

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 22-315

Organization: New York Mercantile Exchange, Inc. ("NYMEX")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 07/29/22 Filing Description: Amendments to the Floating Price Rules of the Japan C&F Naphtha (Platts) Brent Crack Spread Futures and the Japan C&F Naphtha Dubai (Platts) Crack Spread Futures Contracts and Temporary Suspension of Trading and Clearing Certain Listed Contract Months

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers:

New Product

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

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

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

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.

July 29, 2022

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 Floating Price Rules of the Japan C&F Naphtha (Platts) Brent Crack Spread Futures and the Japan C&F Naphtha Dubai (Platts) Crack Spread Futures Contracts and Temporary Suspension of Trading and Clearing Certain Listed Contract Months. NYMEX Submission No. 22-315

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) amendments to Rule 580.02A. (“Floating Price”) of the Japan C&F Naphtha (Platts) Brent Crack Spread Futures contract and Rule 865101.A. (“Floating Price”) of the Japan C&F Naphtha Dubai (Platts) Crack Spread Futures contracts (the “Contracts”) (collectively, the “Floating Price Rules”) to change the conversion factor from 9 barrels per metric ton to 8.9 barrels per metric ton of the Contracts for trades executed on the CME Globex electronic trading platform (“CME Globex”) and for clearing via CME ClearPort effective on August 22, 2022.

The conversion factor amendment will be applied to contract months commencing with the January 2023 and beyond of the Japan C&F Naphtha (Platts) Brent Crack Spread Futures contract. The conversion factor amendment will be applied to all contract months of the Japan C&F Naphtha Dubai (Platts) Crack Spread Futures contract. The amendments to the conversion factor are intended to align the Contracts with the industry convention in calculation of Japan naphtha crack spread value where the conversion factor of 8.9 barrels per metric ton is applied. There is no open interest in the affected contract months.

Also, effective immediately, the Exchange shall suspend trading and clearing of the January 2023 contract months and beyond in the Japan C&F Naphtha (Platts) Brent Crack Spread Futures contract until trade date Monday, August 22, 2022, and all contract months in the Japan C&F Naphtha Dubai (Platts) Crack Spread Futures contract until trade date Monday, August 22, 2022. Suspension of trading and clearing of the aforementioned contract months of the Contracts shall commence at the close of business on Friday, July 29, 2022 until trade date Monday, August 22, 2022 (the “Suspension Period”). Upon conclusion of the Suspension Period, the contract months that shall be available for trading and clearing are provided in Table 1. below. Lastly, the Exchange is implementing harmonization amendments to the relative product chapters (collectively, the “Rule Amendments”).

Contract Title	CME Globex/ CME ClearPort Code	NYMEX Rulebook Chapter	Temporarily Suspended and Amended Contract Months
Japan C&F Naphtha (Platts) Brent Crack Spread Futures	AJB/JB	580	January 2023 and beyond
Japan C&F Naphtha Dubai (Platts) Crack Spread Futures	JNC	865	All contract months

Appendix A provides amendments to the Floating Price Rules and harmonized Chapter 580 effective August 22, 2022 with additions **underscoring** and deletions ~~struck through~~. Appendix B provides amendments to Chapter 580 effective January 1, 2023.

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 by the Rule Amendments.

- **Compliance with Rules:** The Exchange shall continue its normal practice to establish, monitor and enforce compliance of the Contracts.
- **Daily Publication of Trading Information:** The Exchange will continue to publish on its website information regarding contract specifications, terms and conditions, as well as daily trading volume, open interest and price information for the Contracts.
- **Availability of General Information:** The Exchange will make publicly available the details of the Rule Amendments by publishing a Special Executive Report (“SER”) to the marketplace. The SER will be available on CME Group’s website.
- **Execution of Transactions:** The Rule Amendments will not impede the Exchange’s ability as a designated contract market to provide a competitive, open, and efficient market mechanism for executing transaction of the Contracts.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the Rule Amendments comply with the Act, including regulations under the Act. 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-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.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A – NYMEX Rulebook Chapter 580 and 865 (effective August 22, 2022)
Appendix B – NYMEX Rulebook Chapter 580 (effective January 1, 2023)

APPENDIX A

NYMEX Rulebook

(additions underlined; deletions struck through)

(Effective August 22, 2022)

Chapter 580

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

580.01 — SCOPE

~~The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.~~

580.02 — FLOATING PRICE AND SETTLEMENT PRICE

580.02.A. Floating Price

~~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.~~

580.03 — CONTRACT QUANTITY AND VALUE

~~The contract quantity shall be 1000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.~~

580.04 — CONTRACT MONTHS

~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

580.05 — PRICES AND FLUCTUATIONS

~~Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.~~

580.06 — TERMINATION OF TRADING

Trading shall cease on the last business day of the contract month.

580.07 — FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

580.08 — RESERVED

580.09 — DISCLAIMER

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.

580100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

580101. CONTRACT SPECIFICATIONS
(FOR ALL CONTRACT MONTHS UP TO AND INCLUDING DECEMBER 2022)

580101.A. Floating Price

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 580101.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.

580101.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.

580101. CONTRACT SPECIFICATIONS
(FOR ALL CONTRACT MONTHS COMMENCING WITH JANUARY 2023 AND BEYOND)

580101.A. Floating Price

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 580101.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.

580101.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.

580102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

580102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

580102.B. Trading Unit

The contract quantity shall be thousand (1,000) metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

580102.C. Price Increments

Prices shall be quoted in US dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton. There shall be no maximum price fluctuation.

580102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

580102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

580103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

580104. DISCLAIMER

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.

Chapter 865

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

* * *

865101. CONTRACT SPECIFICATIONS

865101.A. Floating Price

The Floating Price for each contract month is equal to the arithmetic average of the midpoint 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~~ **8.9** 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.

[End of Rule.]

APPENDIX B

NYMEX Rulebook

(Effective January 1, 2023)

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

580100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

~~580101. CONTRACT SPECIFICATIONS~~

~~(FOR ALL CONTRACT MONTHS UP TO AND INCLUDING DECEMBER 2022)~~

~~580101.A. Floating Price~~

~~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 580101.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.~~

~~580101.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.~~

580101. CONTRACT SPECIFICATIONS

(FOR ALL CONTRACT MONTHS COMMENCING WITH JANUARY 2023 AND BEYOND)

580101.A. Floating Price

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 580101.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.

580101.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.

580102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

580102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

580102.B. Trading Unit

The contract quantity shall be thousand (1,000) metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

580102.C. Price Increments

Prices shall be quoted in US dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton. There shall be no maximum price fluctuation.

580102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

580102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

580103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

580104. DISCLAIMER

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.