March 13, 2019 Nasdaq Futures, Inc.

FMC Tower, Level 8,

Christopher J. Kirkpatrick 2929 Walnut Street

Office of the Secretariat Philadelphia, PA 19104 / USA

Commodity Futures Trading Commission

Three Lafayette Center business.nasdaq.com/futures

1155 21st Street, NW

Washington, DC 20581

**Rule Self-Certification: Product and Rule Certification for New NFX**

**P8 Panamax Santos - Qingdao Monthly Average Financial Futures (P8EQ)**

**Reference File: SR-NFX-2019-09**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Section 40.6 of the Commission’s regulations thereunder, NASDAQ Futures, Inc. (“NFX” or “Exchange”) hereby submits rules relating to block trade minimum quantity thresholds for the NFX P8 Panamax Santos - Qingdao Monthly Average Financial Futures contract (“Dry Freight Futures”). The Exchange anticipates listing the Dry Freight Futures contract beginning March 27, 2019, for trade date March 28, 2019. The amendments proposed in this submission shall be effective on the listing date.

The rule amendments proposed herein are attached to this letter in Exhibit A which amends Rulebook Appendix A, Listed Contracts.[[1]](#footnote-1)

**Exhibit 1 - Amendments to Rulebook Appendix A, Listed Contracts**

Block Trade Minimum Quantity Threshold and Reporting Times. Chapter IV, Section 11 of the Exchange’s rulebook provides for execution of block trades and requires the Exchange to designate the contracts in which block trades shall be permitted and to determine the minimum quantity thresholds for such transactions. Section 11(F) requires Futures Participants to ensure that block trades are reported to the Exchange within the number of minutes of the time of execution (the "Reporting Window") specified in the rules for the particular contract.[[2]](#footnote-2) The Dry Freight Futures contract is eligible for block trades. The block trade minimum quantity threshold is set at 5 contracts and the trade must be reported by close of the trading in the Open Session during which the block trade was executed.

**Screen Fees and Block Trade/EFRP Surcharges**

The Screen Fee is a charge for Exchange execution fees. The Options Clearing Corporation (“OCC”) will separately assess a clearing fee for all transactions submitted for clearing.[[3]](#footnote-3) The Exchange will assess Screen Fees and Block Trade EFRP Fees for each contract as set forth in Exhibit A.

**DCM Core Principles**

The Exchange has reviewed the designated contract market core principles (“Core Principles”) as set forth in the Act in connection with the amendments presented herein. Consistent with Core Principle 7 - Availability of General Information, the Exchange will post general information, including the NFX Rulebook as amended herein, on its website: [business.nasdaq.com/futures](http://business.nasdaq.com/nasdaq-futures/nfx-market).

With respect to the block trade amendments set forth in Exhibit A and Core Principle 9 - Execution of Transactions, the Dry Freight Futures will be listed for trading on the Exchange’s electronic trading system as well as by submission as block trades and Exchange for Related Position transactions pursuant to Exchange rules. The Exchange’s trading system provides a transparent, open and efficient mechanism to electronically execute trades in the Dry Freight Futures. Additionally, the new rules governing the trading hours and non-reviewable range of the New Contracts are the same as those governing existing energy futures contracts listed by the Exchange.

**Certifications**

There were no opposing views among NFX’s Board of Directors, members or market participants. The Exchange hereby certifies that the rule amendments set forth herein comply with the Act and the Commission’s regulations thereunder. The Exchange also certifies that notice of pending certification and a copy of this submission have been concurrently posted on the Exchange’s website at [business.nasdaq.com/futures](http://business.nasdaq.com/nasdaq-futures).

If you require any additional information regarding the submission, please contact Aravind Menon at (301) 978-8416 or aravind.menon@nasdaq.com. Please refer to SR-NFX-2019-09 in any related correspondence.

Regards,



Kevin Kennedy

Chief Executive Officer

Attachments:

Exhibit A: Amendments to Rulebook Appendix A – Listed Contracts

1. The Exchange is separately filing the Dry Freight Futures’ terms and conditions in SR-NFX-2019-06 pursuant to Commission Rule 40.2. Certain additional language separately certified in SR-NFX-2019-06 is not duplicated in Exhibit A hereto but is instead, for purposes of brevity, represented by asterisks. [↑](#footnote-ref-1)
2. See Rules Chapter IV, Section 11(F) provides: “Futures Participants must ensure that each Block Trade is reported to the Exchange within the number of minutes of the time of execution (the "Reporting Window") specified in the rules for the particular contract; except that Block Trades executed outside of Trading Hours must be reported within fifteen minutes of the commencement of the next Open Session of a Trading Session for that Contract. For any combination transaction that includes a Dry Freight contract, the trade must be reported by the close of business of the Open Session during which the trade was entered. [↑](#footnote-ref-2)
3. OCC options exercise fees and any other OCC fees remain the responsibility of Clearing Futures Participants. [↑](#footnote-ref-3)