



Special Executive Report

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September 3, 2015

**Amendments to CME Rule 588.H. (Globex Non-Reviewable Trading Ranges) and
CME Rule 589. (Special Price Fluctuation Limits)
for Four (4) Onshore and Offshore Chinese Renminbi Futures Contracts**

Effective Sunday, September 20, 2015 for trade date Monday, September 21, 2015, and pending all relevant CFTC regulatory review periods, the Chicago Mercantile Exchange Inc. ("CME" or "Exchange") will amend CME Rule 588.H. (Globex Non-Reviewable Trading Ranges) and CME Rule 589. (Special Price Fluctuation Limits) for the Exchange's onshore and offshore Chinese Renminbi futures contracts commencing with the October 2015 contract month and beyond.

With respect to CME Rule 588.H., the Exchange will increase the Globex non-reviewable trading ranges of standard-sized US Dollar/Onshore Chinese Renminbi (USD/CNY) futures with US Dollar Banking (Rulebook chapter: 270J; Code: CNY), E-micro US Dollar/Onshore Chinese Renminbi (USD/MNY) futures with US Dollar Banking (Rulebook chapter: 343J; Code: MNY), standard-sized US Dollar/Offshore Chinese Renminbi (USD/CNH) futures (Rulebook chapter: 284L; Code: CNH), and E-micro US Dollar/Offshore Chinese Renminbi (USD/MNH) futures (Rulebook chapter: 344L; Code: MNH) from 40 to 150 tick increments.

With respect to CME Rule 589., the Exchange will increase the four circuit breaker levels of USD/CNY, USD/MNY, USD/CNH, and USD/MNH futures from 400/800/1,200/1,600 tick increments to 1,500/3,000/4,500/6,000 tick increments.

CME currently lists USD/CNY, USD/MNY, USD/CNH, and USD/MNH futures for trading on CME Globex and for submission for clearing through CME ClearPort. These four contracts have pricing bases that quote the US dollar in terms of Chinese renminbi and thus are reciprocal versions of the pricing basis of the Exchange's extant Onshore Chinese Renminbi/US Dollar (RMB/USD) futures contract that quotes the Chinese renminbi in terms of US dollars. Since the pricing bases for these four contracts represent the reciprocal of the pricing basis of RMB/USD futures, the Exchange is expanding the Globex non-reviewable trading ranges and special price fluctuation limits of these four contracts in order to more accurately align these four contracts with the pricing basis of RMB/USD futures. The underlying cash market instrument for these four futures, as well as the RMB/USD futures, is Chinese renminbi (RMB), which is a managed, not freely floating, currency. Historically, RMB has been subject to sharp, sudden, and gapping price movements in response to changes in central bank monetary policy by the People's Bank of China (PBC) since the currency is only allowed to float within a pre-specified and narrow trading range versus the US dollar. Given the experience of the recent devaluations of the RMB by the PBC in August 2015, the Exchange seeks to amend the levels of the Globex non-reviewable trading ranges and circuit breakers for these four futures so that these contracts more accurately reflect the Globex non-reviewable trading ranges and circuit breakers of RMB/USD futures. The Exchange believes these current trading parameters are too restrictive for these four futures. By expanding these parameters for these four futures, the Exchange will be better positioned to facilitate price discovery, market stability, and orderliness in the CME Globex central limit order books for these four futures with respect to the extant RMB/USD futures in response to future monetary policy changes in the underlying RMB cash market by the PBC.

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