

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 18-256

Organization: The Board of Trade of the City of Chicago, Inc. ("CBOT")

Filing as a: **DCM** **SEF** **DCO** **SDR**

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 06/27/2018 **Filing Description:** Increase of Position Limits for the CBOT Dow Jones US Real Estate Index 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: See filing.

June 27, 2018

VIA ELECTRONIC PROTAL

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) Rule Certification. Notification Regarding Increase of Position Limits for the CBOT Dow Jones US Real Estate Index Futures Contract. CME Submission No. 18-256

Dear Mr. Kirkpatrick:

The Board of Trade of the City of Chicago, Inc. (“CBOT” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments to all month position limits for the CBOT Dow Jones US Real Estate Index Futures contract (the “Contract”) as noted in the table below effective on Sunday, July 15, 2018 for trade date Monday, July 16, 2018, commencing with the September 2018 contract month and beyond.

Contract Title	Rulebook Chapter	CME Globex Code	Clearing Code and CME ClearPort Code	BTIC Code	Current Position Limit (All month Limit)	Position Limit (All Month Limit) Effective Trade Date July 16, 2018
CBOT Dow Jones US Real Estate Index Futures	30	RX	JR	REX	10,000	25,000

The Position Limit, Position Accountability and Reportable Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the CBOT Rulebook (the “Table”) will be amended to reflect the increased spot month position limits of the Contract. Also at this time, the Exchange will be making an administrative amendment to the contract title in the Table to correct a typographical error. (See Exhibit A: Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the CBOT Rulebook with additions underscored and deletions overstruck (attached under separate cover.))

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified the following Core Principles as being potentially impacted:

- **Contracts Not Readily Subject to Manipulation:** Increasing the position limits of Contract will not make the Contract susceptible to market manipulation. According to data from Bloomberg, the Exchange defines market capitalization of the Dow Jones Real Estate Index constituent equity shares was approximately \$1.06 trillion as of June 6, 2018.

As of June 7, 2018, market capitalization of the Dow Jones Real Estate Index constituent equity shares was approximately \$1.06 trillion. Between January 2, 2017 and June 4, 2018, the market

value of daily trading volume in the Index's constituent stocks averaged approximately \$16.95 billion.

By contrast, liquidity and open interest in the Contract is modest. Trading activity during January 2017 through June 2018 averaged 1,509 contracts (\$47 mln) per day. Open interest as of June 7, 2018 was 23,701 contracts (approximately \$734 mln). The increased limit to 25,000 contracts is approximately \$782 million in notional value, which is about 0.074% of the cash market capitalization. In view of the proportions of this liquidity pool relative to the liquidity pool that supports the futures contract's reference index, the amendment to position limits recommended herein evidences nothing that might cause the futures contract to become readily susceptible to manipulation.

- **Position Limitations or Accountability:** The speculative position limits for the Contract as demonstrated in this submission are consistent with the Commission's guidance.
- **Availability of General Information:** The information contained herein will be disseminated to the marketplace via a Market Surveillance Notice ("MSN"). The MSN will also be available on the CME Group website.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the attached amendments to the Table comply with the Act, including regulations under the Act. There were no substantive opposing views to this approval. The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information regarding this action, please contact me at 212-299-2200 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A – Amendments to CBOT Rulebook Chapter 5 Position Limit, Position Accountability, and Reportable Level Table (attached under separate cover)

EXHIBIT A

**CBOT Rulebook Chapter 5 Position Limit, Position Accountability, and Reportable
Level Table**

(under separate cover)

(blackline format)