

CME S&P Case Shiller Futures

March 31, 2021 Snapshot



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Overview

Objective

- The purpose of this monthly report is to compile information from a variety of sources into one place, at a point in time, to facilitate the understanding, analysis, awareness, and hopefully trading of the CME Case Shiller Home Price futures (and options) and other housing derivative products. Feel free to contact me if you have an ideas for an outright trade, calendar spread, option or inter-city theme.

Market Color/Discussion

- Resources: www.homepricefutures.com
- Market Updates: Twitter @HomePriceFuture
- LinkedIn: There is a CME Case Shiller home price futures group, but I use Twitter and blogs more often.
- Note: Almost all of the bid/ask quotes that are used here are my record of end-of-trading day prices, and thus may differ from CME closes and quotes, which are tallied an hour earlier.
- I use CUS and HCI interchangeably for the 10-city index. Different trading platforms use different symbols. Sorry for any confusion.
- Based demand for hedging products for other regions I recently launched Home Price Hedging Fund <https://www.homepricefutures.com/hphf>
Contact me with any interest in hedging Top 50 cities.



Observations for Mar 2021

- **Trading/Quotes/Spreads/Activity:**
 - Only eight lots traded in March, in four regions and three expirations.
 - Prices continued to rise, particularly after the Mar. 30th index updates.
 - Bid/ask spreads widened slightly in key markets (K21, G22 and G23).
 - Third party interest was sporadic.
 - I'm quoting OTC options (puts and calls) on 20 Case Shiller indices. See <https://www.homepricefutures.com/options> for updates.
 - I'm also to posting levels on OTC home price agreements, referencing cites not covered by CME contracts, using my HPHF platform. See <https://www.homepricefutures.com/my-quotes> for color.
 - I'm open to quoting agreement on international cities and have been updating the Compass Paris home price index and HPHF Feb '22 forward levels as the index is updated biweekly.
 - Please feel free to DM me on ideas for trades on any of the above.
 - This recap is somewhat pared down from prior versions. DM me for color on calendar and intercity spreads.
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Price Changes/ Mar 31 v Feb 26

- Bids were higher across all regions and expirations (in aggregate).
- Bid/ask spreads were tighter in three key expirations (K21, G22, and G23).
- Only markets with two-sided quotes are tallied . For this month, that's K21, G22, G23, and G25.

CME S&P Case Shiller Home Price Futures: Mar 31 v Feb 26

	Bid Δ	Ask Δ	Δ	Change*		Bid	Ask	
CUS	54.4	67.6	-13.2	K21	38.2	45.4	-7.2	
BOS	41.0	47.8	-6.8	Q21	44.8	53.0	-8.2	
CHI	9.4	16.4	-7.0	X21	58.0	65.4	-7.4	
DEN	31.2	39.4	-8.2	G22	66.8	89.2	-22.4	
LAV	38.2	40.0	-1.8	K22	0.0	0.0	0.0	
LAX	35.4	44.0	-8.6	X22	6.2	9.8	-3.6	
MIA	38.8	39.4	-0.6	G23	78.4	104.0	-25.6	
NYM	26.8	37.8	-11.0	G24	7.4	9.8	-2.4	
SDG	50.8	65.6	-14.8	G25	63.2	68.4	-5.2	
SFR	20.4	25.6	-5.2	G26	8.2	7.8	0.4	
WDC	24.8	29.2	-4.4					
	371.2	452.8	-81.6		371.2	452.8	-81.6	

*Change -only for 2-sided mkts

*- These prices are my best effort to collect end-of-day data and are not actual closing CME bids and offers.

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Price Changes (1 of 3)

CME S&P Case Shiller Home Price Futures: Mar 31 v Feb 26

9	Bid	Ask	Bid	Ask	Bid Δ	Ask Δ	10	Bid	Ask	Bid	Ask	Bid Δ	Ask Δ
HCI	256.50						BOS	252.27					
HCIK21	260.6	263.6	257.2	259.8	3.4	3.8	BOSK21	256.8	259.8	252.8	255.6	4.0	4.2
HCIQ21	265.0	270.0	260.6	264.8	4.4	5.2	BOSQ21	262.4	267.0	257.0	261.8	5.4	5.2
HCIX21	265.2	269.6	260.4	263.8	4.8	5.8	BOSX21	262.6	267.8	256.4	261.4	6.2	6.4
HCIG22	264.4	268.4	258.6	260.6	5.8	7.8	BOSG22	261.4	265.4	255.0	256.4	6.4	9.0
HCIK22	265.8	272.4					BOSK22	262.6		256.0		6.6	
HCIX22	269.2	276.4	263.0	266.6	6.2	9.8	BOSX22	265.0		259.0		6.0	
HCIG23	268.4	275.4	262.0	265.6	6.4	9.8	BOSG23	266.4	272.4	258.0	261.4	8.4	11.0
HCIG24	271.4	278.4	264.0	268.6	7.4	9.8	BOSG24	270.0		260.2	265.4	9.8	
HCIG25	273.8	280.8	266.0	273.0	7.8	7.8	BOSG25	273.0	281.4	262.4	269.4	10.6	12.0
HCIG26	275.6	286.4			8.2		BOSG26	274.4					

