

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 21-108 (2 of 2)

Organization: Commodity Exchange, Inc. ("COMEX")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 02/19/21 Filing Description: Increase of Spot Month Position Limits of NYMEX and COMEX Physically-Delivered Metals Futures and Related Contracts

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|--------------------------|-------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Notification | § 40.6(d) |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change | § 40.10(h) |

Rule Numbers:

New Product

Please note only ONE product per Submission.

- | | | |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.2(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class | § 40.2(d) |
| <input type="checkbox"/> | Approval | § 40.3(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission | § 39.5 |

Official Product Name:

Product Terms and Conditions (product related Rules and Rule Amendments)

- | | | |
|-------------------------------------|---|----------------------|
| <input checked="" type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Certification Made Available to Trade Determination | § 40.6(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.24(a) |
| <input type="checkbox"/> | Delisting (No Open Interest) | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Approval Made Available to Trade Determination | § 40.5(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.24(c) |
| <input type="checkbox"/> | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/> | "Non-Material Agricultural Rule Change" | § 40.4(b)(5) |
| <input type="checkbox"/> | Notification | § 40.6(d) |

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.

February 19, 2021

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
 Office of the Secretariat
 Commodity Futures Trading Commission
 Three Lafayette Centre
 1155 21st Street, N.W.
 Washington, DC 20581

Re: CFTC Regulation 40.6(a) Certification. Increase of Spot Month Position Limits for NYMEX and COMEX Physically-Delivered Metals Futures and Related Contracts. COMEX Submission No. 21-108 (2 of 2)

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), New York Mercantile Exchange, Inc. (“NYMEX”) and Commodity Exchange, Inc. (“COMEX”) (collectively, the “Exchanges”) are certifying an increase to the spot month position limits of NYMEX and COMEX physically-delivered metals futures contracts in Exhibit 1. below and their related contracts as more specifically described in Appendix A and Appendix B attached, (collectively, the “Contracts”) commencing with the April 2021 contract month and beyond (collectively, the “Rule Amendments”), effective concurrent with the March 15, 2021 effective date for the CFTC’s final rule on Position Limits for Derivatives (“Final Rule”).

In a separate but related matter, and in a further effort to comply with the CFTC’s Final Rule, NYMEX and COMEX are requesting review and approval of amendments to NYMEX/COMEX Rules 559. (“Position Limits and Exemptions”) and 562. (“Position Limit Violations”) (See Submission No. 21-069 dated January 27, 2021.)

Commencing with the April 2021 contract and beyond, for the physically delivered NYMEX and COMEX metals listed in the table below, the spot month position limit will be applied and enforced separately for futures and for deliveries during the spot month.

Exhibit 1

(additions underscored; deletions ~~struck through~~)

Contract Title	Commodity Code	Rule Chapter	Initial Spot-Month Limit (In Net Futures Equivalents) Leg (1)	Spot-Month Position Comprised of Futures and Deliveries (for contracts up to and Including March 2021)	Spot Month Net Delivery Limit (for contracts commencing with April 2021 and beyond)
NYMEX					
Palladium Futures	PA	106	50	For position limit purposes, spot month position comprised of futures and deliveries.	<u>50</u>

Platinum Futures	PL	105	500	For position limit purposes, spot month position comprised of futures and deliveries.	<u>500</u>
COMEX					
Gold Futures	GC	113	6,000	For position limit purposes, spot month position comprised of futures and deliveries.	<u>6,000</u>
Silver Futures	SI	112	4,500 <u>3,000</u>	For position limit purposes, spot month position comprised of futures and deliveries.	<u>3,000</u>
Copper Futures	HG	111	1,000	For position limit purposes, spot month position comprised of futures and deliveries.	<u>1,000</u>
Aluminum Futures	ALI	107	150	For position limit purposes, spot month position comprised of futures and deliveries.	<u>150</u>
Lead Futures	LED	187	10	For position limit purposes, spot month position comprised of futures and deliveries.	<u>10</u>
Zinc Futures	ZNC	186	25	For position limit purposes, spot month position comprised of futures and deliveries.	<u>25</u>
Gold Kilo Futures	GCK	114	1,000	For position limit purposes, spot month position comprised of futures and deliveries.	<u>1,000</u>

The Position Limit, Position Accountability and Reportable Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the COMEX Rulebook (the “Table”) will be amended to reflect aforementioned changes. Appendix A and Appendix B (effective March 15, 2021 and March 30, 2021, respectively) provide the Table with additions underscoring and deletions ~~struck through~~.

COMEX is also providing an updated analysis of deliverable supply in connection with the increased position limits for the Silver Futures contract (see Appendix C provided under separate cover).

The Exchanges reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“Act”) and identified that Rule Amendments may have some bearing on the following Core Principles.

- **Contracts not Readily Subject to Manipulation**: The Contracts are not readily subject to manipulation due to the deep liquidity and robustness in the underlying physical markets.
- **Position Limitations or Accountability**: The speculative position limits for the Contracts as demonstrated in this submission are consistent with the Commission’s guidance.

- **Availability of General Information:** The information contained herein will be disseminated to the marketplace via Market Surveillance Notice. The Exchanges will publish information on the Contracts' specifications on its website, together with daily trading volume, open interest, and price information.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchanges hereby certify that the Rule Amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal.

The Exchanges certify that this submission has been concurrently posted on the Exchanges' website at: <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any addition information regarding this submission, please contact the undersigned at (212) 299-2200 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A - Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the NYMEX/COMEX Rulebook (attached under separate cover) (effective March 15, 2021)

Appendix B - Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the NYMEX/COMEX Rulebook (attached under separate cover) (effective close of business March 30, 2021)

Appendix C - Analysis of Deliverable Supply – Silver Futures (attached under separate cover)

Appendix A

NYMEX/COMEX Rulebook

**Chapter 5
("Trading Qualifications and Practices")**

Position Limit, Position Accountability, and Reportable Level Table

(attached under separate cover)
(effective March 15, 2021)

Appendix B

NYMEX/COMEX Rulebook

**Chapter 5
("Trading Qualifications and Practices")**

Position Limit, Position Accountability, and Reportable Level Table

(attached under separate cover)
(effective close of business March 30, 2021)

Appendix C

Analysis of Deliverable Supply – Silver Futures

(attached under separate cover)