



Special Executive Report

DATE: October 2, 2017
SER#: 7995
SUBJECT: Amendments to the Floating Price Rules of Two (2) Japan C&F Naphtha (Platts) Crude Oil Spread Futures Contracts for Contract Months Without Open Interest

Effective on Sunday, October 22, 2017 for trade date Monday, October 23, 2017, and pending all relevant CFTC regulatory review periods, New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) will amend the floating price rules of the two (2) Japan C&F Naphtha (Platts) crude oil futures contracts provided in the table below (the “Contracts”) commencing with the June 2018 contract month and beyond. In addition, effective immediately and until Sunday, October 22, 2017 for trade date Monday, October 23, 2017, the Exchange will suspend trading and clearing of the affected contract months (June 2018 and beyond) of the Contracts. There is no open interest in the affected contract months of the Contracts.

Contract Title	Rulebook Chapter	CME Globex Code	CME ClearPort Code
Japan C&F Naphtha (Platts) Brent Crack Spread Futures	580	JB	AJB
Japan C&F Naphtha Dubai (Platts) Crack Spread Futures	865	JNC	JNC

Specifically, the Exchange will amend the conversion factor of the Contracts from 8.9 barrels per metric ton to 9.0 barrels per metric ton commencing with the June 2018 contract month and beyond. The amendments are being implemented to align with current trading practices in the naphtha market. The Contracts are available for trading on the CME Globex electronic trading platform and for submission for clearing via CME ClearPort.

The rule amendments to the Contracts appear in Appendix A in blackline format.

For additional information, please contact:

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APPENDIX A
NYMEX Rulebook
(additions underscored; deletions ~~struck through~~)

Chapter 580
Japan C&F Naphtha (Platts) Brent Crack Spread Futures

580.02. ~~FLOATING PRICE~~

~~The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from the Platts for Naphtha under the heading "C&F Japan" minus the ICE Brent Crude Oil Futures first nearby contract settlement price for each business day during the contract month (using Non-common pricing), except as set forth in Section (B) below.~~

~~For purposes of determining the Floating Price, the Platts Naphtha assessment price will be converted each day to U.S. dollars and cents per barrel, rounded to the nearest tenth of a cent. The conversion factor will be 8.9 barrels per metric ton.~~

~~(B) The settlement price of the first nearby contract month for will be used except on the last day of trading for the expiring Brent Crude Oil Futures contract when the settlement price of the second nearby Brent contract will be used.~~

580.02. CONTRACT SPECIFICATIONS

580.02.A. Floating Price
(For All Contract Months up to and Including May 2018)

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from the Platts Asia Pacific/Arab Gulf Marketscan for Naphtha under the heading "C&F Japan" minus the ICE Brent Crude Oil Futures first nearby contract settlement price for each business day during the contract month (using Non-common pricing), except as set forth in Section 580.02.B below.

For purposes of determining the Floating Price, the Platts Naphtha assessment price will be converted each day to U.S. dollars and cents per barrel, rounded to the nearest tenth of a cent. The conversion factor will be **8.9** barrels per metric ton.

580.02.A. Floating Price
(For All Contract Months Commencing with the June 2018 Contract Month and Beyond)

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from the Platts Asia Pacific/Arab Gulf Marketscan for Naphtha under the heading "C&F Japan" minus the ICE Brent Crude Oil Futures first nearby contract settlement price for each business day during the contract month (using Non-common pricing), except as set forth in Section 580.02.B below.

For purposes of determining the Floating Price, the Platts Naphtha assessment price will be converted each day to U.S. dollars and cents per barrel, rounded to the nearest tenth of a cent. The conversion factor will be **9.0** barrels per metric ton.

580.02.B. Settlement Price

The settlement price of the first nearby contract month will be used except on the last day of trading for the expiring ICE Brent Crude Oil Futures contract when the settlement price of the second nearby ICE Brent Crude Oil Futures contract will be used.

Chapter 865 Japan C&F Naphtha Dubai (Platts) Crack Spread Futures

865101. CONTRACT SPECIFICATIONS

~~The Floating Price for each contract month is equal to the arithmetic average of the mid-point between high and low quotations from the Platts Asia Pacific/Arab Gulf Marketscan for Naphtha under the heading "C&F Japan" for each business day that it is determined during the contract month minus the arithmetic average of the mid-point between the high and low quotations from Platts Crude Oil Marketwire for the Dubai front month price, for each business day that it is determined during the contract month.~~

~~For purposes of determining the Floating Price, the Platts Naphtha assessment price will be converted each day to U.S. dollars and cents per barrel, rounded to the nearest tenth of a cent. The conversion factor will be 8.9 barrels per metric ton.~~

~~The Floating Price shall be calculated using the non-common pricing convention. In calculating the spread differential, the monthly average for each component leg of the spread shall be calculated by using all trading days in the month for each component leg of the spread, followed by the calculation of the spread differential between the two averages.~~

865101. CONTRACT SPECIFICATIONS

865101.A. Floating Price **(For All Contract Months up to and Including May 2018)**

The Floating Price for each contract month is equal to the arithmetic average of the mid-point between high and low quotations from the Platts Asia Pacific/Arab Gulf Marketscan for Naphtha under the heading "C&F Japan" for each business day that it is determined during the contract month minus the arithmetic average of the mid-point between the high and low quotations from Platts Crude Oil Marketwire for the Dubai front month price, for each business day that it is determined during the contract month.

For purposes of determining the Floating Price, the Platts Naphtha assessment price will be converted each day to U.S. dollars and cents per barrel, rounded to the nearest tenth of a cent. The conversion factor will be 8.9 barrels per metric ton.

865101.A. Floating Price **(For All Contract Months Commencing with June 2018 Contract Month and Beyond)**

The Floating Price for each contract month is equal to the arithmetic average of the mid-point between high and low quotations from the Platts Asia Pacific/Arab Gulf Marketscan for Naphtha under the heading "C&F Japan" for each business day that it is determined during

the contract month minus the arithmetic average of the mid-point between the high and low quotations from Platts Crude Oil Marketwire for the Dubai front month price, for each business day that it is determined during the contract month.

For purposes of determining the Floating Price, the Platts Naphtha assessment price will be converted each day to U.S. dollars and cents per barrel, rounded to the nearest tenth of a cent. The conversion factor will be **9.0** barrels per metric ton.

865101.B. Pricing Convention

The Floating Price shall be calculated using the non-common pricing convention. In calculating the spread differential, the monthly average for each component leg of the spread shall be calculated by using all trading days in the month for each component leg of the spread, followed by the calculation of the spread differential between the two averages.