



Special Executive Report

S-6212

April 25, 2012

Revision to Price Limit Triggering Contract for E-mini S&P CNX Nifty and E-micro S&P CNX Nifty Futures

As a response to a shift in S&P CNX Nifty futures market liquidity, CME will use the E-micro S&P CNX Nifty futures contract rather than the E-mini S&P CNX Nifty futures contract as the primary contract for triggering S&P CNX Nifty futures price limits. CME will implement this change on **Monday evening, April 30, 2012** following the publication of the monthly S&P CNX Nifty Price Limit Special Executive Report.

Currently, the E-mini S&P CNX Nifty futures is used as the primary contract for triggering price limit events for both the E-mini S&P CNX Nifty and the E-micro S&P CNX Nifty futures contracts. But the market has demonstrated that the E-micro S&P CNX Nifty futures contract is more liquid than the E-mini S&P Nifty CNX futures contract on the CME Globex electronic trading system.

The table below illustrates the average daily volume for each calendar month since the two contracts were launched in 2010. Note that modification of the price limit triggering futures contract does not change the price limits calculation methodology for the E-mini S&P CNX Nifty and the E-micro S&P Nifty futures contracts.

CME S&P CNX Nifty Futures Average Daily Volume

Month	E-mini CNX Nifty Futures	E-mirco CNX Nifty Futures	Month	E-mini CNX Nifty Futures	E-mirco CNX Nifty Futures
Jul-10	106	1857	May-11	6	135
Aug-10	102	2207	Jun-11	7	170
Sep-10	62	1347	Jul-11	3	123
Oct-10	30	953	Aug-11	10	199
Nov-10	29	1036	Sep-11	1	251
Dec-10	6	363	Oct-11	4	176
Jan-11	12	346	Nov-11	3	65
Feb-11	8	346	Dec-11	0	39
Mar-11	8	150	Jan-12	0	17
Apr-11	9	153	Feb-12	2	18

If you have any questions regarding these rule amendments, please contact Mr. John Nyhoff, R&PD at 312-930-2310 or Ms. Lucy Wang, R&PD at 312-648-5478.

Text of Rule Amendments

(Additions are underlined and deletions are bracketed and struck out.)

Chapter 381

E-mini Standard and Poor's CNX Nifty Index Futures

38102.I. Price Limits, Trading Halts, and/or Trading Hours

For the purpose of this rule, the primary contract shall be defined as the nearby [~~E-mini~~ E-micro S&P Nifty futures contract month.

Price Limits: There shall be Price Limits corresponding to 10.0%, 15.0% and 20.0% of the Reference Price.

When the primary futures contract is limit bid at the 10.0% Price Limit above the previous day's settlement price, or limit offered at the 10.0% Price Limit below the previous day's settlement price, a 10-minute period shall commence. If the primary futures contract remains limit bid or limit offered at the end of the 10 minute period at the same 10.0% Price Limit, trading shall halt for a period of two minutes, after which time the market shall reopen. The 15.0% Price Limit shall apply following such reopening.

When the primary futures contract is limit bid at the 15.0% Price Limit above the previous day's settlement price, or limit offered at the 15.0% Price Limit below the previous day's settlement price, a 10-minute period shall commence. If the primary futures contract remains limit bid or limit offered at the end of the 10 minute period at the same 15.0% Price Limit, trading shall halt for a period of two minutes, after which time the market shall reopen. The 20.0% Price Limit shall apply following such reopening.

The maximum daily limit is 20 percent. Trading can only occur at or below the 20.0% Price Limit above the previous day's settlement price, and at or above the 20.0% Price Limit below the previous day's settlement price.

There shall be no Price Limits on the Last Trading Day of the expiring contract.

The Reference Price is the closing price of the underlying index on the last business day of the preceding month. The Daily Price Limit shall be announced prior to the opening of trading in each calendar month. The Daily Price Limit shall be determined based on the closing price of the underlying index on the last business day of the preceding month, as follows.

10.0% Price Limit	equals	10% of the Reference Price rounded down to nearest integral multiple of 10 index points
15.0% Price Limit	equals	1.5 times the 10.0% Price Limit
20.0% Price Limit	equals	2 times the 10.0% Price Limit

[Remainder of Chapter 381 is unchanged.]

Chapter 382
E-micro Standard and Poor's CNX Nifty Index Futures

38202.I. Price Limits, Trading Halts, and/or Trading Hours

For the purpose of this rule, the primary contract shall be defined as the nearby [~~E-mini~~ E-micro S&P Nifty futures contract month.

Price Limits: There shall be Price Limits corresponding to 10.0%, 15.0% and 20.0% of the Reference Price.

When the primary futures contract is limit bid at the 10.0% Price Limit above the previous day's settlement price, or limit offered at the 10.0% Price Limit below the previous day's settlement price, a 10-minute period shall commence. If the primary futures contract remains limit bid or limit offered at the end of the 10 minute period at the same 10.0% Price Limit, trading shall halt for a period of two minutes, after which time the market shall reopen. The 15.0% Price Limit shall apply following such reopening.

When the primary futures contract is limit bid at the 15.0% Price Limit above the previous day's settlement price, or limit offered at the 15.0% Price Limit below the previous day's settlement price, a 10-minute period shall commence. If the primary futures contract remains limit bid or limit offered at the end of the 10 minute period at the same 15.0% Price Limit, trading shall halt for a period of two minutes, after which time the market shall reopen. The 20.0% Price Limit shall apply following such reopening.

The maximum daily limit is 20 percent. Trading can only occur at or below the 20.0% Price Limit above the previous day's settlement price, and at or above the 20.0% Price Limit below the previous day's settlement price.

There shall be no Price Limits on the Last Trading Day of the expiring contract.

The Reference Price is the closing price of the underlying index on the last business day of the preceding month. The Daily Price Limit shall be announced prior to the opening of trading in each calendar month. The Daily Price Limit shall be determined based on the closing price of the underlying index on the last business day of the preceding month, as follows.

10.0% Price Limit	equals	10% of the Reference Price rounded down to nearest integral multiple of 10 index points
15.0% Price Limit	equals	1.5 times the 10.0% Price Limit
20.0% Price Limit	equals	2 times the 10.0% Price Limit

[Remainder of Chapter 382 is unchanged.]

