



Special Executive Report

DATE: February 14, 2023
SER#: 9138
SUBJECT: Amendments to the CME Globex Trading Hours for Basis Trade at Index Close ("BTIC") Transactions on CME and CBOT Commodity Index Futures Contracts

Effective Sunday, March 12, 2023, for trade date Monday, March 13, 2023, and pending all relevant CFTC regulatory review periods, Chicago Mercantile Exchange Inc. ("CME") and The Board of Trade of the City of Chicago, Inc. ("CBOT") (collectively, the "Exchanges") will amend the CME Globex electronic trading platform ("CME Globex") hours for Basis Trade at Index Close ("BTIC") transactions of the three (3) CME and CBOT commodity index futures contracts listed in the table below. Specifically, this amendment will harmonize the CME Globex BTIC trading hours with the respective underlying index close for all four (4) of the Exchanges' commodity index futures contracts in the table below.

Additionally, the Exchanges will implement administrative changes to the four (4) CME and CBOT commodity index futures product chapters listed in the table below (collectively, the "Rule Amendments"). The Exchanges will delete specific trading hours from the product chapters and replace with boilerplate language. The Exchanges' house specific trading hours on contract specification pages of each contract.

Contract Title	CME Globex / CME ClearPort Code	Rulebook Chapter	Current CME Globex BTIC Trading Hours	Amended CME Globex BTIC Trading Hours
S&P GSCI Commodity Index Futures	GD/GI	CME 401	5:00 pm – 4:00 pm CT	5:00 pm – <u>1:30 pm</u> CT
S&P GSCI ER Index Futures	GIE/GA	CME 415	5:00 pm – 4:00 pm CT	5:00 pm – <u>1:30 pm</u> CT
Bloomberg Commodity Index Futures	AW	CBOT 29	5:00 pm – 1:30pm CT	No change
Bloomberg Roll Select Commodity Index Futures	DRS	CBOT 29D	5:00 pm – 4:00 pm CT	5:00 pm – <u>1:30 pm</u> CT

Exhibit A below provides amendments to the product rulebook chapters in blackline format.

Please refer questions on this subject to:

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Exhibit A

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

CME Rulebook

Chapter 401 S&P GSCI™ Commodity Index Futures

40104. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

40104.A. BTIC Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a BTIC block trade executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. For a BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

40104.B. BTIC Price Assignment Procedures

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

~~The futures price of a BTIC transaction shall be determined by the Exchange at 3:30 p.m. Chicago time (4:30 p.m. Eastern time) (or according to the requirements of Rule 40103 in the case of final settlement). Such price determination shall be deemed final.~~

40104.C. BTIC Minimum Price Increment

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.010 index points.

[End of rule changes.]

Chapter 415 S&P GSCI™ ER Index Futures

41504. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

41504.A. BTIC Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a BTIC block trade executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. For a BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

41504.B. BTIC Price Assignment Procedures

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

~~The futures price of a BTIC transaction shall be determined by the Exchange at 3:30 p.m. Chicago time (4:30 p.m. Eastern time) (or according to the requirements of Rule 41503 in the case of final settlement). Such price determination shall be deemed final.~~

41504.C. BTIC Minimum Price Increment

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.0010 index points.

[End of rule changes.]

CBOT Rulebook

Chapter 29 Bloomberg Commodity Index^{SM 1} Futures

29106. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

29106.A. BTIC Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a BTIC block trade executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. For a BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

29106.B. BTIC Price Assignment Procedures

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

~~The futures price of a BTIC transaction shall be determined by the Exchange at 3:30 p.m. Chicago time (4:30 p.m. Eastern time) (or according to the requirements of Rule 29104 in the case of final settlement). Such price determination shall be deemed final.~~

29106.C. BTIC Minimum Price Increment

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.010 index points.

[End of rule changes.]

Chapter 29D Bloomberg Roll Select Commodity Index^{SM 2} Futures

29D106. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

29D106.A. BTIC Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a BTIC block trade executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. For a BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

29D106.B. BTIC Price Assignment Procedures

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

~~The futures price of a BTIC transaction shall be determined by the Exchange at 3:30 p.m. Chicago time (4:30 p.m. Eastern time) (or according to the requirements of Rule 29D104 in the case of final settlement). Such price determination shall be deemed final.~~

29D106.C. BTIC Minimum Price Increment

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.010 index points.

[End of rule changes.]

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