



Special Executive Report

DATE: May 30, 2018
SER#: 8155
SUBJECT: Expansion of the Listing Schedule of Five (5) Freight (Baltic) Futures Contracts

Effective Sunday, June 24, 2018, for trade date Monday, June 25, 2018, and pending all relevant CFTC regulatory review periods, New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) will expand the listing schedule of five (5) freight (Baltic) futures contracts (the “Contracts”) as noted in Table 1 below for trading on CME Globex electronic trading platform and for submission for clearing through CME ClearPort.

Table 1

Contract Title	CME Globex Code and CME ClearPort Code	NYMEX Rulebook Chapter	Current Listing Schedule	Listing Schedule Effective on Trade Date 6/25/18
Freight Route TC5 (Platts) Futures	TH	682	Monthly contracts listed for the 36 consecutive months. A new contract month is added following the termination of an existing contract month.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year
Freight Route TC2 (Baltic) Futures	TM	683	Monthly contracts listed for the 36 consecutive months. A new contract month is added following the termination of an existing contract month.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.

Freight Route TD3C (Baltic) Futures	TL	684	Monthly contracts listed for the current year plus two (2) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.
Freight Route TD20 (Baltic) Futures	T2D	944	Monthly contracts listed for the current year plus (2) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.
Freight Route TC14 (Baltic) Futures	FRC	1103	Monthly contracts for the 24 consecutive months. A new contract month is added following the termination of an existing contract month.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.

Also at this time the Exchange shall also make non-substantive, administrative amendments to the Contracts' rulebook chapters for harmonization purposes which are provided below in Exhibit A in blackline format.

Please refer questions on this subject to:

Paul Wightman paul.wightman@cmegroup.com +44 20 3379 3790
Verena Peternell verena.peternell@cmegroup.com +44 20 3379 3723

Exhibit A NYMEX Rulebook

(underline indicates addition; ~~strikethrough~~ indicates deletion)

Chapter 682 Freight Route TC5 (Platts) Futures

682.01. SCOPE

~~_____~~ The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

682.02. FLOATING PRICE

~~_____~~ The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC5 Tanker Route for Arab Gulf to Japan for 55,000 metric tons is published by the Platts over the contract month. If for any reason Platts cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

682.03. CONTRACT QUANTITY AND VALUE

~~_____~~ The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

682.04. CONTRACT MONTHS

~~_____~~ Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.

682.05. PRICES AND FLUCTUATIONS

~~_____~~ Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton. There shall be no maximum price fluctuation.

682.06. TERMINATION OF TRADING

~~_____~~ Trading shall cease on the last business day of the contract month.

682.07. FINAL SETTLEMENT

~~_____~~ Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

682.08. RESERVED

682.09. DISCLAIMER

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Chapter 682 Freight Route TC5 (Platts) Futures

682100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

682101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC5 Tanker Route for Arab Gulf to Japan for 55,000 metric tons is published by the Platts over the contract month. If for any reason Platts cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

682102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

682102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

682102.B. Trading Unit

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price

682102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton. There shall be no maximum price fluctuation.

682102.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.

682102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

682103. FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

682104. DISCLAIMER

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Chapter 683 Freight Route TC2 (Baltic) Futures

683.01. SCOPE

~~The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.~~

683.02. FLOATING PRICE

~~The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC2 Tanker Route (for 37,000 metric tons for Continent Europe to USAC) is published by the Baltic Exchange over the contract month. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.~~

683.03. CONTRACT QUANTITY AND VALUE

~~The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.~~

683.04. CONTRACT MONTHS

~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

683.05. PRICES AND FLUCTUATIONS

~~Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton. There shall be no maximum price fluctuation.~~

683.06. TERMINATION OF TRADING

~~Trading shall cease on the last business day of the contract month.~~

683.07. FINAL SETTLEMENT

~~Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.~~

683.08. RESERVED

683.09. DISCLAIMER

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Chapter 683 Freight Route TC2 (Baltic) Futures

683100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

683101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC2 Tanker Route (for 37,000 metric tons for Continent Europe to USAC) is published by the Baltic Exchange over the contract month. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

683102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

683102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

683102.B. Trading Unit

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price

683102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton. There shall be no maximum price fluctuation.

683102.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.

683102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

683103. FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

683104. DISCLAIMER

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Chapter 684 Freight Route TD3C (Baltic) Futures

684.01. SCOPE

~~The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.~~

684.02. FLOATING PRICE

~~The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TD3C Tanker Route (for 270,000 metric tons for Middle East Gulf to China) is published by the Baltic Exchange over the contract month, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.~~

684.03. CONTRACT QUANTITY AND VALUE

~~The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.~~

684.04. CONTRACT MONTHS

~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

684.05. PRICES AND FLUCTUATIONS

~~Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton. There shall be no maximum price fluctuation.~~

684.06. TERMINATION OF TRADING

~~Trading shall cease on the last business day of the contract month.~~

684.07. FINAL SETTLEMENT

~~Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.~~

684.08. RESERVED

684.09. DISCLAIMER

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Chapter 684 Freight Route TD3C (Baltic) Futures

684100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

684101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TD3C Tanker Route (for 270,000 metric tons for Middle East Gulf to China) is published by the Baltic Exchange over the contract month, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

684102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

684102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

684102.B. Trading Unit

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

684102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton. There shall be no maximum price fluctuation.

684102.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.

684102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

684103. FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

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Chapter 1103 Freight Route TC14 (Baltic) Futures

1103100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1103101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC14 Tanker Route (for 38,000 metric tons US Gulf to Continent Europe) is published by the Baltic Exchange over the contract month. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

1103102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1103102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1103102.B. Trading Unit

The contract quantity shall be one thousand (1,000) metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

1103102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 (0.01¢) per metric ton.

1103102.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.

1103102.E. Termination of Trading

The contract shall terminate on the last business day of the contract month.

1103103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

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