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January 7, 2011

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: Regulation §40.5. Request for Commission Rule Approval of Amendments to CME Rules 15202.E and 152A01.F. CME Submission No. 11-012.

Dear Mr. Stawick,

I. SUBMISSION

In accordance with Regulation §40.4, Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby requests review and approval, under the provisions of Regulation §40.5, of amendments to CME Lean Hog Futures Rule 15202.E and Options on CME Lean Hog Futures Rule 152A01.F.

II. TEXT OF PROPOSED RULE CHANGES

The text of the proposed rule amendments is given below. Deletions are overstruck, additions are underlined.

LEAN HOG FUTURES

15202. FUTURES CALL

E. Position Limits

No person shall own or control more than:

1. ~~4,400~~ 4,150 contracts long or short in any contract month;
2. 950 contracts long or short in the expiring contract month as of the close of business on the fifth business day of the contract month.

For positions involving options on Lean Hogs futures, this rule is superseded by the option speculative position limit rule.

OPTIONS ON LEAN HOG FUTURES

152A01. OPTION CHARACTERISTICS

F. Position Limits

No person shall own or control a combination of options and underlying futures that exceeds:

1. ~~4,400~~ 4,150 futures equivalent contracts net on the same side of the market in any contract month;
2. 950 futures equivalent contracts net on the same side of the market in the expiring contract month as of the close of business on the fifth business day of the contract month.

For purposes of this rule, the futures equivalent of an option contract is 1 times the previous business day's IOM risk factor for the option series. Also for purposes of this rule, a long call option, a short put option, and a long underlying futures contract are on the same side of the market; similarly, a short call option, a long put option, and a short underlying futures contract are on the same side of the market.

In addition, the CME Position Limit and Reportable Level Table in the Interpretations & Special Notices Relating to Chapter 5 section of the CME Rulebook is amended. The pertinent section of the Table is attached, with additions underlined and deletions overstruck.

III. EFFECTIVE DATE AND RULE PROMULGATING AUTHORITY

The Exchange, pursuant to Rule 230.j., approved these proposed amendments on January 5, 2011. The amendments will become effective for all contract months after Commission approval.

IV. OPERATION, PURPOSE AND EFFECT OF THE PROPOSED AMENDMENTS

The amendments increase the speculative position limits of Lean Hog futures and options for non-spot contract months.

The increase for non-spot contract months is based on the increased levels of open interest in 2010. The level of 4150 contracts was arrived at using a formula established by Regulation §150.5(c)(2). The data used in the calculation has been sent electronically to the Commission's staff for review.

V. OPPOSING VIEWS

There were no substantive opposing views to the proposed amendments.

VI. APPLICATION OF THE ACT AND REGULATIONS

There does not appear to be any need for amendment or interpretation of the Act and Regulations in order to approve the proposed amendments.

VII. CONFIDENTIAL TREATMENT

Confidential treatment is not requested for this submission.

If you require any additional information regarding this submission, please do not hesitate to contact Jack Cook at 312-930-3295 or via e-mail at jack.cook@cmegroup.com or me at (212) 299-2200. Please reference our CME Submission No. 11-012 in any related correspondence.

Mr. David Stawick
January 7, 2011
Page 3

Sincerely,

/s/ Christopher K. Bowen
Managing Director, Chief Regulatory Counsel

1011

POSITION LIMIT AND REPORTABLE LEVEL TABLE

CONTRACT NAME	Options	SCALE-DOWN SPOT MONTH (1)	SCALE-DOWN SPOT MONTH (2)	SPOT MONTH	SINGLE MONTH	ALL MONTHS COMBINED	POSITION ACCOUNT-ABILITY	REPORTABLE FUT LEVEL	REPORTABLE OPT LEVEL
CME Commodities									
Cash-Settled Butter	Y			100	*500			25	25
Class III Milk	Y				*1,500			25	25
Class IV Milk	Y			250	*1,000			25	25
Dry Whey	Y			200	*1,000			25	25
Feeder Cattle	Y			300	*1,600			25	25
Frozen Pork Bellies	Y	*(A) 75 or 50 or 25	*(B) 25 or 10	100	*800	*1,000		5	5
S&P GSCI	Y					*10,000		25	25
S&P GSCI ER						*10,000		25	
S&P GSCI ER Forwards							10,000	1	
S&P GSCI ER Swaps							10,000	1	
S&P GSCI ER 2 Month Forward Swaps							10,000	1	
S&P GSCI ER 3 Month Forward Swaps							10,000	1	
S&P GSCI Gold ER Swaps							10,000	1	
S&P GSCI Crude Oil ER Swaps							10,000	1	
Lean Hogs	Y			950	*4,400 4,150			25	25
Live Cattle	Y	300		450	*5,400			25	25
Random Length Lumber	Y			435	*1,000			25	25
Nonfat Dry Milk	Y			100	*1,000			25	25
Northern Bleached Softwood KP	Y				*1,000			25	25
Bleached Hardwood Kraft Pulp	Y				*1,000			25	25
Cheese				*500	*1,000				
International Skimmed Milk Powder				*500	*1,000				
US Dollar Cash Settled Crude Palm Oil				*500	*1,000				

*(A) The scale-Down levels in the spot month depends on "Deliverable Supply" shall mean the number of registered deliverable pork bellies reported to the CME Clearing House Department's weekly report immediately *preceding* the first Friday of each expiring contract.

*(B) The scale-Down levels in the spot month depends on "Deliverable Supply" shall mean the number of registered deliverable pork bellies reported to the CME Clearing House Department's weekly report immediately *following* the first Friday of each expiring contract.

* Net futures equivalents (NFE) long or short.