



Special Executive Report

S-5820

June 24, 2011

Revisions to NYMEX Special Price Fluctuation Limit Rules

Effective on Sunday, June 26, 2011, for trade date Monday, June 27, 2011, NYMEX will adopt revisions to the special price fluctuation limit rules in its core energy products that will limit Triggering Events to the first three contract months trading on CME Globex.

Effective with the change, in circumstances where a market in any of the first three contract months in NYMEX New York Harbor No. 2 Heating Oil, New York Harbor Ultra-Low Sulfur Diesel (ULSD), RBOB Gasoline, Light Sweet Crude Oil or Henry Hub Natural Gas futures is bid or offered on the CME Globex platform at the upper or lower price limit, as applicable (identified as a Triggering Event), a five minute trading halt will ensue. The trading halt will continue to apply to all contract months trading on CME Globex and in the pit, in addition to all associated options on those products and any of the products set forth in the Associated Products Appendix within each Rule. Upon the reopening of the market, the price limits will be expanded by an additional increment above or below the previous day's settlement price.

The revisions are intended to prevent a market halt based on activity in the less liquid fourth through ninth contract months trading on CME Globex.

The revisions appear below, with additions underscored and deletions overstruck.

Chapter 150 – New York Harbor No. 2 Heating Oil Futures

150.07A Special Price Fluctuation Limits for New York Harbor No. 2 Heating Oil

[Section (A) is unchanged.]

(B)(1) Triggering Event and Temporary Trading Halt Related to Trading on Globex®. If a market for any of the first ~~threenine~~ (39) contract months is bid or offered at the upper or lower price fluctuation limit, as applicable, on Globex it will be considered a Triggering Event which will halt trading for a five (5) minute period in all contract months of the HO futures contract, as well as all contract months in all products cited in the Associated Product Appendix of this rule. Trading in any option related to this contract or in an option contract related to any products cited in the Associated Product Appendix which may be available for trading on either Globex or on the Trading Floor, shall additionally be subject to a coordinated trading halt.

[The remainder of the Rule is unchanged.]

Chapter 151 – New York Harbor Ultra- Low Sulfur Diesel (ULSD) FUTURES

151.07A Special ~~Prices and Fluctuations~~ Price Fluctuation Limits for New York Harbor Ultra-Low Sulfur Diesel (ULSD)

(A) Initial Price Fluctuation Limits for All Contract Months. At the commencement of each trading day, there shall be price fluctuation limits in effect for each contract month of this futures contract of \$.25 per gallon above or below the previous day's settlement price for such contract month.

(B)

(1) Triggering Event and Temporary Trading Halt– Related to Trading on Globex®.

If a market for any of the first three (3) contract month is traded or, months is bid ~~in the case of upward price moves or is or~~ offered ~~in the case of downward price moves, for five (5) minutes consecutively~~ at the upper or lower price fluctuation limit, as applicable, then on Globex it will be considered a Triggering Event will be deemed to have occurred.

(2) As a result of such Triggering Event, the market which will be given notice immediately that the market will be halted immediately halt trading for a five (5) minute temporary trading halt period in all contract months of ~~that the LH~~ futures

contract, ~~the associated~~ as well as all contract months in all products cited in the Associated Product Appendix of this rule. Trading in any option contract and related futures contracts listed to this contract or in an option contract related to any products cited in the Associated Product Appendix which may be available for trading on the NYMEX Clearport® Trading platform ("Temporary Trading Halt"), either Globex or on the Trading Floor, shall additionally be subject to a coordinated trading halt.

~~(32)~~ Expansion of Limits Following Temporary Trading Halt. Following the end of the 5-minute Temporary Trading Halt, the ~~market affected markets~~ shall ~~re-open~~ ~~re-open~~ simultaneously in all contract months of ~~this~~ ~~these~~ futures ~~contract~~ ~~contracts~~. When trading resumes, price fluctuation limits for each contract month, shall be expanded ~~to \$.50 per gallon~~ ~~an additional increment of the price fluctuation limits~~, above and below the previous day's settlement price for ~~such contract month~~. In addition, price fluctuation limits also shall be expanded at that time for all other floor-traded NYMEX Division energy futures (except for Natural Gas and Liquefied Propane Gas futures) as if a trading halt had occurred ~~each contract month~~ in such other contracts, notwithstanding that the Temporary Trading Halt occurred only for New York Harbor Heating Oil futures ~~the affected contracts~~, on Globex and on the trading floor (as applicable).

~~(4)~~ With the exception of the final fifteen minutes of the Regular Trading Hours session, in each ~~(3)~~ Each instance in which a Triggering Event occurs, a Temporary Trading Halt will commence as provided by ~~subsections~~ ~~Sub-Sections~~ (1)-~~(32)~~ above, and following each such Temporary Trading Halt, the price fluctuation limits for ~~each~~ ~~all~~ contract ~~month~~ ~~months~~ shall be expanded by an additional \$.25 per gallon above and below the previous day's settlement price for ~~such contract month~~ ~~increment of the price fluctuation limits for LH~~ as well as all products cited in the Associated Products Appendix in this rule.

~~(C) Final Fifteen Minutes of the Regular Trading Hours Session~~ ~~Regardless~~ ~~(4) End of Day Lifting of Price Fluctuation Limits~~. On any Exchange business day, regardless of any prior action concerning price fluctuation limits during the trading session, commencing ~~fifteen (15)~~ ~~sixty (60)~~ minutes before the close of the Regular Trading Hours (RTH) session, there shall be no price fluctuation limits on any contract month in ~~this~~ LH and all products cited in the Associated Products Appendix of this rule. The Price Fluctuation Limits shall be reinstated after the close of RTH for trading on Globex and shall be in effect through to the conclusion of the current trading day's Globex trading session.

