



Special Executive Report

S-7189

Date: 9/11/2014

Amendments to Daily Price Limits Rules for Four (4) CME Dairy Futures Contracts

Please be advised that effective Sunday, November 2, 2014 for trade day Monday, November 3, 2014, and pending all relevant CFTC regulatory review periods, the Chicago Mercantile Exchange Inc. (CME or Exchange) will amend the daily price limit rules for the products listed below.

Product Name	CME Clearing Code/Open Outcry Code	CME Globex Code/ClearPort Code	Rulebook Chapter Number
Nonfat Dry Milk Futures	NF/NF	NF/not applicable	5402.D
Cash-Settled Butter Futures	CB/CB	CB/not applicable	5602.D
Dry Whey Futures	DY/DY	DY/not applicable	5702.D
Cheese Futures	CSC/not applicable	CSC / CSC	6002.D

On trade date Monday, November 3, 2014 and beginning with the November 2014 contract month and beyond, the daily price limits will be removed from the spot month contract for Nonfat Dry Milk, Cash-Settled Butter, and Dry Whey futures. Secondly, the rules governing the triggering of expanded daily price limits in Cash-Settled Butter and Cheese futures will be amended so any contract, if it settles at the limit bid or offer, will trigger expanded daily price limits for all listed CME Cash-Settled Butter and Cheese futures contracts. These rule amendments do NOT change the daily price limit values. The amendments to CME Rulebook Chapters 5402.D, 5602.D, 5702.D, and 6002.D are provided in blackline format below (underscore denoted additional, ~~strikethrough~~ denotes deletions).

Chapter 54

Nonfat Dry Milk Futures

5402.D. Daily Price Limits

There shall be no trading at a price more than \$0.04 per pound above or below the previous day's settlement price, except that there shall be no daily price limits in the spot month ~~during the last 5 Trading Days in the spot month.~~

If any contract that is subject to a daily price limit settles on the limit bid or the limit offer, then the daily price limit shall be raised to \$0.08 per pound for all contracts subject to a daily limit. If none of the contracts that are subject to a daily price limit of \$0.08 settles at a limit bid or limit offer, the price, without regard to market direction, limits for all contracts subject to a daily limit shall revert to \$0.04 per pound on the next Business Day.

Chapter 56

Cash-Settled Butter Futures

5602.D. Daily Price Limits

There shall be no trading at a price more than \$0.05 per pound above or below the previous day's settlement price, except that there shall be no daily price limits in the spot month ~~during the last 5 days of trading.~~

If ~~the any contract nearest to expiration~~ any contract nearest to expiration that is subject to a daily price limit settles on the limit bid or the limit offer, then the daily price limit shall be raised to \$0.10 per pound for all contracts subject to a daily price limit.

If, after the daily price limits have been increased to \$0.10 per pound, ~~the any contract nearest to expiration~~ that is subject to a daily price limit settles on the limit bid or the limit offer, then the daily price limit shall be raised to \$0.20 per pound for all contracts subject to a daily price limit.

If ~~the any contract nearest to expiration~~ that is subject to a daily price limit of \$0.20 does not settle at the limit bid or offer, the price limits shall revert to \$0.10 per pound on the next Business Day.

If ~~the any contract nearest to expiration~~ that is subject to a daily price limit of \$0.10 does not settle at the limit bid or offer, the price limits shall revert to \$0.05 per pound on the next Business Day.

Chapter 57

CME Dry Whey Futures

5702.D. Daily Price Limits

There shall be no trading at a price more than \$0.06 per pound above or below the previous day's settlement price, except that there shall be no daily price limits in the spot month ~~during the last 5 Trading Days in the spot month.~~

If any contract that is subject to a daily limit settles on the limit bid or the limit offer, then the daily price limit shall be raised to \$0.12 per pound for all contracts. If none of the contracts that are subject to a daily price limit of \$0.12 settles at the limit bid or offer, the price limits for all contracts shall revert to \$0.06 per pound on the next Business Day.

Chapter 60

Cheese Futures

6002.D. Daily Price Limits

There shall be no trading at a price more than \$0.075 per pound above or below the previous day's settlement price, except that there shall be no daily price limits in the spot month.

If ~~the any contract nearest to expiration~~ that is subject to a daily price limit settles on the limit bid or the limit offer, then the daily price limit shall be raised to \$0.15 per pound for all contracts subject to a daily price limit.

If, after the daily price limits have been increased to \$0.15 per pound, ~~the any contract nearest to expiration~~ that is subject to a daily price limit settles on the limit bid or the limit offer, then the daily price limit shall be raised to \$0.30 per pound for all contracts subject to a daily price limit.

If ~~the any contract nearest to expiration~~ that is subject to a daily price limit of \$0.30 does not settle at a limit bid or limit offer, without regard to market direction, the price limits shall revert to \$0.15 per pound the next Business Day.

If ~~the any contract nearest to expiration~~ that is subject to a daily price limit of \$0.15 does not settle at a limit bid or limit offer, without regard to market direction, the price limits shall revert to \$0.075 per pound the next Business Day.

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