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Melamed to retire from CME post after two decades

CHICAGO, ILL. — Leo Melamed, who led the Chicago Mercantile Exchange (CME) for two decades through an era of innovation and growth, announced March 5 that he will retire at the end of the year.

He will retire from his duties as special counsel to the CME board of governors, chairman of the executive committee and all other related CME responsibilities. The decisions, reached after months of deliberation with family and friends "cannot be altered," Melamed said. He will stay on at the CME through the end of the year to assist in the transition of new leadership and to help launch Globex, the CME's foray into electronic trading.

"There comes a moment in everyone's career when he knows in his heart it is time for a change," Melamed said in a letter to the board of governors. "Fortunately, my decision comes at a time when CME business is booming, when our transaction volume is at a record pace, when our membership values are at the highest level of any exchange in the nation, and when our future is bright," he added.

Melamed led a slate of new leaders to victory in a CME election in 1967 at a time when the CME was a small, regional trading center for agricultural products.

In 1972, following the collapse of the world's system of fixed currency exchange rates, Melamed developed the idea of financial futures and enlisted the help of Nobel Laureate Milton Friedman to win government approval for trading the first financial futures contracts on foreign currency rates.

The ensuing creation of the International Monetary Market set in motion the expansion of the futures industry into interest rates and stock indices. By the end of the 1980s, the CME led all exchanges in the world in the value of its memberships and the amount of open interest in its products. #