



Special Executive Report

DATE: September 2, 2020

SER#: 8560R

SUBJECT: Additional Information Relief from Exchange Rules as a Result of Covid-19

(SER 8560R supersedes SER 8560 dated March 13, 2020 and addresses the listing of the contracts cited in (2) below on the CME Globex electronic trading platform (“CME Globex”). CME will list the balance of the options on weather futures contracts on CME Globex. Therefore, effective on trade date Monday, September 21, 2020, all weather futures and options will now be listed for trading on CME Globex and for submission for clearing via CME ClearPort. The action associated with (2) below shall be terminated effective on trade date Monday, September 21, 2020 - See SER 8647.)

On March 11, 2020, [CME Group Inc. issued a press release](#) announcing the closure of its Chicago trading floor as of the close of business on Friday, March 13, 2020, as a precaution to reduce large gatherings that can contribute to the spread of Covid-19.

Pursuant to Chicago Mercantile Exchange Inc. (“CME”), The Board of Trade of the City of Chicago, Inc. (“CBOT”), New York Mercantile Exchange, Inc. (“NYMEX”) and Commodity Exchange, Inc. (“COMEX”) (collectively, the “Exchanges”) Rule 257 (“Exchange Physical Emergencies”), the Exchanges notified the Commodity Futures Trading Commission (“CFTC” or “Commission”) that effective for trade date Monday, March 16, 2020, they as applicable will amend the terms and conditions of the following contracts:

- (1) Flexible Options on Standard and Poor’s 500 Price Index Futures Contracts (Commodity Code YP) and full-sized Options on Standard and Poor’s 500 Stock Price Index Futures Contracts (Commodity Code SP); and
- (2) Options on CME Seasonal Strip Degree Days Index Futures Contracts – Dallas CDD July-Aug Seasonal Strip (Commodity Code K5N) and Options on CME Monthly Degree Days Index Futures Contracts – Dallas CDD July (Commodity Code K5).

In addition, the Exchanges will suspend the clearing of Options on Nikkei Stock Average Futures Contracts (Put and Call Commodity Codes JN and KN), Options on One-Month Eurodollar Futures Contracts (Code EM), and all weather contracts not referenced in (2) above. These suspended contracts, which have no open interest, were previously listed solely for trading via open outcry and made available for clearing via CME ClearPort.

Amended Terms and Conditions

(1) Flexible Options on Standard and Poor’s 500 Stock Price Index Futures Contracts (Commodity Code YP, as amended Commodity Code YPB) and Options on Standard and Poor’s 500 Stock Price Index Futures Contracts (Commodity Code SP)

Flexible Options on Standard and Poor’s 500 Stock Price Index Futures Contracts (Commodity Code YP) were previously listed for open outcry trading only.

Due to the closure of the Chicago trading floor, select series in such options will be listed for trading and European Style exercise on the CME Globex electronic trading platform and for clearing via CME ClearPort under the new Commodity Code YPB. YPB contracts will exclusively follow all applicable CME Globex trading rules.

CME is establishing block trade eligibility for the YPB contracts at a 50-contract minimum threshold.

Additionally, CME is lowering the existing block threshold for all other full-sized Options on Standard and Poor's 500 Stock Price Index Futures Contracts to a 50-contract minimum threshold.

(2) Options on CME Seasonal Strip Degree Days Index Futures Contracts – Dallas CDD Jul-Aug Seasonal Strip Commodity Code K5N) and Options on CME Monthly Degree Days Index Futures Contracts – Dallas CDD Jul (Commodity Code K5) *(As noted above, the action associated with this section shall be terminated effective on trade date Monday, September 21, 2020 - See SER 8647.)*

Options on (a) CME Seasonal Strip Degree Days Index Futures Contracts – Dallas CDD Jul-Aug Seasonal Strip Commodity Code K5N) and (b) CME Monthly Degree Days Index Futures Contracts – Dallas CDD Jul (Commodity Code K5) were previously listed for open outcry trading only and made available for clearing via CME ClearPort.

These cooling degree days options will now be available for trading on the CME Globex electronic trading platform in addition to being available for clearing via CME ClearPort. The options will also exclusively follow all applicable CME Globex trading rules.

On March 13, 2020, the Exchanges also issued related relief from Exchange rules focusing on the following matters: (1) Entry of Customer Orders into CME Globex; (2) Written Recordkeeping Requirements; (3) Oral Recordkeeping Requirements; (4) Exchange Member Solicitations; (5) Permissible Pre-Execution Communications Concerning Globex Trades; and (6) Block Trades and Exchange for Related Positions (EFRPs).

Additional information may be found in [Submission No. 20-155](#) dated March 13, 2020.