



## Special Executive Report

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**DATE:** February 14, 2023  
**SER#:** 9144  
**SUBJECT:** Addition of the CME Globex Electronic Trading Platform Venue for Basis Trade at Index Close (“BTIC”) Transactions and Administrative Amendments for Various Equity 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” or “Exchange”) will (1) add the CME Globex electronic trading platform (“CME Globex”) for Basis Trade at Index Close (“BTIC”) transactions currently eligible for certain equity index futures contracts for submission for clearing via CME ClearPort listed in Table 1. below, and (2) implement administrative amendments to the equity index futures contracts listed in Table 1. below (collectively, the “Contracts”).

**Table 1.**

Contract Title	Rulebook Chapter	CME Globex and CME ClearPort Code	BTIC Code
S&P 500 Value Index Futures	<a href="#">356</a>	SU	SUT
S&P 500 Growth Index Futures	<a href="#">355</a>	SG	SGT
E-mini S&P Smallcap 600 Index Futures	<a href="#">368</a>	SMC	SMT

Specifically, the Exchange will:

1. Amend Rules 35502.G. and 35602.G. (“Termination of Trading”) for the S&P Growth Index Futures and S&P Value Index Futures contracts to correct the termination of trading time from the Business Day before the 3<sup>rd</sup> Friday of the contract month to the 3<sup>rd</sup> Friday of the contract month;
2. Amend Rules 35506.C. and 35606.C. (“BTIC Minimum Price Increments”) for the S&P Growth Index Futures and S&P Value Index Futures contracts to decrease the BTIC minimum price increment from 0.10 index points to 0.05 index points on both CME Globex and CME ClearPort;
3. Implement conforming amendments to Rules 588.H. (“Globex Non-Reviewable Trading Ranges”) Table and 589. Special Price Fluctuation Limits and Daily Price Limits Table;
4. Amend the last trade date (“LTD”) rule for BTIC transactions on E-mini S&P Smallcap 600 Index Futures contract from the 3<sup>rd</sup> Friday of the contract month to the Business Day before the 3<sup>rd</sup> Friday of the contract month; and
5. Implement an operational correction to the BTIC minimum price increment for the E-mini S&P Smallcap 600 Index Futures contract to reflect 0.05 index points to appropriately mirror Rule 36806.C. (“BTIC Minimum Price Increments”) (collectively, the “Rule Amendments”).

The addition of the CME Globex venue will align these contracts with other equity index futures contracts. The administrative amendments are corrections to the Exchange’s current practice.

Exhibit A below provides Rulebook Chapters 355 and 356 in blackline format. Exhibit B provides the Exchange Fees. Exhibit C provides CME Rule 588.H. and CME Rule 589. in blackline format.

Please refer questions on this subject to:

Murphy Brennan  
Anna Ellis

[Murphy.Brennan@cmegroup.com](mailto:Murphy.Brennan@cmegroup.com)  
[Anna.Ellis@cmegroup.com](mailto:Anna.Ellis@cmegroup.com)

+1 312 930 3411  
+1 312 783 8764

## **Exhibit A**

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

### **CME Rulebook**

#### **Chapter 355 S&P 500 Growth Index Futures**

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##### **35502. TRADING SPECIFICATIONS**

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###### **35502.G. Termination of Trading**

Trading in expiring futures shall terminate at the regularly scheduled start of trading on the New York Stock Exchange on the Business Day scheduled for determination of the Final Settlement Price (Rule 35503.A.) for such futures.

~~Trading in expiring futures shall terminate at 3:15 p.m. on the Business Day immediately preceding the Business Day scheduled for determination of the Final Settlement Price (Rule 35503.A.) for such futures.~~

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##### **35506. BASIS TRADE AT INDEX CLOSE ("BTIC") TRANSACTIONS**

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###### **35506.C. BTIC Minimum Price Increments**

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 0.10-0.05 Index points.

[End of Rule changes.]

