CME Group | **Advisory Notice**

TO: Clearing Member Firms

FROM: CME Clearing

DATE: October 12, 2018

ADVISORY #: 18-413

SUBJECT: **BTIC on Bloomberg Commodity Index (BCI) Transfer/Corrections, December 3rd**

Please be advised that, effective Monday, December 3, 2018, CME Clearing will begin using an enhanced version of the Transfer/Correct feature to address Market Disruption events on BTIC Trades on the Bloomberg Commodity Index.

Prior to this enhancement and following the launch of BTIC on BCI futures, the procedure for handling market disruption event required CME Clearing to enter cash adjustments using the final updated value of the index.

https://www.cmegroup.com/content/dam/cmegroup/notices/clearing/2018/07/Chadv18-301.pdf

With this enhancement, when a market disruption occurs, all BTIC on BCI trades will still settle normally, top-day using a “temporary” Index Close Price. However, when Resolution Price is determined (as many as 7 days later), for the BTIC on BCI trades, CME Clearing will:

- Generate Transfers to OFFSET the original trades that are based on the temporary closing values of the index.
- Then post new Trades, in original Trade Type and Trade Date, using the Resolution Price.

Testing:

This enhancement will be available in the New Release (NR) test environment starting Thursday, November15th. Firms may request test trades to ensure that they will be able to handle new Globex and ClearPort trades with a prior Trade Date. No other messaging changes are expected with this feature.

Below is an example of a ClearPort trade with a prior Trade Date:

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Typ="26"/></Pty><Pty ID="010" R="38"><Sub ID="1" Typ="26"/></Pty><Pty ID="1A01" R="30"/><Pty ID="ADELAPAZCME" R="62"><Sub ID="AUDIFAS DE LA PAZ" Typ="9"/></Pty><Pty ID="sungardnr2CME" R="36"><Sub ID="Audifas De La Paz" Typ="9"/></Pty><Pty ID="010_sungard" R="7"/><Pty ID="1A01" R="16"/><Pty ID="ADELAPAZ" R="200"/><RegTrdID ID="FECC1665F62470F0003D1CF24" Src="1010000023" Typ="0" Evnt="2"/><TrdRegTS TS="2018-09-26T14:27:00-05:00" Typ="1"/></RptSide></TrdCaptRpt></FIXML>

For more information please contact CME Clearing at ccs@cmegroup.com or via phone at
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