

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 23-074 (1 of 2)

Organization: Chicago Mercantile Exchange Inc. ("CME")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 02/23/23 Filing Description: Amendments to the CME Globex Trading Hours for Basis Trade at Index Close ("BTIC") Transactions on CME and CBOT Commodity Index Futures Contracts

**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- |                                     |                                     |            |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification                       | § 40.6(a)  |
| <input type="checkbox"/>            | Approval                            | § 40.5(a)  |
| <input type="checkbox"/>            | Notification                        | § 40.6(d)  |
| <input type="checkbox"/>            | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/>            | SIDCO Emergency Rule Change         | § 40.10(h) |

Rule Numbers: See filing.

**New Product**

Please note only ONE product per Submission.

- |                          |                                       |            |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification                         | § 40.2(a)  |
| <input type="checkbox"/> | Certification Security Futures        | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class              | § 40.2(d)  |
| <input type="checkbox"/> | Approval                              | § 40.3(a)  |
| <input type="checkbox"/> | Approval Security Futures             | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission                       | § 39.5     |

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- |                          |   |                      |
|--------------------------|---|----------------------|
| <input type="checkbox"/> | Certification   | § 40.6(a)            |
| <input type="checkbox"/> | Certification Made Available to Trade Determination     | § 40.6(a)            |
| <input type="checkbox"/> | Certification Security Futures                          | § 41.24(a)           |
| <input type="checkbox"/> | Delisting (No Open Interest)                            | § 40.6(a)            |
| <input type="checkbox"/> | Approval  | § 40.5(a)            |
| <input type="checkbox"/> | Approval Made Available to Trade Determination          | § 40.5(a)            |
| <input type="checkbox"/> | Approval Security Futures                               | § 41.24(c)           |
| <input type="checkbox"/> | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/> | "Non-Material Agricultural Rule Change"                 | § 40.4(b)(5)         |
| <input type="checkbox"/> | Notification  | § 40.6(d)            |

Official Name(s) of Product(s) Affected:

Rule Numbers:

February 23, 2023

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
 Office of the Secretariat  
 Commodity Futures Trading Commission  
 Three Lafayette Centre  
 1155 21st Street, N.W.  
 Washington, D.C. 20581

**Re: CFTC Regulation 40.6(a) Certification. Amendments to the CME Globex Trading Hours for Basis Trade at Index Close (“BTIC”) Transactions on CME and CBOT Commodity Index Futures Contracts.  
 CME Submission No. 23-074 (1 of 2)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME”) and The Board of Trade of the City of Chicago, Inc. (“CBOT”) (collectively, the “Exchanges”) certify to the Commodity Futures Trading Commission (“CFTC” or “Commission”) amendments amend the CME Globex electronic trading platform (“CME Globex”) hours for Basis Trade at Index Close (“BTIC”) transactions of the three (3) CME and CBOT commodity index futures contracts listed in Table 1. below effective Sunday, March 12, 2023 for trade date Monday, March 13, 2023. Specifically, this amendment will harmonize the CME Globex BTIC trading hours with the respective underlying index close for all four (4) of the Exchanges’ commodity index futures contracts in Table 1. below.

Additionally, the Exchanges will implement administrative changes to the four (4) CME and CBOT commodity index futures product chapters listed in Table 1. below (collectively, the “Rule Amendments”). The Exchanges will delete specific trading hours from the product chapters and replace with boilerplate language. The Exchanges’ house specific trading hours on contract specification pages of each contract.

**Table 1.**

Contract Title	CME Globex / CME ClearPort Code	Rulebook Chapter	Current CME Globex BTIC Trading Hours	Amended CME Globex BTIC Trading Hours
S&P GSCI Commodity Index Futures	GD/GI	CME 401	5:00 pm – 4:00 pm CT	5:00 pm – <b><u>1:30 pm</u></b> CT
S&P GSCI ER Index Futures	GIE/GA	CME 415	5:00 pm – 4:00 pm CT	5:00 pm – <b><u>1:30 pm</u></b> CT
Bloomberg Commodity Index Futures	AW	CBOT 29	5:00 pm – 1:30pm CT	No change
Bloomberg Roll Select Commodity Index Futures	DRS	CBOT 29D	5:00 pm – 4:00 pm CT	5:00 pm – <b><u>1:30 pm</u></b> CT

The Rule Amendments are being put in place to align the CME Globex BTIC Trading Hours with the Trading Hours of the underlying futures.

