



Special Executive Report

DATE: February 28, 2023
SER#: 9163
SUBJECT: Amendments to Certain CME and CBOT U.S. Equity Index Futures Contracts to Include Behavior in Connection with Unscheduled Market Holidays Declared by the Primary Listing Exchange

Effective March 15, 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 U.S. equity index futures contracts listed in Table 1. below (the "Contracts") to align the Contracts' trading schedules with unscheduled market holidays declared by the Primary Listing Exchanges.

Table 1.

Contract Title	Rulebook Chapter	CME Globex/ CME ClearPort Code
CME		
Micro E-mini Standard and Poor's 500 Stock Price Index Futures	353	MES
S&P 500 Growth Index Futures	355	SG
S&P 500 Value Index Futures	356	SU
S&P 500 Total Return Index Futures	357	TRI
Adjusted Interest Rate S&P 500 Total Return Index Future	357B	ASR
E-mini Standard and Poor's 500 Stock Price Index Futures	358	ES
Nearby BTIC+ Futures on E-mini Standard and Poor's 500 Stock Price Index Futures*	358B	ES1
Deferred BTIC+ Futures on E-mini Standard and Poor's 500 Stock Price Index Futures*	358B	ES2
TACO+ Futures on E-mini Standard and Poor's 500 Stock Price Index Futures*	358B	EQ1
E-mini Nasdaq-100 Index Futures	359	NQ
E-mini Nasdaq Biotechnology Index Futures	360	BIO/BQ
Micro E-mini Nasdaq-100 Index Futures	361	MNQ
E-mini Standard and Poor's Midcap 400 Stock Price Index Futures	362	EMD/ME
Micro E-mini Russell 2000 Index Futures	363	M2K
E-mini S&P 500 ESG Index Futures	364	ESG
E-mini S&P Smallcap 600 Index Futures	368	SMC
E-mini Standard and Poor's Select Sector Stock Consumer Discretionary Index Futures	369	XAY
E-mini Standard and Poor's Select Sector Stock Consumer Staples Index Futures	369	XAP
E-mini Standard and Poor's Select Sector Stock Energy Index Futures	369	XAE
E-mini Standard and Poor's Select Sector Stock Financial Index Futures	369	XAF
E-mini Standard and Poor's Select Sector Stock Health Care Index Futures	369	XAV

E-mini Standard and Poor's Select Sector Stock Industrial Index Futures	369	XAI
E-mini Standard and Poor's Select Sector Stock Materials Index Futures	369	XAB
E-mini Standard and Poor's Select Sector Stock Technology Index Futures	369	XAK
E-mini Standard and Poor's Select Sector Stock Utilities Index Futures	369	XAU
E-mini Standard and Poor's Select Sector Stock Real Estate Index Futures	369	XAR
E-mini Standard and Poor's Communication Services Select Sector Index Futures	369	XAZ
E-mini S&P Regional Banks Select Industry Futures	369	SXB
E-mini S&P Insurance Select Industry Futures	369	SXI
E-mini S&P Biotechnology Select Industry Futures	369	SXT
E-mini S&P Oil & Gas Exploration & Production Select Industry Futures	369	SXO
E-mini S&P Retail Select Industry Futures	369	SXR
Adjusted Interest Rate Russell 1000 Total Return Index Futures	372	ARR
Adjusted Interest Rate Russell 2000 Total Return Index Futures	373	A2R
Adjusted Interest Rate Nasdaq-100 Total Return Index Futures	374	AQR
E-mini Nasdaq Composite Index Futures	377	QCN/QN
Nasdaq-100 Volatility Index Futures*	379	VLQ
E-mini PHLX Semiconductor Sector Futures	380	SOX
E-mini Russell 1000 Index Futures	383	RS1
E-mini Russell 1000 Growth Index Futures	384	RSG
E-mini Russell 1000 Value Index Futures	385	RSV
E-mini IPOX 100 U.S. Index Futures	392	IPO
E-mini Russell 2000 Index Futures	393	RTY
E-mini Russell 2000 Growth Index Futures	394	R2G
E-mini Russell 2000 Value Index Futures	395	R2V
CBOT		
E-mini Dow Jones Industrial Average Index Futures	27	YM
Micro E-mini Dow Jones Industrial Average Index Futures	28	MYM
Dow Jones US Real Estate Index Futures	30	RX/JR
Adjusted Interest Rate Dow Jones Industrial Average Total Return Index Futures	33	ADR

*rule amendments are provided in Appendix B

Specifically, the Exchanges are adopting additional language in Rule XXX02. ("Trading Specifications") and Rule XXX03. ("Settlement Procedures") of the Contracts to codify the process which shall be applied in the event that the Primary Listing Exchange is closed in observance of an unscheduled market holiday on a day previously scheduled as a Business Day (collectively, the "Rule Amendments").

The Rule Amendments were previously applied to U.S. equity options contracts. See [SER 8508](#) for additional information.

Exhibit A provides an example of the rulebook changes of the Contracts with exception to CME Chapters 358B and 357 which are provided in Exhibit B.

Please refer questions on this subject to:

Richard Co
Anna Ellis

Richard.Co@cmegroup.com
Anna.Ellis@cmegroup.com

+1 312 930 3227
+1 312 783 8764

Exhibit A

(additions underscored)

CME and CBOT Rulebooks Chapter XXX

XXX02. TRADING SPECIFICATIONS

XXX02.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 XXX03.A.) for such futures.

If an unscheduled Market Holiday is declared on the day of Final Settlement Price determination (Rule XXX03.A), trading in the expiring futures shall terminate at the close of trading on the New York Stock Exchange on the immediately preceding Business Day.