9	Bid	Ask	Bid	Ask	Bid Δ	Ask Δ
CHI	154.89					
CHIK21	157.6	160.6	156.2	159.0	1.4	1.6
CHIQ21	161.6	166.2	160.6	164.0	1.0	2.2
CHIX21	161.8	166.0	160.0	165.0	1.8	1.0
CHIG22	160.4	164.6	158.0	160.0	2.4	4.6
CHIK22	161.0		158.2		2.8	
CHIX22	165.0		163.0		2.0	
CHIG23	162.4	168.2	160.2	163.8	2.2	4.4
CHIG24	163.6		162.2		1.4	
CHIG25	164.6	174.6	164.0	172.0	0.6	2.6
CHIG26	165.6					

*- These prices are my best effort to collect end-of-day data and are not actual closing CME bids

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Price Changes (2)

CME S&P Case Shiller Home Price Futures: Mar 31 v Feb 26

	Bid	Ask	Bid	Ask	Bid Δ	Ask Δ		Bid	Ask	Bid	Ask	Bid Δ	Ask Δ
DEN	246.05						LAV	212.60					
DENK21	250.2	254.2	246.4	249.4	3.8	4.8	LAVK21	215.4	219.0	212.4	215.6	3.0	3.4
DENQ21	255.2	261.2	251.4	255.4	3.8	5.8	LAVQ21	219.6	225.0	215.4	221.6	4.2	3.4
DENX21	255.8	262.0	251.0	255.8	4.8	6.2	LAVX21	221.2	227.0	216.4	221.8	4.8	5.2
DENG22	253.4	258.0	248.2	250.8	5.2	7.2	LAVG22	221.0	225.0	214.0	217.0	7.0	8.0
DENK22	255.0		248.4		6.6		LAVK22	221.4		211.0		10.4	
DENX22	259.0		254.0		5.0		LAVX22	224.0		217.0		7.0	
DENG23	257.0	264.0	251.0	255.8	6.0	8.2	LAVG23	225.0	231.0	215.0	221.0	10.0	10.0
DENG24	259.6		254.2		5.4		LAVG24	227.4		217.0		10.4	
DENG25	263.6	271.0	256.0	263.8	7.6	7.2	LAVG25	228.2	241.0	219.0	231.0	9.2	10.0
DENG26	262.6						LAVG26	228.6					

	Bid	Ask	Bid	Ask	Bid Δ	Ask Δ		Bid	Ask	Bid	Ask	Bid Δ	Ask Δ
LAX	321.04						MIA	273.12					
LAXK21	326.0	329.6	321.4	324.2	4.6	5.4	MIK21	276.0	279.0	271.2	274.0	4.8	5.0
LAXQ21	331.0	337.0	326.0	331.0	5.0	6.0	MIAQ21	279.2	284.2	273.8	278.8	5.4	5.4
LAXX21	331.6	338.4	325.0	330.8	6.6	7.6	MIAX21	280.0	285.6	273.6	280.2	6.4	5.4
LAXG22	331.0	337.4	322.8	326.0	8.2	11.4	MIAG22	279.4	284.0	273.0	276.6	6.4	7.4
LAXK22	333.0		322.8		10.2		MIK22	280.8		272.0		8.8	
LAXX22	336.0		326.0		10.0		MIAX22	282.4		276.0		6.4	
LAXG23	336.0	345.2	325.0	331.6	11.0	13.6	MIAG23	282.8	289.4	275.4	281.0	7.4	8.4
LAXG24	339.6		327.6		12.0		MIAG24	284.8		276.8		8.0	
LAXG25	341.4		330.0	340.0	11.4		MIAG25	286.6	297.8	278.2	290.0	8.4	7.8
LAXG26	342.0						MIAG26	287.2					

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Price Changes (3)

