

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 19-322

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): 08/16/19

Filing Description: Reduction of the Coupon Rates of the December 2019 Contract Month of the 10-Yr USD Interest Rate Swap Futures, and the 10-Yr Eris Swap Futures Contracts

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 |

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: 10-Year US Dollar Interest Rate Swap Futures; 10-Year Eris US Dollar Swap Futures

Rule Numbers: CBOT 53101, 61101

August 16, 2019

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. Notification Regarding Reduction of the Coupon Rates of the December 2019 Contract Month of the 10-Yr USD Interest Rate Swap Futures and the 10-Yr Eris Swap Futures Contracts.
CME Submission No. 19-322**

Dear Mr. Kirkpatrick:

Effective Sunday, September 1, 2019 and Monday, September 2, 2019, for trade date Tuesday, September 3, 2019, and pending all relevant CFTC regulatory review periods, The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") will reduce coupon rates of the December 2019 contract month of the 10-Yr USD Interest Rate Swap Futures, and the 10-Yr Eris Swap Futures contracts (the "Contracts") as more specifically described in the table below. There is no open interest in the December 2019 contract month of the Contracts.

The Contracts are available for trading on the CME Globex electronic trading platform and for submission for clearing via CME ClearPort.

The Exchange is implementing the reduction in coupon rates to align with the latest recommendations by SIFMA's Asset Management Group MAC Committee such that the new coupons are closer to current swaps market rates and based on customer demand. Coupon updates currently occur when swaps market coupons for a given tenor have moved 100 basis points or more, which first occurred in July for the 7-year, leading to changes under submission 19-257¹ for the 7-Yr USD Interest Rate Swap Futures and Eris Swap Futures contracts, and subsequently in August under submission 19-314² for much of the rest of the curve. At that time, there was open interest in the 10-year Contracts. Market participants requested a similar amendment ahead of the September-December roll for the Contracts. As noted above, as of this submission, there is currently no open interest in the December 2019 contract month of the 10-year.

Also effective at close of business this Friday, August 16, 2019, CBOT is suspending trading of the December 2019 contract month of the Contracts until Sunday, September 1, 2019 and Monday, September 2, 2019 for trade date Tuesday, September 3, 2019.

¹ <https://www.cmegroup.com/content/dam/cmegroup/market-regulation/rule-filings/2019/7/19-257.pdf>

² <https://www.cmegroup.com/content/dam/cmegroup/market-regulation/rule-filings/2019/8/19-314.pdf>

| Contract Title | Commodity Code | Rulebook Chapter | Current Coupon (%/year) | Amended Coupon (%/year) |
|--|----------------|------------------|-------------------------|-------------------------|
| 10-Year US Dollar Interest Rate Swap Futures | N1U | CBOT 53 | 2.75 | 1.50 |
| 10-Year Eris US Dollar Swap Futures | LIY | CBOT 61 | 2.75 | 1.50 |

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or the “Act”) and has identified that this action bears upon the following Core Principle:

- **Availability of General Information:** The Exchange will publish a Special Executive Report (“SER”) to the marketplace regarding these amendments. The SER will also be posted on the CME Group website.

Pursuant to CFTC Regulation 40.6(a), the Exchange hereby certifies that the 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 CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel