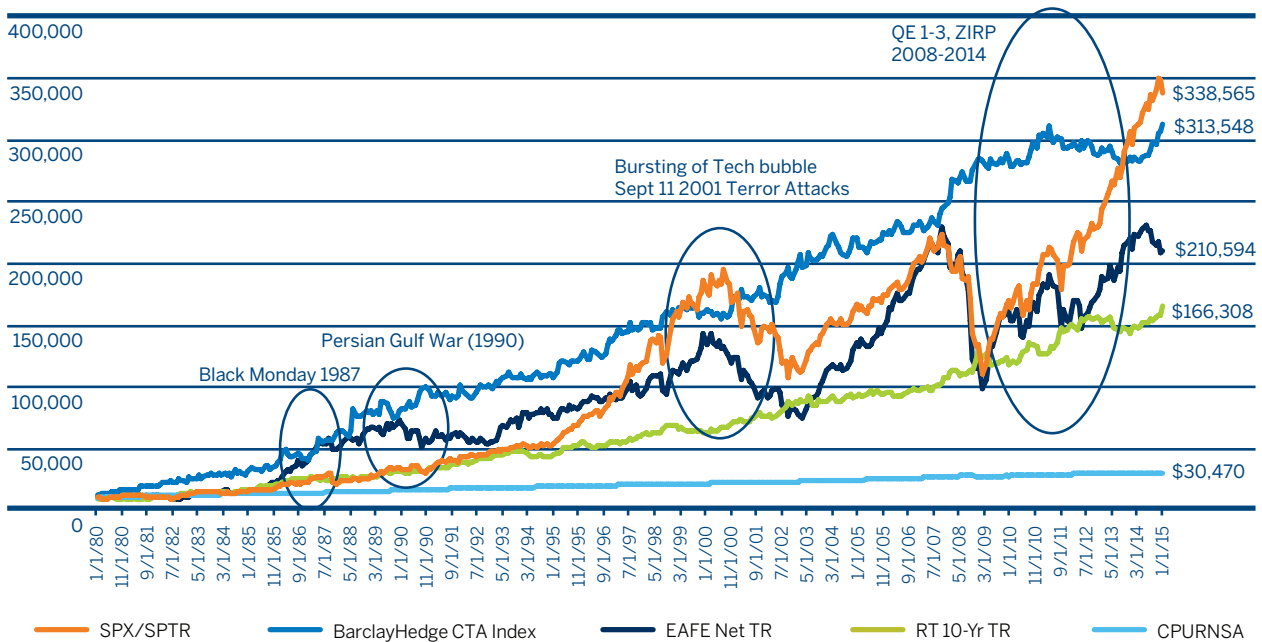
**9. Risk Management and Clearing**

CME Clearing institutes some of the most sophisticated risk management practices in the financial world. For more than 100 years, CME Clearing has provided services that substantially mitigate the risk of clearing member failure. CME Clearing has provided the resources to ensure the performance of every contract on our exchanges for more than a century.

**10. Overall industry growth has been exceptional.**

In the last 35 years, assets under management for the Managed Futures industry have grown 1000 fold. Current assets under management stand at over \$310 billion.

WHEN CRITICAL EVENTS OCCUR (01/1980 – 01/2015)



Visit [cmegroup.com/investorcenter](http://cmegroup.com/investorcenter) for tools and additional resources.

For more information on Managed Futures, contact **David Lerman** at [david.lerman@cmegroup.com](mailto:david.lerman@cmegroup.com) or **+1 312 648 3721**.

Futures trading is not suitable for all investors, and involves the risk of loss. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyles. And only a portion of those funds should be devoted to any one trade because they cannot expect to profit on every trade. All references to options refer to options on futures.

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