#### **Chapter 356 S&P 500 Value Index Futures**

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##### **35602. TRADING SPECIFICATIONS**

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###### **35602.G. Termination of Trading**

Trading in expiring futures shall terminate at the regularly scheduled start of trading on the New York Stock Exchange on the Business Day scheduled for determination of the Final Settlement Price (Rule 35603.A.) for such futures.

~~Trading in expiring futures shall terminate at 3:15 p.m. on the Business Day immediately preceding the Business Day scheduled for determination of the Final Settlement Price (Rule 35603.A.) for such futures.~~

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##### **35606. BASIS TRADE AT INDEX CLOSE ("BTIC") TRANSACTIONS**

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###### **35606.C. BTIC Minimum Price Increments**

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 0.10-0.05 index points.

[End of Rule changes.]

## **Exhibit B**

### **Exchange Fees**

<b>Membership Type</b>	<b>Venue/Transaction Type</b>	<b>Equity Index Futures</b>	<b>E-mini Equity Index Futures</b>
Individual Members Clearing Members Rule 106.J Equity Member Firms & Rule 106.J Qualified Subsidiaries Rule 106.I Members & Rule 106.I Qualified Affiliates Rule 106.S Member Approved Funds	CME Globex BTIC	\$2.05	\$1.90
Rule 106.D Lessees Rule 106.F Employees	CME Globex BTIC	\$2.28	\$2.02
Rule 106.H and 106.N Firms	CME Globex BTIC	\$2.43	\$2.20
International Incentive Program (IIP) Participants International Volume Incentive Program (IVIP) Participants (For other than CME Globex - See Non-Members)	CME Globex BTIC	\$2.65	\$2.25
Central Bank Incentive Program (CBIP) Participants Latin American Fund Manager Incentive Program (FMIP) Participants (For other than CME Globex and where N/A - See Non-Members)	CME Globex BTIC	\$2.65	\$2.25
CBOE Members (For S&P products only; for all other products - Non-Member rates apply)	CME Globex BTIC	\$2.55	\$2.20
Non-Members	CME Globex BTIC	\$2.65	\$2.25

<b>Processing Fees</b>	<b>Fee</b>
Position Adjustment/Position Transfer	\$0.10
Give-Up Surcharge	\$0.05
Facilitation Fee	\$0.40

## Exhibit C

### CME Rulebook Chapter 5 ("Trading Qualifications and Practices")

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

(additions underscored)

Instrument	Globex Symbol	Outrights			Spreads	
		Globex Non-Reviewable Ranges (NRR)	NRR: Globex Format	NRR: Minimum Ticks	NRR: Globex Format	NRR: Minimum Ticks
<u>BTIC on S&amp;P 500 Value Index Futures</u>	<u>SUT</u>	<u>1 index points</u>	<u>100</u>	<u>20</u>	<u>N/A</u>	<u>N/A</u>
<u>BTIC on E-mini S&amp;P Smallcap 600 Index Futures</u>	<u>SMT</u>	<u>1 index points</u>	<u>100</u>	<u>20</u>	<u>N/A</u>	<u>N/A</u>
<u>BTIC on S&amp;P 500 Growth Index Futures</u>	<u>SGT</u>	<u>1 index points</u>	<u>100</u>	<u>20</u>	<u>N/A</u>	<u>N/A</u>

#### CME Rule 589. – Special Price Fluctuation Limits and Daily Price Limits Table

(additions underscored)

Product	Rulebook Chapter	Commodity Code	Primary/ Associated	Associated With	Daily Price Limit	Dynamically Calculated Variant
						(Excluding Regular Trading Hours)
<u>BTIC on S&amp;P 500 Value Index Futures</u>	<u>356</u>	<u>SUT</u>	<u>Associated</u>	<u>SU</u>	<u>Daily Price Limit Table</u>	
<u>BTIC on E-mini S&amp;P Smallcap 600 Index Futures</u>	<u>368</u>	<u>SMT</u>	<u>Associated</u>	<u>SMC</u>	<u>Daily Price Limit Table</u>	
<u>BTIC on S&amp;P 500 Growth Index Futures</u>	<u>355</u>	<u>SGT</u>	<u>Associated</u>	<u>SG</u>	<u>Daily Price Limit Table</u>	