CME Group

Special Executive Report

DATE: **November 9, 2021**

SER#:   **8878**

SUBJECT: **Amendments to the Bloomberg Commodity Index Futures and Bloomberg Commodity Index Swaps (Cleared OTC) Contracts**

Effective Sunday, December 5, 2021 for trade date Monday, December 6, 2021, and pending all relevant Commodity Futures Trading Commission ("CFTC") regulatory review periods, Chicago Mercantile Exchange, Inc. ("CME") will amend the Daily Settlement Procedure Document of the Bloomberg Commodity Index Swaps (Cleared OTC) contract as noted in Exhibit A below to more accurately describe CME's existing settlement procedure.

Contract Title	CME ClearPort Code	Rulebook Chapter
Bloomberg Commodity Index Swaps (Cleared OTC)	DGS	CBOT* 29A

*The product chapter of this CME cleared-only contract is housed in the CBOT rulebook.

Also at this time and pending CFTC review, The Board of Trade of the City of Chicago, Inc. ("CBOT") will implement several amendments to the Bloomberg Commodity Index Futures contract.

Contract Title	CME Globex Code	CME ClearPort Code	Rulebook Chapter	Current Minimum Price Increment	Decreased Minimum Price Increment
Bloomberg Commodity Index Futures	AW	70	CBOT 29	0.10 Index points ($10.00)	0.01 Index points ($1.00)

With regard to the Bloomberg Commodity Index Futures contract, CBOT will amend: (1) Rule 29102.C. ("price increments") to decrease the minimum price fluctuation limit to 0.01 Index points; (2) Rule 588.H. ("Globex Non-Reviewable Trading Ranges") table ("the "Table") to conform with amendments to Rule 29012.C.; and (3) the Daily Settlement Procedure Document to transition from a VWAP settlement procedure to a settlement to the underlying Bloomberg Commodity Index. These CBOT amendments are provided in Exhibits B, C, and D below.

It should be noted that it is requested that customers cancel all Good 'Till Cancel ("GTC") and Good 'Till Date ("GTD") orders of the Bloomberg Commodity Index Futures contract after the close on Friday, December 3, 2021. After 16:00 Central Time (CT) on Friday, December 3, 2021, all remaining Good 'Till ("GT") orders for this contract will be cancelled or deleted by the CME Global Command Center ("GCC").

Please refer questions on this subject to:

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Exhibit A

Daily Settlement Procedure Document
(additions **underscored**; deletions ~~struckthrough~~)

Bloomberg Commodity Index^{SM} Swaps Daily Settlement Procedure

Normal Daily Settlement Procedure

Bloomberg calculates and publishes official closing values for the Bloomberg Commodity Index^{SM} (BCOM) based on the settlements of the index's component commodity futures contracts. CME BCOM Swaps (DGS) settle to the Bloomberg Commodity Index official closing value on a daily basis.

If Bloomberg does not provide a Bloomberg Commodity Index official closing value by 16:00 Central Time (CT), then the swaps will settle to the most recent index value available.

~~CME Group staff publishes daily settlements for all Bloomberg Commodity Index~~^{SM} ~~Swaps (Cleared OTC - DGS), Bloomberg Commodity Index~~^{SM} ~~2-Month Forward Swaps (Cleared OTC - DG2) and Bloomberg Commodity Index~~^{SM} ~~3-Month Forward Swaps (Cleared OTC – DG3) with open interest.~~

~~Bloomberg Commodity Index Products~~	~~CME~~	~~Bloomberg~~
~~Bloomberg Commodity Index~~^{SM} ~~Swaps (Cleared OTC)~~	~~DGS~~	~~BCOM~~
~~Bloomberg Commodity Index~~^{SM} ~~2-Month Forward Swaps (Cleared OTC)~~	~~DG2~~	~~BCOMF2~~
~~Bloomberg Commodity Index~~^{SM} ~~3-Month Forward Swaps (Cleared OTC)~~	~~DG3~~	~~BCOMF3~~

~~Normal Daily Settlement Procedure~~

~~Each business day, Bloomberg calculates and publishes daily settlement prices for the Bloomberg Commodity Index~~^{SM} ~~swaps based on the settlements of the index's component commodity futures contracts. CME Group staff then rounds this price and publishes it as the daily settlement for each Bloomberg Commodity Index~~^{SM} ~~swap with open interest.~~

~~If Bloomberg does not provide a cash price by 15:30 Central Time (CT), then the swaps with open interest settle to prior-day settlement price.~~

Exhibit B

CBOT Rulebook

(additions **underscored**; deletions ~~struckthrough~~)

Chapter 29
Bloomberg Commodity Index^{SM} Futures

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29102.   TRADING SPECIFICATIONS

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29102.C.   Price Increments

The price of the Bloomberg Commodity Index^{SM} futures shall be quoted in points. One point equals $100.00. The minimum price fluctuation shall be **0.01**~~0.1~~ **(1/100)**~~(1/10)~~ points per contract (**$1.00**~~$10.00~~ per contract). Contracts shall not be made on any other price basis.

[The remainder of the Rule is unchanged.]

Exhibit C

CBOT Rulebook

(additions **underscored**; deletions ~~struckthrough~~)

Rule 588.H. ("Globex Non-Reviewable Trading Ranges") Table

| Instrument | Globex Symbol | Globex Non-Reviewable Ranges (NRR) | Outrights | | Spreads | |
			NRR: Globex Format	NRR:Minimum Ticks	NRR: Globex Format	NRR: Minimum Ticks
Bloomberg Commodity Index Futures	AW	2 index points	~~20~~ 200	~~20~~ 200	~~5~~ 50	~~5~~ 50

Exhibit D

Daily Settlement Procedure Document
(additions **underscored**; deletions ~~struckthrough~~)

Bloomberg Commodity Index^{SM} Futures Daily Settlement Procedure

Normal Daily Settlement Procedure

Bloomberg calculates and publishes official closing values for the Bloomberg Commodity Index^{SM} (BCOM) based on the settlements of the index's component commodity futures contracts. CME BCOM futures (AW) settle to the Bloomberg Commodity Index official closing value on a daily basis.

If Bloomberg does not provide a Bloomberg Commodity Index official closing value by 16:00 Central Time (CT), then the futures and swaps will settle to the most recent index value available.

~~Each Bloomberg Commodity Index Futures (AW) contract with open interest is settled by CME Group staff based on trading activity on CME Globex.~~

~~**Normal Daily Settlement**~~

~~If a trade(s) occurs on CME Globex in the one-minute window between 13:29:00 and 13:30:00 Central Time (CT), the settlement period, then the contract settles to the volume-weighted average price (VWAP) of the trade(s) during this period.~~

~~**Lead Month**~~

~~The lead month is the anchor leg for settlements and is the contract expected to be the most active. If no trades occur on CME Globex during the settlement window for the lead month contract, then the last trade (or prior settle in the absence of a last trade price) is used to determine whether to settle to the low bid or the high ask.~~

~~If the low bid is higher than the last trade/prior settlement price, then the lead month settles to that bid price. If the high ask is lower than the last trade/prior settle, then the lead month settles to that ask price. The lead month settles to the last trade/prior settle if it is equal to or between the low bid and the high ask.~~

~~**Deferred Months**~~

If a trade(s) occurs on CME Globex during the one-minute window between 13:29:00 and 13:30:00 Central Time (CT), then the contract settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

If no trades occur on CME Globex during the settlement period then the settlement will be the net change of the preceding month applied to the prior settle and validated against low bid or high ask. If the non-lead month expires prior to the lead month then the net change will be cascaded upwards from the lead month .