

SUBMISSION COVER SHEET

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Registered Entity Identifier Code (optional): 19-012 (1 of 2)

Organization: Chicago Mercantile Exchange Inc. ("CME")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 1/28/19

Filing Description: Notification Regarding Basis Trade at Index Close (BTIC) Eligibility and Expansion of Listing Schedules in CME Nikkei Stock Average Futures and CME Yen Denominated Nikkei Stock Average Futures Contracts

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: See filing.

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

Official Product Name:

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:

Rule Numbers:

January 28, 2019

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) Certification. Notification Regarding Basis Trade at Index Close (BTIC) Eligibility and Expansion of Listing Schedule in CME Nikkei Stock Average Futures and CME Yen Denominated Nikkei Stock Average Futures Contracts. CME Submission No. 19-012 (1 of 2)

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commission that it is self-certifying amendments to product rule for the Nikkei Stock Average Futures (CME Rulebook Chapter 352; CME Globex Code: NKD; CME ClearPort Code: NK; Clearing Code: NK; BTIC Code: NKT) and Yen Denominated Nikkei Stock Average Futures (CME Rulebook Chapter 352B; CME Globex Code: NIY; CME ClearPort Code: N1; Clearing Code: N1; BTIC: NIT) contracts (the “Contracts”) to permit Basis Trade at Index Close (“BTIC”) trading on the CME Globex electronic trading platform (“CME Globex”) and in submission of block trades for clearing via CME ClearPort effective on Monday, February 18, 2019, for trade date Tuesday, February 19, 2019.

Also at this time, the Exchange will expand the listing schedules of the Contracts for trading on CME Globex and for submission of block trades and Exchanges for Related Position (“EFRP”) transactions for clearing via CME ClearPort, as described below (collectively, the “Rule Amendments”).

In either of the Contracts, for a BTIC transaction to be executed as a block trade, the required minimum size of such transaction is 50 contracts.

For any regular week containing no US or Japanese market holidays, BTIC hours shall be as follows and as shown in Exhibit 1 below (where “ET” refers to general Eastern Time, “EST” refers to Eastern Standard Time, and “EDT” refers to Eastern Daylight Saving Time) --

CME Globex

- Sunday 6:00 p.m. ET to Monday 1:00 a.m. EST (2:00 a.m. EDT) for next US business day.
- Monday–Thursday:
12:00 noon ET to 5:00 p.m. ET for current US business day.
6:00 p.m. ET to 1:00 a.m. EST (2:00 a.m. EDT) for next US business day.
- Friday: No BTIC trading is permitted after 1:00 a.m. EST (2:00 a.m. EDT).
- All day orders shall be eliminated at 1:00 a.m. EST (2:00 a.m. EDT).

CME ClearPort

- Sunday 6:00 p.m. ET to Monday 1:00 a.m. EST (2:00 a.m. EDT)
- Monday–Thursday:
11:00 a.m. ET to 5:00 p.m. ET, and 6:00 p.m. ET to 1:00 a.m. EST (2:00 a.m. EDT).
- Friday: 11:00 a.m. ET to 5:00 p.m. ET.

Exhibit 1 -- BTIC Trading Hours in the Contracts: Eastern Time and Japan Standard Time
(EST = Eastern Standard Time, EDT = Eastern Daylight Saving Time)

<i>CME Globex ("GBX") and CME ClearPort ("CPC") Hours</i>	<i>Eastern Time</i>	<i>Japan Standard Time</i>	
		<i>During EST</i>	<i>During EDT</i>
CPC Open	11:00 a.m.	12:00 midnight	1:00 a.m.
GBX Open	12:00 noon	1:00 a.m.	2:00 a.m.
GBX and CPC Close	5:00 p.m.	6:00 a.m.	7:00 a.m.
Daily Maintenance Period	5:00 – 6:00 p.m.	6:00 -- 7:00 a.m.	7:00 -- 8:00 a.m.
GBX and CPC Reopen	6:00 p.m.	7:00 a.m.	8:00 a.m.
GBX and CPC Close	1:00 a.m. EST (2:00 a.m. EDT)	3:00 p.m.	

Currently, Nikkei Stock Average Futures are listed for trading in each of the nearest four March Quarterly (March, June, September, December) delivery months. The Exchange will expand the listing schedule such that the nearest 12 March Quarterly delivery months, i.e., throughout each of the nearest three ("White", "Red", and "Green") delivery years, and in December delivery months in each of the fourth, fifth, and sixth nearest ("Blue", "Gold", and "Purple") delivery years will be available for trading and clearing.

Currently Yen Denominated Nikkei Stock Average Futures are listed for trading in each of the nearest 12 March Quarterly delivery months and in each of the nearest three (3) Serial (January, February, April, May, July, August, October, November) delivery months. The Exchange will expand the listing schedule such to provide for trading and clearing in December delivery months in each of the fourth, fifth, and sixth nearest delivery years.

Exhibit 2 -- Exchange Fees

Membership Type	Venue / Fee Category	Equity Index Futures
Individual Members Clearing Equity Member Firms Rule 106.J Equity Member Firms & Rule 106.J Qualified Subsidiaries Rule 106.I Member Firms & Rule 106.I Qualified Affiliates Rule 106.S Member Approved Funds	EFPIEFR Block BTIC	\$2.05
Rule 106.D Lessees Rule 106.F Employees	EFPIEFR Block BTIC	\$2.28
Rule 106.R Electronic Corporate Member (For other than CME Globex - See Non-Members)	CME Globex - BTIC	\$2.43
Rule 106.H and 106.N Firms Clearing Non-Equity Member Firms	EFPIEFR Block BTIC	\$2.43
International Incentive Program (IIP) International Volume Incentive Program (IVIP) (For other than CME Globex - See Non-Members)	CME Globex - BTIC	\$2.65
Non-Members	EFPIEFR Block BTIC	\$2.65

Exhibit A provides related amendments to the Contracts' non-reviewable trading ranges pursuant to CME Rule 588.H. ("Globex Non-Reviewable Trading Ranges"), in Chapter 5 ("Trading Qualifications and Practices") of the CME Rulebook in blackline format.

