

13-105

TO: CME and KCBOT Clearing Member Firms  
FROM: CME Clearing  
DATE: March 4, 2013  
SUBJECT: **Update on Clearing Integration for the Kansas City Board of Trade**

---

As previously announced in Clearing Advisory 12-551, published December 19, 2012, and pending regulatory approval, clearing processing for the Kansas City Board of Trade (KCBT) will be integrated into the CME clearing systems as of **Monday, April 15, 2013**.

The KCBT products are now fully live in various end-of-day datafiles published by CME Clearing, both in production and in the “New Release” testing environment. And clearing firms may begin testing clearing processing for KCBT products in that “New Release” environment beginning on **Friday, March 15**.

Also, as previously announced in Clearing Advisory 13-061, published February 6, 2013, all CME and CBOT clearing member firms, will be eligible to clear the KCBT products, beginning on April 15.

As indicated in advisory 12-551, we are adopting several technical steps in order to make the transition as simple as possible for clearing member firms. In particular, in trade messages transmitted from the clearing system to clearing firms, and in the end-of-day trade register file generated for the clearing firms, the “product exchange code” will be provided as **CBT**, exactly as if the product were a CBOT product, and the “firm exchange code” will also be provided as **CBT**. In the end-of-day SPAN files, the exchange for the KCBT products will likewise be provided as **CBT**. When clearing firms transmit data to CME, in FIXML messages or in end-of-day PCS or Customer Gross Margining datafiles, you may provide the product exchange as either **KCB** or **CBT**.

In particular regarding the end-of-day datafiles:

- End-of-day settlement price files for KCBT are now available in the usual **pub/settle** location on [ftp.cmegroup.com](http://ftp.cmegroup.com) and on the Firm FTP Server. Look for the files with names starting with **kcb.settle**.
- End-of-day product reference files for KCBT are now available in the usual **pub/prf** location on [ftp.cmegroup.com](http://ftp.cmegroup.com) and on the Firm FTP Server. Look for the files with names starting with **cmeg.kcb**.
- Products, settlement prices and risk arrays for the KCBT products are now present in CME SPAN files, in the usual locations at [ftp.cmegroup.com/pub/span/data/cme](http://ftp.cmegroup.com/pub/span/data/cme) or in the **pub/span** directory on the Firm FTP Server. As described above, the exchange code for the KCBT products is provided as **CBT**.

As previously indicated, the clearing product code for the KCBT hard red winter wheat product will be kept at its current value of **KW** for both the futures and the options. However, we are changing the clearing product code for the KC wheat swap. The new product code in the CME systems for the KC wheat swap is **KWS**.

For Large Trader reporting data: the CFTC requires that for submission of large trader data for KCBT products, firms continue to use exchange code **08**. When submitting large trader data for the KCBT products to CME's Market Regulation, firms are required to use exchange code **08** and product code **KW** for KCBT Wheat futures and options or **KWS** for KCBT Wheat Swaps. Firms are also required to use their CBT firm number when submitting their large trader position file. For additional questions regarding large trader reporting, please contact Sandra Valtierra at (312) 347-4137 or [sandra.valtierra@cmegroup.com](mailto:sandra.valtierra@cmegroup.com).

Trading of KCBOT products on CME Globex is not affected by the clearing integration. For CME Globex market access considerations, clearing firm administrators should contact their Global Account Manager.

Clearing Advisory 12-551 is available at:

<http://www.cmegroup.com/tools-information/lookups/advisories/clearing/files/Chadv12-551.pdf>

Clearing Advisory 13-061 is available at:

<http://www.cmegroup.com/tools-information/lookups/advisories/clearing/files/Chadv13-061.pdf>

For more information, please contact CME Clearing at (312) 207-2525.