

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 24-137

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 03/21/24 Filing Description: Amendments to Rule 48002.C. ("Price Increments") of the Euro Short-Term Rate (€STR) Futures Contract

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|--------------------------|-------------------------------------|------------|
| <input 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:

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 |

Official Product Name:

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

- | | | |
|-------------------------------------|---|----------------------|
| <input checked="" 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: See filing.

Rule Numbers: CME 480.

March 21, 2024

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
3 Lafayette Center
1155 21st Street NW
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification. Amendments to Rule 48002.C. (“Price Increments”) of the Euro Short-Term Rate (€STR) Futures Contract.
CME Submission No. 24-137**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchanges”) certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) amendments to Rule 48002.C. (“Price Increments”) of the Euro Short-Term Rate (€STR) Futures contract (“the Contract”) for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission for clearing via CME ClearPort as noted in Table 1. below (collectively, the “Rule Amendments”) effective Sunday, April 21, 2024, for trade date Monday, April 22, 2024.

Table 1.

Contract Title	Commodity Code	Rulebook Chapter	Current Minimum Price Fluctuation	Amended Minimum Price Fluctuation
Euro Short-Term Rate (€STR) Futures	ESR	480	0.00125 Index points, equal to €3.125 per contract for any contract month with one (1) month or less until its termination of trading 0.0025 Index points, equal to €6.25 per contract, for any contract month with four (4) months or less until its termination of trading 0.005 Index points, equal to €12.50 per contract, for all other contract months	0.00125 Index points, equal to €3.125 per contract for any contract month with one (1) month or less until its termination of trading 0.0025 Index points, equal to €6.25 per contract, for <u>all other contract months</u>

Specifically, the Exchange will amend Rule 48002.C. such that the minimum price fluctuation for trading on CME Globex and for submission for clearing via CME ClearPort shall be reduced from 0.005 Index points to 0.0025 Index points for any listed contract month with greater than one (1) month remaining until its termination of trading. The minimum price fluctuation for contract months with one (1) month or less until its termination of trading will remain unchanged at 0.00125 Index points.

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By way of illustration, effective on trade date Monday, April 22, 2024, the minimum price fluctuation for the February 2024 contract month will remain unchanged at 0.00125 Index points and all other listed contract months will be subject to a minimum price fluctuation of 0.0025 index points.

Rule 48002.C. currently provides that the reduced minimum price fluctuation from 0.005 to 0.0025 Index points applies to all listed contract months with four (4) months or less (but not one (1) month or less) until such month's termination of trading.

The Rule Amendments are intended to increase market participation in the Contract.

Exhibit A below provides amendments to Rule 48002.C. of the Contract with additions underscored and deletions ~~struck through~~.

The Exchange 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:

- **Daily Publication of Trading Information:** CME will continue to publish contract trading volumes, open interest levels, and price information daily on its website.
- **Execution of Transactions:** The Exchange will continue to provide a competitive, open, and efficient market and mechanism for executing transactions that protects the price discovery process of trading the Contract.
- **Availability of General Information:** The Exchange will release a Special Executive Report ("SER") regarding the Rule Amendments to ensure notification to market participants. The SER will also be posted on the CME Group website.
- **Prevention of Market Disruption:** Trading in the Contract will continue to be subject to the rules of the Exchange, which include prohibitions on manipulation, price distortion, and disruption to the cash settlement process.
- **Compliance with Rules:** The Exchange will continue its normal practice to establish, monitor, and enforce compliance with the rules of the Contract, including the Rule Amendments.

Pursuant to Section 5c(c) of the Act and Regulation 40.6(a), the Exchange certifies that the Rule Amendments comply with the Act, including all regulations thereunder. There were no substantive opposing views to this proposal.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-fillings.html>.

Should you have any questions concerning the above, please contact the undersigned at (312) 466-7478 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Timothy Elliott
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A - Amendments to Rule 48002.C. ("Price Increments") of the Euro Short-Term Rate (€STR) Futures Contract (blackline format)

Exhibit A

CME Rulebook

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

Chapter 480 Euro Short-Term Rate (€STR) Futures

48002. TRADING SPECIFICATIONS

48002.C. Price Increments

Contract prices shall be quoted in terms of the IMM Index, 100.0000 minus interest rate per annum correspondent to €STR during the contract delivery month, as specified in Rule 48002.B.

Example: If €STR is 2.0275 percent per annum, it shall be quoted as an IMM Index value of 97.9725.

The minimum price fluctuation shall be 0.0025 ~~0.005~~ Index points, equal to €6.25 ~~€12.50~~ per contract, provided that the minimum price fluctuation shall be 0.0025 Index points, equal to €6.25 per contract, for any contract month with four months or less until its termination of trading, where the applicable four-month interval shall be defined so as to begin on the Business Day following the Friday prior to the third ~~Wednesday of the fourth month preceding the contract month in which trading in such contract terminates,~~ provided that the minimum price fluctuation shall be 0.00125 Index points, equal to €3.125 per contract, for any contract month with one month or less until its termination of trading, where the applicable one month interval shall be defined so as to begin on the Business Day following the Friday prior to the third Wednesday of the first month preceding the contract month in which trading in such contract terminates.

[Remainder of Rule unchanged.]