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OFFICE OF THE
SECRETARIAT

June 15, 2011

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: Section 5c(c)(1), Part 40.6(a) – Rule Certification for Synchronizing Brazilian Real Futures and Options on Futures Settlement Determination Times with the BM&FBOVESPA U.S. Dollar/Brazilian Real Futures Contract Settlement Times. CME Submission 11-232.

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("Commission") that, effective on Sunday, June 19, 2011, for the trade date of Monday, June 20, 2011, CME is synchronizing its Brazilian real/U.S. dollar futures and options daily closes and settlement price determination time with close and settlement price determination time of the BM&FBOVESPA U.S. dollar/Brazilian real futures contract, which is 4:00 PM Sao Paulo, Brazil time. Due to different schedules for implementation of Daylight Saving Time (DST) in Brazil and the U.S., CME adjusts its daily close and settlement price determination times throughout the year. These times will be either the current 2:00 PM Central Time (CT), for 31 continuous weeks, or 1:00 PM CT, for 3 continuous weeks on two separate occasions, or 12:00 noon CT, for 15 continuous weeks.

Additions to the CME Rulebook are not deemed necessary to implement these changes, however, the contract specifications sections for the BRL/USD futures & options on the CME Group Web site will reflect this new operational procedure.

Customers in New York City and São Paulo, Brazil note some difficulty hedging CME BRL/USD futures with the BM&FBOVESPA USD/BRL futures contracts. Asynchronous implementation of Daylight Saving Time (DST) in the U.S. and Brazil result in our respective current settlement prices determined at three different relevant times throughout the year, and when they are different, divergent settlement prices introduce basis risk, which negatively impacts hedging effectiveness. This continues to be a problem for electronic market makers.

Prospective electronic market makers for the CME Brazilian real / U.S. dollar futures contract want to utilize the liquidity in the BM&FBOVESPA U.S. dollar/Brazilian real futures to make liquid markets here. Unfortunately, for a total of about 21 weeks per year, CME and BM&FBOVESPA determine their respective Brazilian real vs. U.S. dollar futures contract daily settlement prices at different times of day due to implementation dates of DST in USA and Brazil. During the remaining 31 weeks per year (USA Spring, Summer and Fall which is Brazil's Fall, Winter and Spring) our daily closes & settlement prices coincide with those of BM&FBOVESPA. The disconnect between settlement and closing times during different parts of the year is a problem for market makers (they need the settlement prices for the respective markets to be at similar

levels and having them determined at the same relative time throughout the year helps facilitate this). The following is a summary of relevant BM&FBOVESPA and CME contract characteristics.

BM&FBOVESPA USD/BRL Futures & Options:

- **Trading Hours** = 9:00 AM to 6:00 PM Sao Paulo time;
- **Daily Settlement Prices Set** at 4:00 PM Sao Paulo time.

CME BRL/USD Futures & Options:

- **Trading Hours** = 5:00 PM to 4:00 PM CT next day;
- **Daily Settlement Prices Set** at 2:00 PM CT.

CME is implementing variable CME BRL/USD futures & options daily closes and settlement price calculation / publishing times to synchronize with daily settlement price determination times for the BM&FBOVESPA USD/BRL futures & options. To do this, CME is changing the time for termination of trading and daily BRL/USD futures & options settlement prices calculation times as illustrated below:

Illustration of Daily Closing & Settlement Times for CME BRL/USD Futures & Options Synchronized with the BM&FBOVESPA USD/BRL Futures & Options (Coincides with 4:00 PM Sao Paulo Time for BM&F USD/BRL Futures & Options Daily Settlements)						
Historical Intervals	Duration	Daylight Saving Time (DST) or Standard Time (ST)		# Hrs Ahead Brazil vs. Chicago	Synchronized Daily CME BR Futures Settlement Times	Impact on CME Procedures
10/17/10 to 11/7/10	3 weeks	BM&F = DST	CME = DST	3	1:00 PM*	1 hr. earlier
11/7/10 to 2/20/11	15 weeks	BM&F = DST	CME = ST	4	12 Noon*	2 hrs. earlier
2/20/11 to 3/13/11	3 weeks	BM&F = ST	CME = ST	3	1:00 PM*	1 hr. earlier
3/13/11 to 10/16/11	31 weeks	BM&F = ST	CME = DST	2	2:00 PM*	No Chg.
10/16/11 to 11/6/11	3 weeks	BM&F = DST	CME = DST	3	1:00 PM	1 hr. earlier
11/6/11 to 2/19/12	15 weeks	BM&F = DST	CME = ST	4	12 Noon	2 hrs. earlier
2/19/12 to 3/11/12	3 weeks	BM&F = ST	CME = ST	3	1:00 PM	1 hr. earlier
3/11/12 to 10/21/12	32 weeks	BM&F = ST	CME = DST	2	2:00 PM	No Chg.

