

Globex takes off

A smooth start after long countdown for overnight trading system

By William B. Crawford Jr.

Globex, the world's first automated 24-hour commodity-trading network, blazed a chapter in the history of Chicago's futures exchanges Thursday, processing hundreds of trades without a glitch after the first overnight trading session began at 6 p.m.

Driven by a powerful main-frame computer on the East Coast, Globex smoothly matched and cleared hundreds



of trades in four financial futures contracts in the early period of the system's first 12-hour overnight trading session, from 6 p.m. Thursday to 6 a.m. Friday.

Only seconds after the lead-

ers of Chicago's futures exchanges rang in the the overnight trading session, the first confirmed transaction blipped across the screen of a Globex terminal on the floor of the Chicago Mercantile Exchange. The trade: The purchase and sale of 10 September Japanese yen futures contracts.

Owned by the Chicago Board of Trade, the Merc and Reuters PLC, the British information-reporting firm, Globex performed impeccably as orders were entered by

operators of about 200 system terminals at exchange member firms in Paris, London, New York and Chicago.

Initially, only three Merc contracts were listed on the Globex system—Japanese yen, deutsche marks, and yen-deutsche mark cross rate futures. At 10:30 p.m. Thursday, after the CBOT's night-trading session ended, the CBOT's 10-year Treasury note contract also was listed on the Globex system.

The smooth Globex liftoff

follows years of development and the expenditure of more than \$75 million, with Reuters footing about \$70 million of the total and the exchanges picking up the balance. Thursday's launch also followed a week of ceremonial cake cuttings, news conferences and luncheons sponsored by the system's owners to hail the Globex startup, a watershed event for the exchanges.



Tribune photo by Gerald West

From left, Reuters executive Rosalyn Wilton; veteran Leo Melamed; and Merc Chairman CBOT Chairman William O'Connor; Merc John Sandner ring in Globex Thursday.