



Special Executive Report

DATE: November 29, 2017

SER#: 8044

SUBJECT: Administrative Amendments to the Soybean Meal Futures Contract

Earlier today, Wednesday, November 29, 2017, The Board of Trade of the City of Chicago, Inc., ("CBOT" or "Exchange") implemented administrative, non-substantive amendments to the Soybean Meal Futures contract (the "Contract") (CME Globex Code: AM; Clearing Code: 06; Rulebook Chapter 13).

Specifically, the Exchange amended Rule 13106. ("Shipping Plants") (For all Contract Months between January 2018 and December 2018) to correctly reflect that the state of Kentucky shall be located in Northeast Territory for all contract months commencing with the January 2019 contract month and beyond, as previously announced in [SER-7800R](#) dated November 23, 2016. Between January 2018 and December 2018, the state of Kentucky will remain in the Central delivery territory. Note that the special notes related to Chapter 13 describing the Contract's delivery locations and differentials correctly reflect the state of Kentucky's location for all contract months and shall remain unchanged.

Amendments to Rule 13106. (For all Contract Months between January 2018 and December 2018) are provided below in Appendix A with additions underscored and deletions struck through.

The Commodity Futures Trading Commission ("CFTC") will be notified of the administrative, typographical amendments during the week of December 4, 2017, via the weekly notification procedures set forth in Part 40 of the CFTC Regulations.

Questions may be directed to Fred Seamon (312) 634-1587 or Alison Coughlin (312) 338-7171.

Appendix A

CBOT Chapter 13 Soybean Meal Futures

13106. SHIPPING PLANTS

(FOR ALL CONTRACT MONTHS BETWEEN JANUARY 2018 AND DECEMBER 2018)

Soybean Meal Shipping Certificates shall specify shipment from one of the plants currently regular for delivery and located in the Central Territory, Northeast Territory, Mid South Territory, Missouri Territory, Eastern Iowa Territory, or Northern Territory as defined in this Rule.

The Exchange may declare additional shipping plants regular for delivery which shall apply on all contracts outstanding or made thereafter.

SHIPPING PLANTS

- (a) All loadings of Soybean Meal against Soybean Meal Shipping Certificates shall be in bulk free on board railroad cars at shipping plants.

- (b) Payment for Shipping Certificates issued in the Central Territory (i.e. shipping plants located in Illinois and Kentucky) will be at contract price.
- (c) Payment for Shipping Certificates issued in the Northeast Territory (i.e. shipping plants located in Kentucky, Indiana, and Ohio) will be at a premium of \$3.00 per ton over contract price.
- (d) Payment for Shipping Certificates issued in the Mid South Territory (i.e. shipping plants located in all of Tennessee and Arkansas and that part of Mississippi and Alabama north of a line extending eastward from the Arkansas and Louisiana border) will be at a premium of \$10.50 per ton over contract price.
- (e) Payment for Shipping Certificates issued in the Missouri Territory (i.e. shipping plants located in Missouri) will be at a premium of \$4.50 per ton over contract price.
- (f) Payment for Shipping Certificates issued in the Eastern Iowa Territory (i.e. shipping plants located in Iowa on and South of the main line of the Illinois Central Gulf RR from Dubuque, Iowa to Iowa Falls, Iowa; and on and East of the main line of the Chicago Rock Island RR from Iowa Falls to the Union Pacific RR from Des Moines through Blockton, Iowa) will be made at a discount of \$1.00 per ton under contract price.
- (g) Payment for Shipping Certificates issued in the Northern Territory (i.e. shipping plants located in that portion of Iowa not included in the Eastern Iowa Territory) will be at a discount of \$1.50 per ton under contract price.
- (h) For a given soybean crop year ending August 31 and a given Soybean Meal futures delivery territory except the Central Territory, when the weekly (as of Friday) cumulative average ratio of outstanding Soybean Meal Shipping Certificates to CBOT maximum 24 hour Soybean Meal production capacity within that Soybean Meal futures delivery territory, relative to that ratio for the combined remaining Soybean Meal territories, is less than or equal to 0.5, payment for Shipping Certificates issued from that territory will be at a premium of \$1.00 per ton over contract price in addition to the territorial delivery differential adjustment.
- (i) For a given soybean crop year ending August 31, when the Central Territory's weekly (as of Friday) cumulative average ratio of outstanding Soybean Meal Shipping Certificates to maximum CBOT 24 hour Soybean Meal production capacity within the Central Soybean Meal futures delivery territory, relative to that ratio for the combined remaining Soybean Meal territories, is less than or equal to 0.5, payment for Shipping Certificates issued from all other territories will be at a discount of \$1.00 per ton under contract price in addition to the territorial delivery differential adjustments.
- (j) For a given soybean crop year ending August 31 and a given Soybean Meal futures delivery territory except the Central Territory, when the weekly (as of Friday) cumulative average ratio of outstanding Soybean Meal Shipping Certificates to CBOT maximum 24 hour Soybean Meal production capacity within that Soybean Meal futures delivery territory, relative to that ratio for the combined remaining Soybean Meal territories, is greater than or equal to 2.0, payment for Shipping Certificates issued from that territory will be at a discount of \$1.00 per ton under contract price in addition to the territorial delivery differential adjustment.
- (k) For a given soybean crop year ending August 31, when the Central Territory's weekly (as of Friday) cumulative average ratio of outstanding Soybean Meal Shipping Certificates to CBOT maximum 24 hour Soybean Meal production capacity within the Central Soybean Meal futures delivery territory, relative to that ratio for the combined remaining Soybean Meal territories, is greater than or equal to 2.0, payment for Shipping Certificates issued from all other territories will be at a premium of \$1.00 per ton over contract price in addition to the territorial delivery differential adjustments.
- (l) Items (h) through (k) of Rule 13106. shall apply to all CBOT Soybean Meal futures contracts delivered during a one calendar year period beginning with January following the soybean crop year ending August 31, provided that there are on a weekly average at least 150 CBOT Soybean Meal Shipping Certificates outstanding in all Soybean Meal delivery territories combined during that previous soybean crop year.
- (m) Based on the adjustments made to territorial delivery differentials during a given calendar year as outlined in items (h) through (l) of Rule 13106., the CBOT shall announce and publish by September 15 of that given calendar year new territorial delivery differentials applicable to all Soybean Meal futures contracts delivered during the next calendar year.