Exhibit B provides related amendments to the Contracts' special price fluctuation limits pursuant to CME Rule 589 ("Special Price Fluctuation Limits") in Chapter 5 ("Trading Qualifications and Practices") of the CME Rulebook in blackline format.

Exhibit C provides amendments to CME Rulebook Chapters 352 and 352B in blackline format.

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:

- **Availability of General Information:** CME will publish information on the Contracts' specifications on its website, together with daily trading volumes, open interest levels, and price information. CME shall disseminate a Special Executive Report ("SER") that sets forth information with regard to the Rule Amendments. The SER will also be posted on the CME Group website.
- **Daily Publication of Trading Information:** Trading volumes, open interest levels and price information for the Contracts will be published daily on the Exchange's website and via quote vendors.

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 Exchanges certify that this submission has been concurrently posted on the CME Group 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

Attachments: Exhibit A - Amendments to CME Rule 588.H. ("Globex Non-Reviewable Trading Ranges") Table
Exhibit B - Amendments to CME Rule 589. ("Special Price Fluctuation Limits and Daily Price Limits") Table
Exhibit C - Amendments to CME Rulebook Chapters 352 and 352B

Exhibit A

CME Rulebook Chapter 5 ("Trading Qualifications and Practices")

Rule 588.H. – ("Globex Non-Reviewable Trading Ranges") Table

(additions underscored)

Instrument Name	Globex2 Symbol	Outright			Spreads	
		Globex Non-Reviewable Ranges (NRR)	NRR: Globex Format	NRR: Ticks	NRR: Globex Format	NRR: Minimum Outright Ticks
<u>BTIC on Nikkei Stock Average Futures</u>	<u>NKT</u>	<u>25 index points</u>	<u>2500</u>	<u>250</u>	<u>N/A</u>	<u>N/A</u>
<u>BTIC on Yen Denominated Nikkei Stock Average Futures</u>	<u>NIT</u>	<u>25 index points</u>	<u>2500</u>	<u>250</u>	<u>N/A</u>	<u>N/A</u>

Exhibit B
CME Rulebook
Chapter 5
(“Trading Qualifications and Practices”)

CME Rule 589. – (“Special Price Fluctuation Limits and Daily Price Limits”) Table

(additions underscored)

Product	Rulebook Chapter	Commodity Code	Primary/ Associated	Associated With	Daily Price Limit
<u>BTIC on Nikkei Stock Average Futures</u>	<u>352</u>	<u>NKT</u>	<u>Associated</u>	<u>NIY</u>	<u>Daily Price Limit Table</u>
<u>BTIC on Yen Denominated Nikkei Stock Average Futures</u>	<u>352B</u>	<u>NIT</u>	<u>Associated</u>	<u>NIY</u>	<u>Daily Price Limit Table</u>

Exhibit C

CME Rulebook Chapter 352 Nikkei Stock Average Futures

(additions underscored; deletions ~~struck through~~)

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35205. [~~06~~] [RESERVED]

35206. BASIS TRADE AT INDEX CLOSE (“BTIC”)

Futures shall be eligible for BTIC transactions. All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

35206.A. Price Assignment Procedure for BTIC Futures

The futures price of a BTIC transaction shall be determined by the Exchange subsequent to the dissemination of the applicable closing value of the underlying Index.

35206.B. BTIC Order Minimum Price Increment

The minimum price increment shall be 0.1 Index point, equal to \$0.5 per contract, for any basis adjustment that is applied to the Index closing level to establish the futures price of a BTIC transaction.

35206.C. BTIC Orders Prohibited on the Day of Final Settlement Price Determination

Except on the day of Final Settlement Price Determination for a contract, Orders for BTIC transactions may be initiated (i) at any time when futures are available for trading on CME Globex and (ii) during the CME Globex pre-open time period for futures.

35206.D. Market Disruption Events

In the event of disruption to the underlying securities market that precluded a valid calculation of the official closing value of the underlying index, all pending and executed BTIC transactions in futures shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion, and may include, without limitation, an unscheduled early closure for the day of the underlying securities market or a regulatory trading halt necessitating an early closure of the underlying securities market.

Chapter 352B Yen Denominated Nikkei Stock Average Futures

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352B05[~~06~~] [RESERVED]

352B06 BASIS TRADE AT INDEX CLOSE (“BTIC”)

Futures shall be eligible for BTIC transactions. All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

352B06.A. Price Assignment Procedure for BTIC Futures

The futures price of a BTIC transaction shall be determined by the Exchange subsequent to the dissemination of the applicable closing value of the underlying Index.

352B06.B. BTIC Order Minimum Price Increment

The minimum price increment shall be 0.1 Index point, equal to ¥50 per contract, for any basis adjustment that is applied to the Index closing level to establish the futures price of a BTIC transaction.

352B06.C. BTIC Orders Prohibited on the Day of Final Settlement Price Determination

Except on the day of Final Settlement Price Determination for a contract, Orders for BTIC transactions may be initiated (i) at any time when futures are available for trading on CME Globex and (ii) during the CME Globex pre-open time period for futures.

352B06.D. Market Disruption Events

In the event of disruption to the underlying securities market that precluded a valid calculation of the official closing value of the underlying index, all pending and executed BTIC transactions in futures shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion, and may include, without limitation, an unscheduled early closure for the day of the underlying securities market or a regulatory trading halt necessitating an early closure of the underlying securities market.