Double lined box indicates impact over current one-year period.
 *New synchronized times effective with the Sunday, June 19, 2011, implementation date for the changes.

As demonstrated in the above chart, CME will adjust its BRL/USD futures and options daily close and settlement times four times each year to align them with the BM&FBOVESPA USD/BRL futures & options. These daily closing and settlement times apply to all CME BRL/USD futures, and monthly and weekly CME BRL/USD options.

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Appendices 1, 2 and 3, respectively, display changes to the CME Group Web site to notify market users of the procedures for determination of daily closes and settlement prices for the CME BRL/USD futures and options contracts. Since termination of trading day times are linked to determination of daily settlement prices, the Web site changes include revisions to the Last Trade Date / Time sections of both the BRL/USD futures and options on futures. Also, Appendix 3 adds an explanatory footnote to Clearing's "Product Calendar" on the Web site to denote the relative variable times for CME BRL/USD futures and options expirations.

This synchronization of the CME Brazilian real futures and options daily settlement determination times with those of BM&FBOVESPA U.S. dollar/Brazilian real futures contract will be communicated to shareholder/members in CME Group Special Executive Report, S-5801, dated Wednesday, June 15, 2011. The exchange notes that this action neither violates nor is inconsistent with any provision of the Commodity Exchange Act or of the rules there under. There were no substantive opposing views to this proposal.

If you require any additional information, please do not hesitate to contact Mr. Steven Youngren at 312-930-4583 or via e-mail at Steve.Youngren@cmegroup.com. Alternatively, you may contact me at 312-930-8167 or via e-mail at Sean.Downey@cmegroup.com. Please reference CME Submission 11-232 on all future correspondence regarding this notification.

Sincerely,

/s/ Sean Downey
Associate Director and Assistant General Counsel

Appendix 1. CME Group Web site Contract Specifications for BRL/USD Futures

[Changes are highlighted with additions underlined and deletions bracketed and overstruck.]

BRL/USD Futures

Contract Size	100,000 Brazilian reais
Contract Month Listings	Forty (40) months in the March, June, September and December quarterly cycle (10 years out) plus eighty (80) nearby non-March quarterly cycle months (January, February, April, May, July, August, October, November) or "serial months". A total of 120 consecutive calendar months will always be listed.
<u>Daily Settlement Procedure</u>	<u>To reduce basis risk between the CME Brazilian real/U.S. dollar futures and the BM&FBOVESPA U.S. dollar/Brazilian real futures contract, CME Settlements Team will determine the daily settlement prices at 4:00 PM Sao Paulo time each day.¹</u>
Final Settlement Procedure	Cash-settled
Position Limits	24,000 futures-equivalent contracts in a single month; 40,000 futures-equivalent contracts in all months combined**
Ticker Symbol	CME Globex Electronic Markets: 6L Open Outcry: BR AON Code: LZ <u>View product and vendor codes</u>
Minimum Price Fluctuation (Tick)	\$.00005 per Brazilian real increments (\$5.00/contract).
Trading Hours	OPEN OUTCRY (RTH) 7:20 a.m.-2:00 p.m. GLOBEX (ETH) Sundays: 5:00 p.m. – 4:00 p.m. Central Time (CT) next day. Monday – Friday: 5:00 p.m. – 4:00 p.m. CT the next day, except on Friday - closes at 4:00 p.m. and reopens Sunday at 5:00 p.m. CT. CME ClearPort Sunday – Friday 6:00 p.m. – 5:15 p.m. (5:00 p.m. – 4:15 p.m. Chicago Time/CT) with a 45-minute break each day beginning at 5:15 p.m. (4:15 p.m. CT)
Last Trade Date / Time	<u>[2:00 p.m. Central Time (CT) o]n the last business day of the month for the Central Bank of Brazil immediately preceding the contract month at the same time as the determination of daily settlement prices.¹</u>
<u>View calendar</u>	

