



## Special Executive Report

**DATE:** October 23, 2020

**SER#:** 8670

**SUBJECT:** Amendments to the E-mini FTSE China 50 Index Futures Contract and Temporary Suspension of Trading and Clearing

Effective Sunday, November 22, 2020 for trade date Monday, November 23, 2020, and pending all relevant Commodity Futures Trading Commission ("CFTC") regulatory review periods, Chicago Mercantile Exchange Inc. ("CME" or "Exchange") will implement several amendments to the E-mini FTSE China 50 Index Futures contract (the "Contract") as more specifically described below.

In addition, *effective immediately*, the Exchange will temporarily suspend trading and clearing of the Contract until the effective date of Sunday, November 22, 2020 for trade date Monday, November 23, 2020. There is no open interest in the Contract.

Specifically, the Exchange will amend:

Rule 38802.C. ("Price Increments") to decrease the minimum price increment from 5 index points (\$10) to 2.5 index points (\$5) per contract and decrease the minimum price increment for intermonth spreads from 1 index point (\$2) to 0.5 index point (\$1) per intermonth spread;

Rule 38803.A. ("Final Settlement Price") so that the last trade date shall be the second to last business day of the contract month pursuant to the Hong Kong Exchange Securities Market calendar;

Rule 38806.C ("BTIC Minimum Price Increment") to decrease the minimum price increment applied to the closing value to establish the BTIC futures price from 1 Index point to 0.5 Index points; and

the listing schedule of the Contract to include four (4) months in the March quarterly cycle (March, June, September, and December) and two (2) nearest serial months (collectively, the "Rule Amendments").

Contract Title	CME Globex / CME ClearPort / Clearing Code	BTIC Code	Rulebook Chapter	Current Rule	Amended Rule
E-mini FTSE China 50 Index Futures	FT5	FTC	CME 388	<u>Minimum Price Fluctuation:</u> The minimum price increment shall be 5 Index points, equal to \$10 per contract. For intermonth spreads the minimum price increment shall be 1 Index point, equal to \$2 per intermonth spread. The BTIC minimum price increment applied to the closing value to establish the BTIC futures price shall be in full tick increments of one Index point	<u>Minimum Price Fluctuation:</u> The minimum price increment shall be <b>2.5</b> Index points, equal to <b>\$5</b> per contract. For intermonth spreads the minimum price increment shall be <b>0.50</b> Index points, equal to <b>\$1</b> per intermonth spread. The BTIC minimum price increment applied to the closing value to establish the BTIC futures price shall be in increments of <b>0.5</b> Index points
				<u>Last Trade Date:</u> Third Friday of the contract	<u>Last Trade Date:</u> Second to last Business Day

				month	of the contract month on the Hong Kong Exchange Securities Market calendar.
				Listing Schedule: 5 months in the March Quarterly Cycle	Listing Schedule: 4 months in the March Quarterly cycle and 2 nearest serial months

Amendments to Chapter 388 are provided in Exhibit A below in blackline format.

Please refer questions on this subject to:

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**Exhibit A**  
**CME Rulebook**  
**Chapter 388**

**E-mini® FTSE® China 50 Index Futures**

(additions underscoring; deletions ~~struck through~~)

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**38802. TRADING SPECIFICATIONS**

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**38802.C. Price Increments**

Bids and offers shall be quoted in Index points. Subject to Rule 38806.C., the minimum price increment shall be ~~5-2.5~~ 2.5 Index points, equal to ~~\$40\$5~~ \$5 per contract, except for intermonth spreads executed pursuant to Rule 542.A., for which the minimum price increment shall be ~~one (1)~~ 0.5 Index point, equal to ~~\$2\$1~~ \$1 per intermonth spread.

**38803. SETTLEMENT PROCEDURES**

Delivery shall be by cash settlement.

**38803.A. Final Settlement Price**

For a futures contract for a given delivery month, the Final Settlement Price shall be determined on the ~~third Friday of such delivery month, and shall be equal to the Index value for the third Friday of such delivery month~~ second to last Business Day of the contract month, according to the Hong Kong Exchange Securities Market calendar.

If the Index is not scheduled to be published on the ~~third Friday~~ second to last Business Day of such contract month, of such delivery month, then such Final Settlement Price shall be scheduled for determination on the first preceding Business Day on which the Index is scheduled to be published.

If the Hong Kong Stock Exchange Securities Market does not open on the day scheduled for determination of the Final Settlement Price, then such Final Settlement Price shall be based on the Index value for the next business day on which the Hong Kong Stock Exchange Securities Market is open for trading.

[Remainder of Rule Unchanged.]

**38806. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

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**38806.C. BTIC Minimum Price Increment**

The valid basis or price increment applied to the closing value to establish the BTIC futures price must be stated in ~~full tick~~ increments of ~~one (1)~~ 0.5 Index points.

[Remainder of Chapter Unchanged.]