CME S&P Case Shiller Home Price Futures: Mar 31 v Feb 26

	Bid	Ask	Bid	Ask	Bid Δ	Ask Δ		Bid	Ask	Bid	Ask	Bid Δ	Ask Δ
DEN	246.05						LAV	212.60					
DENK21	250.2	254.2	246.4	249.4	3.8	4.8	LAVK21	215.4	219.0	212.4	215.6	3.0	3.4
DENQ21	255.2	261.2	251.4	255.4	3.8	5.8	LAVQ21	219.6	225.0	215.4	221.6	4.2	3.4
DENX21	255.8	262.0	251.0	255.8	4.8	6.2	LAVX21	221.2	227.0	216.4	221.8	4.8	5.2
DENG22	253.4	258.0	248.2	250.8	5.2	7.2	LAVG22	221.0	225.0	214.0	217.0	7.0	8.0
DENK22	255.0		248.4		6.6		LAVK22	221.4		211.0		10.4	
DENX22	259.0		254.0		5.0		LAVX22	224.0		217.0		7.0	
DENG23	257.0	264.0	251.0	255.8	6.0	8.2	LAVG23	225.0	231.0	215.0	221.0	10.0	10.0
DENG24	259.6		254.2		5.4		LAVG24	227.4		217.0		10.4	
DENG25	263.6	271.0	256.0	263.8	7.6	7.2	LAVG25	228.2	241.0	219.0	231.0	9.2	10.0
DENG26	262.6						LAVG26	228.6					

	Bid	Ask	Bid	Ask	Bid Δ	Ask Δ		Bid	Ask	Bid	Ask	Bid Δ	Ask Δ
LAX	321.04						MIA	273.12					
LAXK21	326.0	329.6	321.4	324.2	4.6	5.4	MIK21	276.0	279.0	271.2	274.0	4.8	5.0
LAXQ21	331.0	337.0	326.0	331.0	5.0	6.0	MIAQ21	279.2	284.2	273.8	278.8	5.4	5.4
LAXX21	331.6	338.4	325.0	330.8	6.6	7.6	MIAX21	280.0	285.6	273.6	280.2	6.4	5.4
LAXG22	331.0	337.4	322.8	326.0	8.2	11.4	MIAG22	279.4	284.0	273.0	276.6	6.4	7.4
LAXK22	333.0		322.8		10.2		MIK22	280.8		272.0		8.8	
LAXX22	336.0		326.0		10.0		MIAX22	282.4		276.0		6.4	
LAXG23	336.0	345.2	325.0	331.6	11.0	13.6	MIAG23	282.8	289.4	275.4	281.0	7.4	8.4
LAXG24	339.6		327.6		12.0		MIAG24	284.8		276.8		8.0	
LAXG25	341.4		330.0	340.0	11.4		MIAG25	286.6	297.8	278.2	290.0	8.4	7.8
LAXG26	342.0						MIAG26	287.2					

*- These prices are my best effort to collect end-of-day data and are not actual closing CME bids



Bid/Ask Spreads

- Tightest two bid/ask spreads (by expiration) in green/ widest two in red.
 - Bid/Ask spreads widened during March. For example, K21 contracts had an average spread of 2.8 points last month-end. Today they the B/A spreads average 3.5 points. This may be due to CS update occurring the day before month-end.
 - Quoted spreads are often posted GTC markets for 1x1 (one bid vs one ask) so that I can leave them open for hours at a time without constant monitoring. DM to discuss better prices, or increased sizes.
 - I don't intend to fill out G24, G26 contracts until requested, as I believe that G23 and G25 should satisfy mid- and longer-term outlooks.

BID/ASK Spread												
		CUS	BOS	CHI	DEN	LAV	LAX	MIA	NYM	SDG	SFR	WDC
May '21	K21	3.0	3.0	3.0	4.0	3.6	3.6	3.0	4.0	4.0	3.6	3.4
Aug '21	Q21	5.0	4.6	4.6	6.0	5.4	6.0	5.0	6.0	6.0	5.4	5.4
Nov '21	X21	4.4	5.2	4.2	6.2	5.8	6.8	5.6	5.8	6.8	5.8	4.4
Feb '22	G22	4.0	4.0	4.2	4.6	4.0	6.4	4.6	4.8	5.4	5.0	3.0
May '22	K22	6.6										
Nov '22	X22	7.2										
Feb '23	G23	7.0	6.0	5.8	7.0	6.0	9.2	6.6	6.6	8.6	7.4	4.8
Feb '24	G24	7.0										
Feb '25	G25	7.0	8.4	10.0	7.4	12.8		11.2		10.4		7.4
Feb '26	G26	10.8										

Forward Curve: v Pre-Covid (2/21/2020)

- Forward curves are solidly above levels from last Feb, and far above lows reached in April.
- Short expiration curves have some steepness, but longer-dated contracts are near flat as hedging inquiries dwarf buy interest.
- DM me for curves on ten regional contracts.