XXX03. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

XXX03.A. Final Settlement Price

For a futures contract for a given delivery month, the Final Settlement Price shall be a special opening quotation of the Index. Such special opening quotation shall be determined on the third Friday of such delivery month and shall be based on opening prices of the component stocks of the Index.

If the Index is not scheduled to be published on the third Friday of the contract 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 Primary Listing Exchange for a component stock of the Index does not open on the day scheduled for determination of such Final Settlement Price, then for the purpose of calculating such Final Settlement Price the price of such component stock shall be its opening price on the next following day on which its Primary Listing Exchange is open for trading.

If a component stock of the Index does not trade on the day scheduled for determination of such Final Settlement Price, and the Primary Listing Exchange for such stock is open for trading, then for the purpose of calculating such Final Settlement Price the price of such stock shall be its last sale price, provided that the Exchange in its sole discretion may instruct that the price of such stock shall be its opening price on the next following day that it is traded on its Primary Listing Exchange.

If an unscheduled Market Holiday is declared on the day of final settlement price determination, the Final Settlement Price shall be the Official Index Closing Value published by the index publisher on the Business Day immediately preceding the original day of Final Settlement Price determination.

[End of Rule.]

Exhibit B

(additions underscored)

CME Rulebook

Chapter 358B BTIC+ and TACO+ Futures on E-mini Standard and Poor's 500 Stock Price Index Futures

358B03. SETTLEMENT PROCEDURES

358B03.A. Final Settlement Price

For a futures contract for a given delivery day, the Final Settlement Price shall be determined on the Last Trade Date.

358B03.B. Delivery Price

For a futures contract for a given delivery day, the Delivery Price shall be the Final Settlement Price plus

- (i) the official closing Index level on the Delivery Date for Nearby BTIC+ on ES futures contracts or,
- (ii) the official closing Index level on the Delivery Date for Deferred BTIC+ on ES futures contracts or,
- (iii) the special opening quotation level of the Index on the Delivery Date for TACO+ on ES futures contracts, in accord with CME Rule 35803.A.

If an unscheduled Market Holiday is declared on the delivery day, the Delivery Price shall be the Final Settlement Price, plus the official closing index level on the Business Day immediately preceding the delivery day, for Nearby BTIC+ on ES futures, Deferred BTIC+ on ES futures and TACO+ on ES futures contracts.

358B03.C. Final Settlement

1. Clearing members holding a long (short) position in an expiring Nearby BTIC+ on ES futures contract at its Termination of Trading (Rule 358B02.G.) will be assigned a BTIC transaction to buy (sell) an ES futures contract on such Nearby BTIC+ futures contract's Delivery Date. Such BTIC transaction to buy (sell) shall be assigned with a price equal to the Final Settlement Price of such contract. Such assigned BTIC transaction to buy (sell) an ES future will settle in accordance with the BTIC Price Assignment Procedures (Rule 35806.B.1) resulting in the clearing member being assigned a long (short) position in an ES future at the Delivery Price.
2. Clearing members holding a long (short) position in an expiring Deferred BTIC+ on ES futures contract at its Termination of Trading (Rule 358B02.G.) will be assigned a BTIC transaction to buy (sell) an ES futures contract on such Deferred BTIC+ futures contract's Delivery Date. Such BTIC transaction to buy (sell) shall be assigned with a price equal to the Final Settlement Price of such contract. Such assigned BTIC transaction to buy (sell) an ES future will settle in accordance with the BTIC Price Assignment Procedures (Rule 35806.B.1) resulting in the clearing member being assigned a long (short) position in an ES future at the Delivery Price.
3. Clearing members holding a long (short) position in an expiring TACO+ on ES futures contract at its Termination of Trading (Rule 358B02.G.) will be assigned a TACO transaction to buy (sell) an ES futures contract on such TACO+ futures contract's Delivery Date. Such TACO transaction to buy shall be assigned with a price equal to the Final Settlement Price of such contract. Such assigned TACO transaction to buy (sell) an ES future will settle in accordance with the TACO Price Assignment Procedures (Rule 35806.B.2) resulting in the clearing member being assigned a long (short) position in an ES future at the Delivery Price.

[End of Rule.]

Chapter 379
Nasdaq-100[®] Volatility IndexSM (VOLQSM) Futures

37903. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

37903.A. Final Settlement Price

For a futures contract for a given delivery month, the Final Settlement Price shall be a special settlement quotation of the Index published by Nasdaq under the ticker "VoIS".

VoIS is generally calculated as a VWAP of the component Nasdaq-100 Index options during a 300 second period of time commencing at 9:32:00 on the settlement day (or 2.00.001 minutes after the open of trading in the event trading does not commence at 9:30:00 a.m. ET).

VoIS shall be determined thirty (30) days prior to the third Friday of the month immediately following such delivery month

If the cash settled Nasdaq-100 Index options are not scheduled to be traded on the third Friday of the month immediately following such delivery month, then such special settlement quotation shall be scheduled for determination thirty (30) days prior to the first preceding Business Day on which cash settled Nasdaq-100 Index options are scheduled to be traded.

If the Index is not scheduled to be published thirty (30) days prior to the third Friday of the month immediately following such delivery month, then such special settlement quotation shall be scheduled for determination on the first preceding Business Day on which the Index is scheduled to be published.

[If an unscheduled Market Holiday is declared on the day of Financial Settlement Price determination, the Final Settlement Price shall be the special settlement quotation of the Index published by NASDAQ under the ticker "VoIS" on the Business Day immediately following the original day of Final Settlement Price determination.](#)

37903.B. Final Settlement

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 37902.G.) shall make payment to or receive payment from the Clearing House in accordance with normal variation margin procedures based on such expiring contract's Final Settlement Price (Rule 37903.A.).

[End of Rule.]