



Special Executive Report

DATE: March 14, 2018
SER#: 8111
SUBJECT: Initial Listing of Eleven (11) Baltic Freight Route BALMO Futures Contracts

Effective Sunday, April 8, 2018, for trade date Monday, April 9, 2018, and pending all relevant CFTC regulatory review periods, New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) will list eleven (11) new freight route balance-of-month (“BALMO”) futures contracts based on the Baltic Exchange (“Baltic”) price assessments (collectively, the “Contracts”) for trading on the CME Globex electronic trading platform and for submission for clearing via CME ClearPort as provided in the table below. The related monthly futures contracts’ commodity codes on which the BALMO futures contracts are based are also provided in the table for reference.

The Contracts will be cash settled against the arithmetic average of the respective Baltic front month settlement prices for each business day of the contract month. A summary of the Contracts’ specifications is provided in Appendix A.

Contract Title	Rulebook Chapter	Commodity Code	Monthly Futures Contract Commodity Code
Freight Route LPG (Baltic) BALMO Futures	877	FLB	FLP
Freight Route TC2 (Baltic) BALMO Futures	878	TMB	TM
Freight Route TC6 (Baltic) BALMO Futures	880	T6B	TC6
Freight Route TC9 (Baltic) BALMO Futures	881	T9B	TC9
Freight Route TC12 (Baltic) BALMO Futures	882	TB2	FRS
Freight Route TC14 (Baltic) BALMO Futures	883	T4B	FRC
Freight Route TC15 (Baltic) BALMO Futures	884	T5B	T5C
Freight Route TD3C (Baltic) BALMO Futures	885	TLB	TL
Freight Route TD7 (Baltic) BALMO Futures	886	TKB	TK
Freight Route TD8 (Baltic) BALMO Futures	887	T8B	TD8
Freight Route TD20 (Baltic) BALMO Futures	888	T2B	T2D

Trading and Clearing Hours

CME Globex and CME ClearPort: Sunday – Friday 6:00 p.m. – 5:00 p.m. Eastern Time/ET (5:00 p.m. – 4:00 p.m. Central Time/CT) with an hour break each day beginning at 5:00 p.m. ET (4:00 p.m. CT).

Exchange Fees

Exchange Fees	Member	Non-Member	International Incentive Programs (IIP/IVIP)
Globex	\$2.60	\$3.25	\$2.90
EFP	\$2.60	\$3.25	
Block	\$2.60	\$3.25	
EFR/EOO	\$2.60	\$3.25	

Processing Fees	Member	Non-Member
Cash Settlement	\$0.50	\$0.50

Other Processing Fees	Fee
Facilitation Fee	\$0.60
Give-Up Surcharge	\$0.05
Position Adjustments/Position Transfers	\$0.10

For additional information, please contact:

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APPENDIX A
SUMMARY CONTRACT SPECIFICATIONS

Contract Title	Freight Route Liquid Petroleum Gas (Baltic) BALMO Futures
Commodity Code	FLB
Rulebook Chapter	877
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.001 per metric ton
Value per Tick	\$1.00
Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the BLPG price assessment (for 44,000 metric tons for Ras Tanura to China) published by the Baltic Exchange that is published during the contract settlement period, starting from the selected start date through the end of the contract month. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties
First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TC2 (Baltic) BALMO Futures
Commodity Code	TMB
Rulebook Chapter	878
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial

Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TC2 Tanker Route (for 37,000 metric tons for Continent Europe to USAC) is published by the Baltic Exchange over the contract month, starting from the selected start date through the end of the contract month. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties
First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TC6 (Baltic) BALMO Futures
Commodity Code	T6B
Rulebook Chapter	880
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TC6 Tanker Route (for 30,000 metric tons for Algeria to Euromed) is published by the Baltic Exchange over the contract month, starting from the selected start date through the end of the contract month. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties
First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month

Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TC9 (Baltic) BALMO Futures
Commodity Code	T9B
Rulebook Chapter	881
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TC9 Tanker Route (for 30,000 metric tons for Baltic to UK-Continent (Primorsk to Le Havre)) is published by the Baltic Exchange over the contract month, starting from the selected start date through the end of the contract month. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties
First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TC12 (Baltic) BALMO Futures
Commodity Code	TB2
Rulebook Chapter	882
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10

Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	<p>The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TC12 Tanker Route (for 35,000 metric tons for Sikka, West Coast India to Chiba, Japan) is published by the Baltic Exchange over the contract month, starting from the selected start date through the end of the contract month.</p> <p>If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties</p>
First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TC14 (Baltic) BALMO Futures
Commodity Code	T4B
Rulebook Chapter	883
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	<p>The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TC14 Tanker Route (for 38,000 metric tons for US Gulf to Continent Europe) is published by the Baltic Exchange over the contract month, starting from the selected start date through the end of the contract month.</p> <p>If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties</p>

First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TC15 (Baltic) BALMO Futures
Commodity Code	T5B
Rulebook Chapter	884
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	<p>The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TC15 Tanker Route (for 80,000 metric tons for Mediterranean to Far East (Skikda to Chiba) is published by the Baltic Exchange over the contract month, starting from the selected start date through the end of the contract month. Baltic Exchange publishes rates for the TC15 Tanker Route on a lumpsum basis, therefore rates published the Baltic Exchange shall be divided by the stated route tonnage in order to determine the Floating Price.</p> <p>If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties</p>
First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TD3C (Baltic) BALMO Futures
Commodity Code	TLB
Rulebook Chapter	885

Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	<p>The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TD3C Tanker Route (for 270,000 metric tons for Middle East Gulf to China) is published by the Baltic Exchange over the contract month, starting from the selected start date through the end of the contract month.</p> <p>If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties</p>
First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TD7 (Baltic) BALMO Futures
Commodity Code	TKB
Rulebook Chapter	886
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	<p>The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TD7 Tanker Route (for 80,000 metric tons for North Sea to UK-Continent) is published by the Baltic Exchange over the contract month,</p>

	<p>starting from the selected start date through the end of the contract month.</p> <p>If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties</p>
First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TD8 (Baltic) BALMO Futures
Commodity Code	T8B
Rulebook Chapter	887
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	<p>The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TD8 Tanker Route (for 80,000 metric tons for Kuwait to Singapore) is published by the Baltic Exchange over the contract month, starting from the selected start date through the end of the contract month.</p> <p>If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties</p>
First Listed Month	April 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TD20 (Baltic) BALMO Futures
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Commodity Code	T2B
Rulebook Chapter	888
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listing Schedule	Monthly contracts listed for the current month and the next two months. A new calendar month contract will be added following termination of trading in current contract month.
Floating Price	<p>The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the rates for each business day that the TD20 Tanker Route (for 130,000 metric tons for Bonny, Nigeria to Rotterdam, Netherlands) is published by the Baltic Exchange over the contract month, starting from the selected start date through the end of the contract month.</p> <p>If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties</p>
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Block Trade Minimum Threshold	5 contracts
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