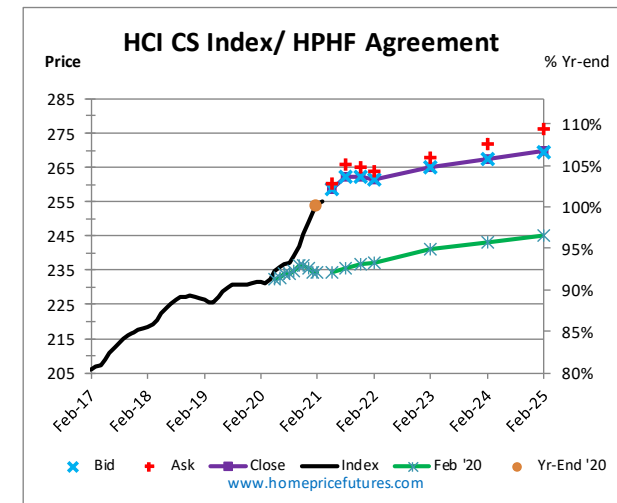
CS 10-city HCI

a/o 4/1/2021

Contract	Expiration	Last/ Mid*	Prices		Mkt % spot	
			Bid	Ask	Bid	Ask
HCI		254.18				
HCIK21	May '21	258.6	258.6	260.4	101.7%	102.4%
HCIQ21	Aug '21	262.4	262.4	266.0	103.2%	104.7%
HCIX21	Nov '21	262.2	262.2	265.0	103.2%	104.3%
HCIG22	Feb '22	261.4	261.4	264.0	102.8%	103.9%
HCIG23	Feb '23	265.2	265.2	268.0	104.3%	105.4%
HCIG24	Feb '24	267.4	267.4	272.0	105.2%	107.0%
HCIG25	Feb '25	270.0	269.4	276.4	106.0%	108.7%
HCIG26	Feb '26	272.0	271.4	282.0	106.8%	110.9%

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* -Mid is shown where no CME contracts exists



Trading Activity: Mar/Rolling-12 mon

- Eight lots traded in March in four regions and in three expirations.
- Third-party activity remains quiet.
- My tallies may differ from CME by 1-2 lots in 2020 YTD and rolling 12.
- Rolling 12-month tallies are collapsing as busy months of Feb-April 2020 (when margin increases, change of contract expirations, market reaction to Covid lead to trading surge) drop from 12-month totals.

CME Case Shiller Trading					
Futures					
Contract	March	Trailing 12	Region	March	Trailing 12
	8	168		8	168
K20	0	30	HCI	3	54
Q20	0	26	BOS	0	7
X20	0	27	CHI	1	8
G21	0	43	DEN	0	16
K21	4	8	LAV	1	7
Q21	0	6	LAX	0	10
X21	0	0	MIA	0	10
G22	3	7	NYM	0	10
K22	0	0	SDG	0	16
X22	1	7	SFR	3	19
G23	0	3	WDC	0	6
G24	0	6	TBA	0	5
G25	0	0			
TBA	0	5			

Volume: CME S&P Case Shiller

	Contracts Traded									
	By Month									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Jan	8	15	8	9	25	9	3	16	15	
Feb	7	21	4	8	8	3	2	27	8	
Mar	26	10	12	2	13	9	42	79	8	
Apr	11	14	14	14	5	9	19	50		
May	17	52	6	16	12	7	3	13		
June	4	2	2	3	13	15	2	21		
July	18	2	5	9	6	5	10	9		
Aug	12	19	5	5	18	8	9	18		
Sept	29	1	3	11	22	2	19	16		
Oct	68	15	9	17	9	22	19	2		
Nov	23	10	15	46	2	11	14	2		
Dec	7	5	10	7	3	10	6	6		
Total	230	166	93	147	136	110	148	259		
	Running 12								168	

Disclosures

Risk Factors/Disclosure

- This report was prepared by an independent market maker of the CME Case Shiller futures contracts. The views expressed are his own and should not be construed to represent the views of the CME, S&P , CoreLogic, or any other entity.
- The author makes no representations as to the accuracy or completeness of any information contained in this report.
- The information gathered was at a point in time. The bids/offers described here are dated and may not exist in the current market.
- The quotes shown are for a minimum of one lot. There is no guarantee as to the depth of the market, nor is there any guarantee that an on-going bid/ask spread will be made in every market.
- The observations made herein is for informational purposes and should not be considered investment advice nor a recommendation to trade futures. Futures trading may be risky and one should consult a futures broker before trading.
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