

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

ADVISORY # 18-191

Date: May 17, 2018

SUBJECT: Product Modification Summary for Clearing Firms, Bookkeeping Software Providers, ISVs

Minimum Price Increment Change for CBOT Two-Year Note futures

Effective Sunday, 13th January 2019, for trade date Monday, 14th January 2019 and pending all relevant CFTC regulatory review periods, please be advised that the Board of Trade of the City of Chicago (CBOT) will amend the minimum price increment for 2-Year Treasury Note Futures (26/ZT).

The minimum Trading tick and Settlement ticks are changing from one-quarter (1/4) of one thirty-second (1/32) of one point to one-eighth (1/8) of one thirty-second (1/32) of one point. In decimal terms the Tick is changing from 0.0078125 to 0.00390625. To support the smaller Tick, the DPL (Display Price Locator) will need to change from 7 to 8.

Code Clearing / Globex	Title	Current Tick Rule	New Tick Rule (as of 14 th Jan 2019)	Current DPL	New DPL (as of 14 th Jan 2019)
26/ZT	2-Year Treasury Note Futures	0.0078125	0.00390625	7	8

All the intra-commodity and inter-commodity spreads involving 2-Year Treasury Note Futures as one of the legs will be eligible to trade at the new reduced Tick.

To facilitate customer readiness and the transition to the new 2-Year Tick, a new Test Product which is a clone of the 2-Year Treasury Note Future with new Tick is available now in the **Clearing New Release environment (NR)**. Customers can use this test Product to test their system readiness to support 8 DPL price.

Code Clearing / Globex	Title	Tick Rule	DPL
98/098	Test 2-Year Treasury Note Futures	0.00390625	8

For further information, including links to the various technical notices associated with this change, see:

<https://www.cmegroup.com/price-precision>

or contact CME Clearing at: US +1 (312) 207-2525; UK +44 (20) 3379-3198; Asia +65 6593-5591
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