13106. **SHIPPING PLANTS**

(FOR ALL CONTRACT MONTHS COMMENCING WITH JANUARY 2019 AND BEYOND)

Soybean Meal Shipping Certificates shall specify shipment from one of the plants currently regular for delivery and located in the Central Territory, Northeast Territory, Mid South Territory, Missouri Territory, Eastern Iowa Territory, or Northern Territory as defined in this Rule.

The Exchange may declare additional shipping plants regular for delivery which shall apply on all contracts outstanding or made thereafter.

SHIPPING PLANTS

- (a) All loadings of Soybean Meal against Soybean Meal Shipping Certificates shall be in bulk free on board railroad cars at shipping plants.
- (b) Payment for Shipping Certificates issued in the Central Territory (i.e. shipping plants located in Illinois) will be at contract price.
- (c) Payment for Shipping Certificates issued in the Northeast Territory (i.e. shipping plants located in Kentucky, Indiana, and Ohio) will be at a premium of \$3.00 per ton over contract price.
- (d) Payment for Shipping Certificates issued in the Mid South Territory (i.e. shipping plants located in all of Tennessee and Arkansas and that part of Mississippi and Alabama north of a line extending eastward from the Arkansas and Louisiana border) will be at a premium of \$9.50 per ton over contract price.
- (e) Payment for Shipping Certificates issued in the Missouri Territory (i.e. shipping plants located in Missouri) will be at contract price.
- (f) Payment for Shipping Certificates issued in the Eastern Iowa Territory (i.e. shipping plants located in Iowa on and South of the main line of the Illinois Central Gulf RR from Dubuque, Iowa to Iowa Falls, Iowa; and on and East of the main line of the Chicago Rock Island RR from Iowa Falls to the Union Pacific RR from Des Moines through Blockton, Iowa) will be made at a discount of \$6.00 per ton under contract price.
- (g) Payment for Shipping Certificates issued in the Northern Territory (i.e. shipping plants located in that portion of Iowa not included in the Eastern Iowa Territory) will be at a discount of \$7.00 per ton under contract price.
- (h) For a given soybean crop year ending August 31 and a given Soybean Meal futures delivery territory except the Central Territory, when the weekly (as of Friday) cumulative average ratio of outstanding Soybean Meal Shipping Certificates to CBOT maximum 24 hour Soybean Meal production capacity within that Soybean Meal futures delivery territory, relative to that ratio for the combined remaining Soybean Meal territories, is less than or equal to 0.5, payment for Shipping Certificates issued from that territory will be at a premium of \$1.00 per ton over contract price in addition to the territorial delivery differential adjustment.
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- (m) Based on the adjustments made to territorial delivery differentials during a given calendar year as outlined in items (h) through (l) of Rule 13106., the CBOT shall announce and publish by September 15 of that given calendar year new territorial delivery differentials applicable to all Soybean Meal futures contracts delivered during the next calendar year.