~~(C) Price Fluctuation Limits on the Trading Floor (Floor Trading)~~

~~(1)~~ The price fluctuation limits cited in section (A) of this rule shall be applicable on the Trading Floor (Floor Trading). However, all markets on the trading floor shall be limited to trading at these price levels (locked limit) and shall not constitute a Triggering Event for purposes of a Temporary Trading halt on Globex.

~~(2)~~ In all instances when a Triggering Event in LH occurs on Globex, Floor Trading In LH and any products cited in the Associated Products Appendix of this rule shall immediately halt. Additionally, trading in any option related to this contract or in an option contract and accordingly no further trading halts may occur for the remainder of the trading session. The trading ranges applicable to post-close trading sessions shall be governed by ~~related to any products cited in the Associated Product Appendix~~, shall be subject to a coordinated trading halt.

~~(3)~~ Whenever Globex markets are expanded and re-opened pursuant to the provisions of NYMEX Rule 6.57 or 6.57A, as applicable ~~Section (B) of this rule~~, effected markets on the Trading Floor shall re-open with the expanded limits in place.

~~(D) Application of Price Fluctuation Limits to Globex®~~

~~(1)~~ The limits described in this rule shall apply to trading on Globex® except as provided by NYMEX Rule 6.56 provided however that a Triggering Event generating an immediate trading halt will occur whenever a limit price is merely touched in this futures contract and the trading halt will only be for such brief period of time as is necessary for staff to expand the limits in this futures contract.

~~(2)~~ In addition, when trading resumes after such a brief trading halt occurs in this futures contract, price fluctuation limits also shall be expanded at that time for all other NYMEX Division energy futures listed on Globex® (except for Natural Gas and Liquefied Propane Gas futures) as if a trading halt had occurred in such other contracts, notwithstanding that the Temporary Trading Halt occurred only for this futures contract.

~~(3)~~ Accordingly, in the event that price fluctuation limits are expanded during a Globex® Regular Trading Hours session shall commence with the expanded price fluctuation limits in effect at the close of such Globex® trading session.

~~(E) Exception for Last Trading Day of an Expiring Contract Month. RTH and Globex® Sessions on Last Trading Day.~~ Notwithstanding the preceding sections of this rule, there shall be no limitations on price fluctuations for any contract month of the New York Harbor Heating Oil futures contract during RTH or Globex® sessions of the final trading day in the current delivery month.

~~(D) Associated Products Appendix~~

BZ BRENT CRUDE OIL
CL LIGHT SWEET CRUDE OIL
HO NY HARBOR HEATING OIL
RB NY HARBOR RBOB
LH NY HARBOR ULTRA LOW SULPHUR DIESEL
LU GULF COAST ULTRA LOW SULPHUR DIESEL
LR GULF COAST GASOLINE
QEN ETHANOL

RE REBCO CRUDE OIL
QM MiNY Crude Oil
QH MiNY NY Harbor Heating Oil
QU MiNY NY Harbor RBOB

Chapter 191 – RBOB Gasoline Futures

191.07A SPECIAL PRICE FLUCUATION LIMITS FOR (RBOB) GASOLINE FUTURES

[Section (A) is unchanged.]

(B) (1) Triggering Event and Temporary Trading Halt Related to Trading on Globex®.

If a market for any of the first ~~threenine~~ (39) contract months is bid or offered at the upper or lower price fluctuation limit, as applicable, on Globex it will be considered a Triggering Event which will halt trading for a five (5) minute period in all contract months of the RB futures contract, as well as all contract months in all products cited in the Associated Product Appendix of this rule. Trading in any option related to this contract or in an option contract related to any products cited in the Associated Product Appendix which may be available for trading on either Globex or on the Trading Floor, shall additionally be subject to a coordinated trading halt.

[The remainder of the Rule is unchanged.]

Chapter 200 – Light Sweet Crude Oil Futures

200.06A Special Price Fluctuation Limits for Light Sweet Crude Oil Futures

[Section (A) is unchanged.]

(B)(1) Triggering Event and Temporary Trading Halt Related to Trading on Globex®. If a market for any of the first ~~threenine~~ (39) contract months is bid or offered at the upper or lower price fluctuation limit, as applicable, on Globex it will be considered a Triggering Event which will halt trading for a five (5) minute period in all contract months of the CL futures contract, as well as all contract months in all products cited in the Associated Product Appendix of this rule. Trading in any option related to this contract or in an option contract related to any products cited in the Associated Product Appendix which may be available for trading on either Globex or on the Trading Floor, shall additionally be subject to a coordinated trading halt.

[The remainder of the Rule is unchanged.]

Chapter 220 – Henry Hub Natural Gas Futures

220.08A Special Price Fluctuation Limits for Henry Hub Natural Gas Futures

[Section (A) is unchanged.]

(B)(1) Triggering Event and Temporary Trading Halt Related to Trading on Globex®. If a market for any of the first ~~threenine~~ (39) contract months is bid or offered at the upper or lower price fluctuation limit, as applicable, on Globex it will be considered a Triggering Event which will halt trading for a five (5) minute period in all contract months of the NG futures contract, as well as all contract months in all products cited in the Associated Product Appendix of this rule. Trading in any option related to this contract or in an option contract related to any products cited in the Associated Product Appendix which may be available for trading on either Globex or on the Trading Floor shall additionally be subject to a coordinated trading halt.

[The remainder of the Rule is unchanged.]

Questions regarding this Special Executive Report should be directed to Paul Millhuff, Director, Globex Control Center, at 312.715.6837.

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or news@cmegroup.com.