The Exchanges reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the Rule Amendments may have some bearing on the following Core Principles:

**Availability of General Information:** The Exchanges will release a Special Executive Report (“SER”) regarding the Rule Amendments. The SER will also be posted on the CME Group website.

**Daily Publication of Trading Information:** The Exchanges will continue to publish contract trading volumes, open interest levels, and price information daily on its website and through quote vendors for the Contracts.

**Prevention of Market Disruption:** Trading in the Contracts will continue to be subject to the rules of the Exchanges, which include prohibitions on manipulation, price distortion, and disruption to the cash settlement process.

**Compliance with Rules:** The Exchanges will continue its normal practice to establish, monitor, and enforce compliance with the rules of the Contracts.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchanges hereby certify that the Rule Amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to the proposal.

The Exchanges certify that this submission has been concurrently posted on the CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Appendix A Amendments to CME Rulebook Chapters 401 and 415 and CBOT Rulebook Chapters 29 and 29D

## Appendix A

(additions underscored; deletions ~~struck through~~)

### CME Rulebook

#### Chapter 401 S&P GSCI™ Commodity Index Futures

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##### **40104. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

###### **40104.A. BTIC Block Trade Requirements**

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a BTIC block trade executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. For a BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

###### **40104.B. BTIC Price Assignment Procedures**

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

~~The futures price of a BTIC transaction shall be determined by the Exchange at 3:30 p.m. Chicago time (4:30 p.m. Eastern time) (or according to the requirements of Rule 40103 in the case of final settlement). Such price determination shall be deemed final.~~

###### **40104.C. BTIC Minimum Price Increment**

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.010 index points.

[End of rule changes.]

#### Chapter 415 S&P GSCI™ ER Index Futures

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##### **41504. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

###### **41504.A. BTIC Block Trade Requirements**

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a BTIC block trade executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. For a BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

###### **41504.B. BTIC Price Assignment Procedures**

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

~~The futures price of a BTIC transaction shall be determined by the Exchange at 3:30 p.m. Chicago time (4:30 p.m. Eastern time) (or according to the requirements of Rule 41503 in the case of final settlement). Such price determination shall be deemed final.~~

###### **410504.C. BTIC Minimum Price Increment**

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price

must be stated in full tick increments of 0.0010 index points.

[End of rule changes.]

## CBOT Rulebook

### Chapter 29 Bloomberg Commodity Index<sup>SM 1</sup> Futures

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#### 29106. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

##### 29106.A. BTIC Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a BTIC block trade executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. For a BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

##### 29106.B. BTIC Price Assignment Procedures

[The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.](#)

~~The futures price of a BTIC transaction shall be determined by the Exchange at 3:30 p.m. Chicago time (4:30 p.m. Eastern time) (or according to the requirements of Rule 29104 in the case of final settlement). Such price determination shall be deemed final.~~

##### 29106.C. BTIC Minimum Price Increment

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.010 index points.

[End of rule changes.]

### Chapter 29D Bloomberg Roll Select Commodity Index<sup>SM2</sup> Futures

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#### 29D106. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

##### 29D106.A. BTIC Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a BTIC block trade executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. For a BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by

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reference to the Index closing value for the next Trading Day.

**29D106.B. BTIC Price Assignment Procedures**

[The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.](#)

~~The futures price of a BTIC transaction shall be determined by the Exchange at 3:30 p.m. Chicago time (4:30 p.m. Eastern time) (or according to the requirements of Rule 29D104 in the case of final settlement). Such price determination shall be deemed final.~~

**29D106.C. BTIC Minimum Price Increment**

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.010 index points.

[End of rule changes.]