**Position Limits: Size of position may not exceed the indicated numbers of contract, i.e., a finite limit.

¹ Please note that daily settlement prices will be determined at 4:00 PM Sao Paulo time, which is either 2:00 PM or 1:00 PM or 12:00 noon Central Time depending upon relative implementation dates of Daylight Saving Time in both the U.S. and Brazil. CME publishes an annual schedule of the times for daily CME Brazilian real/U.S. dollar futures settlement prices. See [add link to published table illustrated on page 2 of this SER.]

Exchange Rule	These contracts are listed with, and subject to, the rules and regulations of CME.
Block Trade Eligibility	Yes. <u>View more on Block Trade eligible contracts.</u>
Block Trade Minimum	50 Contracts
[EFP] EFRP Eligibility	Yes. <u>View more on [EFPs]EFRPs.</u>

Appendix 2. CME Group Web site Contract Specifications for BRL/USD Options on Futures

BRL/USD Options

Contract Size	One futures contract for 100,000 Brazilian reals
Contract Month Listings	Twelve consecutive contract months, 4 weekly
<u>Daily Settlement Procedure</u>	<u>To reduce basis risk between the CME Brazilian real/U.S. dollar futures & options and the BM&FBOVESPA U.S. dollar/Brazilian real futures & options contracts, CME Settlements Team will determine the daily settlement prices at 4:00 PM Sao Paulo time each day.²</u>
<u>Final Settlement Procedure</u>	Option on cash-settled futures contract
Position Limits	24,000 futures-equivalent contracts in a single month; 40,000 futures-equivalent contracts in all months combined**
Ticker Symbol	Monthly options: BR Weekly options: 1R-5R AON Code: LZK <u>View product and vendor codes</u>
Minimum Price Fluctuation (Tick)	\$.00005 per Brazilian real increments (\$5.00/contract).
Trading Hours	----- OPEN OUTCRY (RTH) 7:20 a.m.-2:00 p.m. GLOBEX (ETH) Sundays: 5:00 p.m. – 4:00 p.m. Central Time (CT) next day. Monday – Friday: 5:00 p.m. – 4:00 p.m. CT the next day, except on Friday - closes at 4:00 p.m. and reopens Sunday at 5:00 p.m. CT. CME ClearPort Sunday – Friday 6:00 p.m. – 5:15 p.m. (5:00 p.m. – 4:15 p.m. Chicago Time/CT) with a 45-minute break each day beginning at 5:15 p.m. (4:15 p.m. CT)

² Please note that daily settlement prices will be determined at 4:00 PM Sao Paulo time, which is either 2:00 PM or 1:00 PM or 12:00 noon Central Time depending upon relative implementation dates of Daylight Saving Time in both the U.S. and Brazil. CME publishes an annual schedule of the times for daily CME Brazilian real/U.S. dollar futures settlement prices. See [add link to published table illustrated on page 2 of this SER.]

Monthly options: The last business day of the month for the Central Bank of Brazil immediately preceding the contract month. Same time as determination of daily settlement prices.² [2:00 p.m.-CT]

Last Trade Date / Time

View calendar Weekly Options: Close of trading is on the four nearest Fridays that are not also terminations for monthly options. Same time as determination of daily settlement prices.² [2:00 p.m.-CT]

**Position Limits: Size of position may not exceed the indicated numbers of contract, i.e., a finite limit.

Exchange Rule These contracts are listed with, and subject to, the rules and regulations of CME.

Block Trade Eligibility Yes. View more on Block Trade eligible contracts.

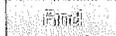
Block Trade Minimum 250 Contracts

[EFP]EFRP Eligibility Yes. View more on [EFPs]EFRPs.

Appendix 3. CME Group Web site "Product Calendar" for BRL/USD Options on Futures

Product Calendar

About this Report

Asset Class Product Month Year 

Product Calendar Lookup Results

FX

BRL/USD*

Contract Month	Product Code	Type	First Trade Last Trade	Rollover Settlement	First Holding Last Holding	First Position Last Position	First Notice Last Notice	First Delivery Last Delivery
JUN 2011	BRM11	FUT	06/01/2010 05/31/2011	- 06/01/2011	- -	- -	- -	- -
JUL 2011	BRN11	FUT	07/01/2010 06/30/2011	- 07/01/2011	- -	- -	- -	- -
AUG 2011	BRQ11	FUT	08/02/2010 07/29/2011	- 08/01/2011	- -	- -	- -	- -
SEP 2011	BRU11	FUT	09/01/2010 08/31/2011	- 09/01/2011	- -	- -	- -	- -
OCT 2011	BRV11	FUT	10/01/2010 09/30/2011	- 10/03/2011	- -	- -	- -	- -
NOV 2011	BRX11	FUT	11/01/2010 10/31/2011	- 11/01/2011	- -	- -	- -	- -
DEC 2011	BRZ11	FUT	12/01/2010 11/30/2011	- 12/01/2011	- -	- -	- -	- -
JAN 2012	BRF12	FUT	01/03/2011 12/30/2011	- 01/02/2012	- -	- -	- -	- -
JUN 2011	BRM11	OPT	06/01/2010	-	-	-	-	-

				<u>05/31/2011</u>	06/01/2011	-	-	-	-
JUN 2011	1RM11	OPT		05/09/2011	-	-	-	-	-
				<u>06/03/2011</u>	06/03/2011	-	-	-	-
JUN 2011	2RM11	OPT		05/16/2011	-	-	-	-	-
				<u>06/10/2011</u>	06/10/2011	-	-	-	-
JUN 2011	3RM11	OPT		05/23/2011	-	-	-	-	-
				<u>06/17/2011</u>	06/17/2011	-	-	-	-
JUL 2011	BRN11	OPT		07/01/2010	-	-	-	-	-
				<u>06/30/2011</u>	07/01/2011	-	-	-	-
AUG 2011	BRQ11	OPT		08/02/2010	-	-	-	-	-
				<u>07/29/2011</u>	08/01/2011	-	-	-	-
SEP 2011	BRU11	OPT		09/01/2010	-	-	-	-	-
				<u>08/31/2011</u>	09/01/2011	-	-	-	-
OCT 2011	BRV11	OPT		10/01/2010	-	-	-	-	-
				<u>09/30/2011</u>	10/03/2011	-	-	-	-
NOV 2011	BRX11	OPT		11/01/2010	-	-	-	-	-
				<u>10/31/2011</u>	11/01/2011	-	-	-	-
DEC 2011	BRZ11	OPT		12/01/2010	-	-	-	-	-
				<u>11/30/2011</u>	12/01/2011	-	-	-	-
JAN 2012	BRF12	OPT		01/03/2011	-	-	-	-	-
				<u>12/30/2011</u>	01/02/2012	-	-	-	-

*To reduce basis risk between the CME Brazilian real/U.S. dollar futures & options and the BM&FBOVESPA U.S. dollar/Brazilian real futures & options contracts, the CME Settlements Team will determine the daily settlement prices at 4:00 PM Sao Paulo time each day. Please note that these daily settlement prices determined at 4:00 PM Sao Paulo time will be either 2:00 PM or 1:00 PM or 12:00 noon Central Time depending upon relative implementation dates of Daylight Saving Time in both the U.S. and Brazil. Please note also that expiring BRL/USD futures and options terminate trading at the closing times on expiration day, so that the expiring underlying futures and options termination times may be either 2:00 PM or 1:00 PM or 12:00 noon Central Time depending upon relative implementation dates of Daylight Saving Time in both the U.S. and Brazil. CME publishes an annual schedule of the daily closes and settlement price determination times for the CME Brazilian real/U.S. dollar futures and options.