

Chapter 390

E-mini® FTSE® Developed Europe Index Futures

39000. SCOPE OF CHAPTER

This chapter is limited in application to E-mini® FTSE® Developed Europe Index futures (“futures”). In addition to this chapter, futures shall be subject to the general rules and regulations of the Exchange as applicable.

Unless otherwise specified, times referenced herein shall indicate Chicago Time.

39001. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at EUR 200 times the FTSE® Developed Europe Index (“Index”).

39002. TRADING SPECIFICATIONS

39002.A. Trading Schedule

Futures contracts shall be scheduled for trading during such hours and for delivery in such months as may be determined by the Exchange.

39002.B. Trading Unit

The unit of trade shall be EUR 200 times the Index.

39002.C. Price Increments

Bids and offers shall be quoted in Index points. Subject to Rule 39006.C., the minimum price increment shall be 0.05 Index points, equal to EUR 10 per contract, except for intermonth spreads executed pursuant to Rule 542.A., for which the minimum price increment shall be 0.01 Index points, equal to EUR 2 per intermonth spread.

39002.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

39002.E. [Reserved]

39002.F. [Reserved]

39002.G. Termination of Trading

Trading in expiring futures shall terminate at 4:30 p.m. London Time on the Business Day scheduled for determination of the Final Settlement Price (Rule 39003.A.) of such futures.

39002.H. [Reserved]

39002.I. Price Limits

Futures trading shall be subject to Price Limits as set forth in this Rule.

1. Daily Determination of Price Limits

For a given Business Day, Price Limits applicable to a futures contract for a given delivery month shall be calculated on the basis of the corresponding Reference Price (Rule 39002.I.1.a.) and the corresponding Offsets (Rule 39002.I.1.b.), as follows:

$$5\% \text{ Price Limit} = \begin{array}{l} \text{Reference Price minus 5\% Offset and} \\ \text{Reference Price plus 5\% Offset} \end{array}$$

1.a. Reference Prices for Price Limits

For a given Business Day, for futures for a given delivery month, the Exchange shall set a contract

Reference Price on the first preceding Business Day, as follows:

- Tier 1 Such Reference Price shall be based on the volume-weighted average price of transactions in futures for such delivery month on the CME Globex electronic trading platform between 4:29:30 and 4:30:00 p.m. London time (“reference interval”).
- Tier 2 If no such transaction occurs during the reference interval, then such Reference Price shall be based on the average of midpoints of bid/ask spreads for such futures quoted on CME Globex during the reference interval, provided that the Reference Price calculation shall exclude the midpoint value for any such bid/ask spread that is wider than 0.10 Index points.
- Tier 3 If such Reference Price cannot be determined pursuant to Tier 1 or Tier 2, then the Exchange, in its sole discretion, shall set such Reference Price by alternative means which may include, but are not limited to, derivation by reference to the basis relationship between such futures contract’s price and the Index, or application of Tier 1 and Tier 2 calculations to successive time intervals of increasing length, in integer multiples of thirty (30) seconds, until suitable price data are obtained.

The resultant Reference Price value shall be rounded down to the nearest integer multiple of 0.05 Index points. Such Reference Price, so rounded, shall be used for determination of the corresponding Price Limits.

For newly listed futures for a given delivery month, the Exchange shall set, in its sole discretion, a Reference Price value for the purpose of determining Price Limits for the first day of trading in such futures.

1.b. Offsets for Price Limits

For a given Business Day, the Exchange shall determine the Offset on the basis of the Index closing value (“I”) for the first preceding Business Day, as follows:

$$5\% \text{ Offset} = 0.05 \times I$$

The resultant Offset value shall be rounded down to the nearest integer multiple of 0.05 Index points. Such Offset, so rounded, shall be used in determination of the corresponding Price Limits.

2. Application of Price Limits from Start of Trading Day to 8:00 a.m. London Time:

Without limitation to the following, the start of a Trading Day generally shall coincide with the start of the corresponding CME Globex trading session at 5:00 p.m. Chicago time on the evening first preceding such Trading Day.

From the start of any Trading Day until 8:00 a.m. London time, there shall be no trading in futures for a given delivery month at any price outside the range defined by the 5% Price Limits, where such 5% Price Limits are established on the basis of (i) the Reference Price most recently determined by the Exchange as of 5:00 p.m. Chicago time and (ii) the Offset derived by the Exchange on the basis of the most recently published Index closing value as of 5:00 p.m. Chicago time.

3. Application of Price Limits from 8:00 a.m. London Time to 4:30 p.m. London Time: Price Limits shall not apply.

4. Application of Price Limits from 4:30 p.m. London Time to 5:00 p.m. Chicago Time: There shall be no trading of futures at any price outside the range defined by the 5% Price Limits, where such 5% Price Limits are established on the basis of (i) the Reference Price most recently determined by the Exchange as of 4:30 p.m. London time and (ii) the Offset derived by the Exchange on the basis of the most recently published Index closing value as of 4:30 p.m. London time.

39003. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

39003.A. Final Settlement Price

For a futures contract for a given delivery month, the Final Settlement Price shall be determined on the third Friday of such delivery month, and shall be equal to the Index closing value for the third Friday of such delivery month.

If the Index is not scheduled to be published on the third Friday of such delivery month, then such

Final Settlement Price shall be scheduled for determination on the first preceding Business Day on which the Index is scheduled to be published.

39003.B. Final Settlement

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 39002.G.) shall make payment to or receive payment from the Clearing House in accordance with normal variation margin procedures based on such expiring contract's Final Settlement Price (Rule 39003.A.).

39004. [RESERVED]

39005. [RESERVED]

39006. BASIS TRADE AT INDEX CLOSE ("BTIC") TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

On any given Business Day, there shall be no BTIC trading in futures on CME Globex after 4:30 p.m. London time.

All BTIC trading in expiring futures shall terminate at 4:30 p.m. London time on the Business Day first preceding the Business Day scheduled for determination of the Final Settlement Price of such futures.

39006.A. BTIC Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526.

For a BTIC block trade executed on a given Trading Day at or before 4:30 p.m. London time, the corresponding futures price shall be assigned by reference to the Index closing value for the current Business Day.

For a BTIC block trade executed on a given Business Day after 4:30 p.m. London time, the corresponding futures price shall be assigned by reference to the Index closing value for the next following Business Day.

39006.B. BTIC Price Assignment Procedures

For a BTIC transaction made on a given Business Day, the corresponding futures price shall be assigned by the Exchange upon publication of the Index closing value for such Business Day. Without limitation to the foregoing, the Exchange typically shall make such price assignment no later than 5:00 p.m. Such futures price determination shall be deemed final.

39006.C. BTIC Minimum Price Increment

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be an integer multiple of 0.01 Index points.

(End Chapter 390)

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 390

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