

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested ☐

Registered Entity Identifier Code (optional): 17-354

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): 10/02/2017 **Filing Description:** 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

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: See filing.

Rule Numbers: See filing.



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

October 2, 2017

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Future Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Amendments to the Floating Price Rules of Two (2) Japan C&F Naphtha (Platts) Crude Oil Spread Futures Contracts for Contract Months with no Open Interest.
NYMEX Submission No. 17-354**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying amendments to 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, effective on Sunday, October 22, 2017 for trade date Monday, October 23, 2017. In addition, effective immediately and until Sunday, October 22, 2017 for trade date Monday, October 23, 2018, 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 of the Contracts appear in Exhibit A in blackline format.

The Exchange reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA") and staff identified that the amendments to the Contracts may have some bearing on the following Core Principles:

- **Contracts Not Readily Subject to Manipulation:** The Contracts are based on a cash price series that is reflective of the underlying cash market and is commonly relied on and used as a reference price by cash market brokers and commercial market participants.

- **Trade Information:** The Exchange shall maintain rules and procedures to provide for the recording and safe storage of all identifying trade information in a manner that enables the contract market to use the information.
- **Execution of Transactions:** The Contracts will continue to be listed for trading on the CME Globex electronic trading platform and for submission for clearing via CME ClearPort. CME Globex provides for competitive and open execution of transactions. CME Globex affords the benefits of reliability and global connectivity.
- **Availability of General Information:** The Exchange will amend the NYMEX Rulebook accordingly on the effective date, which is publicly available on the CME Group website, to reflect the changes that will be made to the rules pertaining to the Contracts. In addition, the Exchange will inform the marketplace of the amendments by issuing a Special Executive Report ("SER"). The SER will also be posted on the Exchange's website. The contract specification pages and the Contract rulebook chapters on the CME Group website will include information regarding the rule amendments until the effective date.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that amendments to the Contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to the amendments.

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 e-mail CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A: NYMEX Rulebook Chapter (blackline format)
Exhibit B: Position Limit, Position Accountability, and Reportable Level Table in
Chapter 5 of the NYMEX Rulebook (attached under separate cover)

EXHIBIT 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.

EXHIBIT B

Position Limit, Position Accountability, and Reportable Level Table in Chapter 5

of the NYMEX Rulebook

(Attached under separate cover.)