



January 30, 2007

Ms. Eileen Donovan  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre, 1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**RE: Exchange Certification of Various Amendments to Euroyen Futures and Options  
Submitted per Sec. 5c(c)(1) of the CEA and Regulation Sec. 40.6(a).  
CME Submission # 07-12.**

Dear Ms. Donovan:

Chicago Mercantile Exchange ("CME" or "Exchange") hereby certifies with the Commission various amendments to the Euroyen Futures and Options. The Exchange certifies that these actions neither violate nor are inconsistent with any portion of the Commodity Exchange Act or of the rules thereunder.

On Sunday February 4, 2007, the Exchange shall commence the electronic trading of Euroyen Futures and Options on the GLOBEX electronic trading platform. The hours of the electronic trading session shall be identical to those of the Eurodollar contracts, i.e. session begins at 5:00 p.m. Chicago time, Sunday through Thursday, and concludes at 4:00 p.m. the next day. Futures trade matching shall be conducted based on the same pro-rata, implied order algorithm under Rule 580 as the Eurodollar futures trade matching on GLOBEX. Similarly, Euroyen options trade matching shall be conducted based on the same GLOBEX Call Market Trading Algorithm under Rule 585 as the Eurodollar options. All rules applicable to the electronic trading of Eurodollar futures and options shall be applicable to the electronic trading of Euroyen futures and options. Open outcry trading of Euroyen futures shall remain while open outcry trading of Euroyen options will not be available as of February 5, 2007.

In conjunction with the listing on GLOBEX, the termination of trading of the expiring Euroyen contract shall amended to be 11:00 a.m. Tokyo time on the second Tokyo business day prior to the third Wednesday of the contract month, when the final settlement price is determined. It is usually 8:00 p.m. (or 9:00 p.m. when daylight saving time is in effect) on the Sunday night prior to the third Wednesday of the contract month. The termination of trading for the open outcry trading of the contract shall remain unchanged, i.e. the close of trading on the previous business day.

20 South Wacker Drive, Chicago IL 60606-7499, Tel. 312-930-1000

Further, the futures contracts shall trade in increments of .005 IMM index points regardless of contract months.

Text of relevant rule amendments are as follows, with additions underlined and deletions bracketed and overstrucked.

**CHAPTER 501**  
**Three-Month Euroyen Futures**

**50102.C. Price Increments**

Bids and offers shall be quoted in terms of the IMM index, 100.00 minus the yield on an annual basis for a 360-day year. (A deposit rate of 7.20% shall be quoted as 92.80.)

~~[1. First Four Contract Months in the March Quarterly Cycle]~~

Minimum fluctuations of the IMM Index shall be in multiples of .005 (1250 Japanese yen). For each .005 increase in the IMM Index the Clearing House shall credit (1250 Japanese yen per contract) those clearing members holding open long positions and debit (1250 Japanese yen per contract) those clearing members holding open short positions. For each .005 decrease in the IMM Index the Clearing House shall debit (1250 Japanese yen per contract) those clearing members holding open long positions and credit (1250 Japanese yen per contract) those clearing members holding open short positions.

~~[2. All Other Contract Months]~~

~~Minimum fluctuations of the IMM Index shall be in multiples of .01 (2500 Japanese yen). For each .01 increase in the IMM Index the Clearing House shall credit (2500 Japanese yen per contract) those clearing members holding open long positions and debit (2500 Japanese yen per contract) those clearing members holding open short positions. For each .005 IMM decrease in the IMM Index the Clearing House shall debit (2500 Japanese yen per contract) those clearing members holding open long positions and credit (2500 Japanese yen per contract) those clearing members holding open short positions.]~~

*[50102.D. – 50102.F remain unchanged.]*

**50102.G. Termination of Trading**

~~Futures trading shall terminate at [the close of the Regular Trading Hours trading session immediately preceding the last trading day for the Three Month Euroyen futures on the Singapore International Monetary Exchange. If that day is not an Exchange business day, then trading shall terminate at the close of trading on the first preceding Exchange business day. The last trading day of the Three Month Euroyen futures on the Singapore International Monetary Exchange is usually its second business day immediately preceding the third Wednesday of the contract month.] 11:00 a.m. Tokyo Time on the second Tokyo business day immediately preceding the third Wednesday of the contract month.~~

*[The remainder of Chapter 501 is unchanged.]*

539.C.5. In electronic [~~Eurodollar~~] options operated pursuant to Rule 585 (“GLOBEX® Call Market Trading Algorithm”), solicitation of bid(s) and/or offer(s) between market participants through private discussion for the purpose of establishing a market or improving the market for an eligible contract or an eligible combination of contracts for [~~Eurodollar~~] futures and options shall be preceded by issuing a Request For Quote (“RFQ”) through an eligible terminal. Subsequent to such RFQ, a trade intended for execution pursuant to Rule 585 for which there has been a pre-execution discussion must be initiated by the entrance of a Request for Cross (“RFC”) Order which will contain both the buy and the sell orders. The RFC Order must be entered within fifteen (15) minutes in the same trading session of the entry of the RFQ. Failure to enter the RFC order within fifteen (15) minutes of the entry of the RFQ shall be considered an abandonment of that pre-execution discussion. Any pre-execution discussion or attempt to enter RFC orders must be preceded by the entry of a new RFQ.

### **Interpretation of Rule 580.- GLOBEX Trade Algorithms**

#### Pro Rata Allocation Algorithm

The Exchange has determined to use a Pro Rata Allocation Algorithm to match orders in Eurodollar futures, Euroyen futures and One-Month LIBOR futures contracts entered in the GLOBEX Electronic Trading System. [*The remainder of this subsection remains unchanged.*]

#### Implied Order Algorithm

The Exchange has determined to use an Implied Order Algorithm to create orders for selected individual contracts, calendar spreads and butterfly spreads in Eurodollar futures, Euroyen futures and One-Month LIBOR futures contracts, and in selected individual contracts and calendar spreads in agricultural futures contracts and calendar spreads in CME Eurozone HICP futures contract and calendar and inter-commodity spreads in CME Housing futures contracts entered in the GLOBEX Electronic Trading System.

Eurodollar Futures, Euroyen Futures and One-Month LIBOR Futures Contracts: For the purpose of this rule interpretation, buying one butterfly spread (butterfly) means simultaneously buying and selling contracts with three different expirations in the following proportion: buying one contract with the most nearby of the three expirations, selling two contracts with the second of the three expirations and buying one contract with the most deferred of the three expirations. Unless specifically referenced in this Interpretation, all other futures and options contracts will continue to use the Pro Rata Allocation Algorithm. This Implied Order Algorithm for Eurodollar futures, Euroyen futures and One-Month LIBOR futures contracts operates as follows:

[*The remainder of the text in the section is unchanged.*]

[*The remainder of Chapter 5 is unchanged.*]

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Please do not hesitate to contact Mr. Richard Co at 312-930-3227 or [rc@cmc.com](mailto:rc@cmc.com) if any questions arise during the processing of this submission. Please reference our CME Submission #07-12 on all future correspondence for this submission.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Labuszewski", written over a faint, illegible printed name.

John W. Labuszewski, Managing Director  
Research & Product Development