

Trading at Settlement (TAS) for COMEX Gold and Silver Futures

LIQUID TAS MARKETS FOR THE FLAGSHIP PRECIOUS METALS CONTRACTS

Trading at Settlement (TAS) transactions allow traders to enter an order to buy or sell an eligible Gold or Silver futures contract during the trading day with the price of the trade executed at the current day's settlement price, or at any valid price increment up to ten ticks higher or lower than the current day's settlement price.

Example:

For Gold futures, the minimum price fluctuation or tick size is 10 cents per troy ounce. A trader can enter the following TAS order, relative to the current day's as yet unknown Gold futures settlement price:

- At a price of 0 to trade at the Gold futures settlement price
- At a price between +1 to +10 to trade at the Gold futures settlement price plus one to ten ticks, i.e., the settlement price plus \$0.10 to \$1.00 per troy ounce
- At a price between -1 to -10 to trade at the Gold futures settlement price minus one to ten ticks, i.e., the settlement price minus \$0.10 to \$1.00 per troy ounce

Are TAS transactions common in COMEX Gold and Silver futures markets?

Participants in Gold and Silver futures are frequently incorporating TAS transactions into their trading strategies, as seen in the chart below.

TAS Average Daily Volumes (Round Turns)



Which COMEX Gold and Silver futures contracts are eligible for TAS?

TAS transactions are allowed in the *first and second* contract month in COMEX Gold and Silver futures trading.

For Gold futures, TAS trades are permitted in the following active contract months: **February, April, June, August, and December.**

Gold Futures Active TAS-Eligible Contract Months

When this Gold contract becomes the spot monththese Gold contracts becomes the TAS-eligible contract months
February	April, June
April	June, August
June	August, December
August	December, February
December	February, April

In Silver futures, TAS trades are permitted in the following active contract months: **March, May, July, September and December.**

Silver Futures Active TAS-Eligible Contract Months

When this Silver contract becomes the spot month these Silver contracts becomes the TAS-eligible contract months
March	May, July
May	July, September
July	September, December
September	December, March
December	March, May

Which CME Group venues support TAS transactions?

There are multiple venues available for execution of TAS transactions. They may be executed via:

- CME Globex
- CME ClearPort as a block trade

TAS transactions may also be executed on CME Direct.

What are the requirements for TAS orders on CME Globex?

15 minutes prior to the opening of the respective futures contracts.

Rule 524 permits the initiation of TAS orders into CME Globex only subsequent to the beginning of the pre-open state for Gold and Silver futures and during the time period the applicable contracts are available for TAS trading on CME Globex. The initiation of any TAS order on CME Globex outside of these time periods is prohibited.

For compliance and enforcement purposes, the start of a TAS pre-open period is defined by receipt of the security status message indicating that the group has transitioned to the pre-open state, and the end of a TAS trading session is defined by receipt of the security status message indicating the group is closed.

In other words, TAS orders may not be entered into CME Globex from the end of a TAS trading session until receipt of the security status message indicating that the group has transitioned to the pre-open state.

TAS on CME Globex

Product Name	TAS Contract Months	TAS Commodity Code on CME Globex	Cleared Product
COMEX Gold Futures	First and second active months	GCT	GC
COMEX Silver Futures	First and second active months	SIT	SI

What are the requirements for Gold and Silver TAS Block Trades?

The TAS-eligible futures contract months for Gold and Silver may be privately negotiated and executed as a block trade and assigned the current day's settlement price or any valid price increment ten ticks higher or lower than the settlement price.

Gold and Silver Futures TAS Block Trades

Product Name	TAS Contract Months	Minimum Quantity for TAS Block Trade	Reporting Time
COMEX Gold Futures	First and second active months	25 contracts	5 mins
COMEX Silver Futures	First and second active months	25 contracts	5 mins

How do market participants report TAS block trades?

TAS block trades for Gold and Silver futures may be reported to the Exchange in the following ways:

- Electronically via CME ClearPort
- By phone or email to the CME Global Command Center's (GCC) ClearPort Facilitation Desk:
 - US: +1 800 438 8616
 - Europe: +44 800 898 013
 - Asia: +65 6532 5010
 - Email: facdesk@cmegroup.com

When submitting a TAS block trade for Gold or Silver futures via CME ClearPort, the price information is entered as a price differential within the allowable range (plus or minus ten ticks) from the settlement price. For example, the price differential to be entered in CME ClearPort screen for a TAS Gold Futures block trade should be in the -\$1.00 to +\$1.00 per troy ounce range.

For more information on our Metals products, visit cmegroup.com/metals or email metals@cmegroup.com



CME GROUP HEADQUARTERS

20 South Wacker Drive
Chicago, Illinois 60606
cmegroup.com

CME GROUP GLOBAL OFFICES

Chicago +1 312 930 1000	New York +1 212 299 2000	London +44 20 3379 3700
Singapore +65 6593 5555	Bangalore +91 80 3323 2300	Beijing +86 10 5913 1300
Belfast +44 28 9089 6600	Calgary +1 403 444 6876	Hong Kong +852 2582 2200
Houston +1 713 658 2347	São Paulo +55 11 2787 6279	Seoul +82 2 6336 6700
Sydney +61 8051 3210	Tokyo +81 3 3242 6233	Washington D.C. +1 202 638 3838

Gold and Silver futures are listed with and subject to the rules and regulations of COMEX.

References to CME Clearing are to CME's U.S. Clearinghouse

Futures trading is not suitable for all investors, and involves the risk of loss. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyles. And only a portion of those funds should be devoted to any one trade because they cannot expect to profit on every trade.

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