



Special Executive Report

DATE: October 22, 2014

SER#: 7197R

SUBJECT: Amendments to Two (2) Natural Gas Futures Contracts

This SER supersedes SER 7197 dated October 10, 2014 to revise the effective date.

Effective Sunday, December 21, 2014 for trade date Monday, December 22, 2014, and pending all relevant CFTC regulatory review periods, the New York Mercantile Exchange, Inc. (NYMEX or Exchange) will amend the minimum tick size from \$0.0001 to \$0.001 for the two (2) natural gas futures products traded on CME Globex and the NYMEX trading floor and for submission for clearing through CME ClearPort

The contract titles, commodity codes, and rule chapters of the affected products are provided below.

| Contract Name | Code | Rule Chapter |
|--|------|--------------|
| Henry Hub Natural Gas Penultimate Financial Futures | NP | 529 |
| Henry Hub Natural Gas Look-Alike Penultimate Financial Futures | HP | 824 |

Also effective at this time, the Exchange will amend the (Contract Quantity and Value) provision for Henry Hub Natural Gas Penultimate Financial Futures. The amendments delete obsolete references to a trading strategy that restricts the contract to be traded on a per-day basis only.

Lastly, the Exchange will amend the non-reviewable ranges ("NRR") for the futures contracts into NYMEX Rule 588.H.

The amendments to the rules relating to the reduction in minimum price fluctuation limit and contract quantity and value provisions as well as amendments to NYMEX Rule 588.H (Non-reviewable Range Table) for the above-listed contracts are provided in blackline format below (underline indicates addition; ~~strikethrough~~ indicates deletion).

Chapter 529

Henry Hub Natural Gas Penultimate Financial Futures

529.03 CONTRACT QUANTITY AND VALUE

The contract quantity shall be 2,500 MMBtu (million British thermal units). ~~Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of calendar days in that contract month, provided however this restriction on transaction size does not apply~~

~~to either Exchange of Futures for, or in Connection with Product (EFP) or Exchange of Futures for, or in Connection With Swap Transactions (EFS).~~

Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

529.05 PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be ~~\$0.0004~~ **\$0.001** per MMBtu. The maximum price fluctuation shall be consistent with the prevailing price limits of the Henry Hub Natural Gas Futures contract.

Chapter 824

Henry Hub Natural Gas Look-Alike Penultimate Financial Futures

824.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be ~~\$0.0004~~ **\$0.001** per MMBtu. The maximum price fluctuation shall be consistent with the prevailing price limits of the Henry Hub Natural Gas Futures contract.

NYMEX Rule 588.H (“Globex Non-Reviewable Trading Ranges”)

| Instrument | Non-Reviewable Range (NRR) in Globex format | NRR including Unit of Measure | NRR Ticks |
|---|--|--------------------------------------|----------------------------|
| Henry Hub Natural Gas Last Day Financial Futures | <u>100</u> 4000 | \$.10 per MMBtu | <u>100</u> 4000 |
| Henry Hub Natural Gas Penultimate Financial Futures | <u>100</u> 4000 | \$.10 per MMBtu | <u>100</u> 4000 |

Please refer questions on this subject to:

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