



July 2, 2021

SUBMITTED VIA CFTC PORTAL

Secretary of the Commission
Office of the Secretariat
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: KalshiEX LLC – Weekly Notification of Rule Amendments Pursuant to Regulation 40.6(d)

Dear Sir or Madam,

Pursuant to Commodity Futures Trading Commission Regulation 40.6(d), the Exchange submits this weekly notification of the following rule amendment effective during the week of June 28, 2021:

- July 2, 2021 – Changes made to Rule 100.1, relating to the “Will the US trade deficit in goods with China be above <dollar amount>” contract, to update the strike price and contract month in conformity with the contract’s established listing cycle. For convenience, a clean copy of the updated rule, as well as a copy showing changes, is attached.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Elie Mishory
Chief Regulatory Officer
KalshiEX LLC
emishory@kalshi.com

Rule 100.1

Clean

Contract: “Will the US trade deficit in goods with China be above <dollar amount>?”

Scope: These rules shall apply to the contract referred to as “Will the US trade deficit in goods with China be above <dollar amount>?”.

Underlying: The Underlying for this Contract is the preliminary estimate of the seasonally adjusted monthly trade balance in goods between the United States and China published by the US Census website, under Foreign Trade, the US International Trade in Goods and Services (FT900) report, Exhibit 19 (https://www.census.gov/foreign-trade/Press-Release/current_press_release/ft900.pdf). Scroll down in the report to the table titled “Exhibit 19. U.S. Trade in Goods by Selected Countries and Areas - Census Basis”. To find the Underlying, navigate to the column titled “[Month] [Year]” for the month in question and find the row for China. Note: the trade deficit in goods is reported in millions of dollars. Given that the preliminary estimate of seasonally adjusted trade balance is explicitly specified as the Underlying for the contract, further revisions that are published after the Expiration Date and Expiration time will not be taken into account. Additionally, data for trade deficit in goods is reported with an approximate delay of one month. For example, the trade deficit in goods for the statistical period of February 2021 would be included in the Census Bureau report released on April 7, 2021. The contract is structured to take this delay into account when specifying the terms and conditions of settlement.

Source Agency: The Source Agency is the US Census Bureau.

Type: The type of Contract is a Binary Contract.

Issuance: The Issuance of this contract will be in accordance with the information outlined in the “Listing Cycle” section of the Contract Specifications table. The Contract is based on the outcome of a recurrent data release which is issued on a monthly basis. Thus, Contracts will be issued on a monthly basis, and subsequent contracts will correspond to the next month. The Issuance of the initial contract will be on June 30, 2021 at 10:00am ET. After the initial contract, subsequent contracts will be issued on the Expiration Date of the previous contract to reflect the monthly schedule of published data by the US Census website.

Dollar Amount: Kalshi may list “Will the US trade deficit in goods with China be above <dollar amount>?” contracts with <dollar amount> levels that fall within an inclusive range between a maximum value of \$200 billion and a minimum value of -\$200 billion at consecutive increments of \$1,000,000. Due to the potential for variability in the Underlying, the Exchange may modify <dollar amount> levels in response to suggestions by Members.

Month: <month> refers to a calendar month specified by Kalshi. Kalshi may list “Will the US trade deficit in goods with China be above <dollar amount>?” contracts corresponding to different statistical periods of <month>, ranging from January to December.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that are strictly less than negative <dollar amount>.

Minimum Tick: The Minimum Tick size for the referred Contract shall be \$0.01.

Position Limit: The Position Limit for the \$1 referred Contract shall be \$25,000 per Member.

Last Trading Date: Unless otherwise noted by the Exchange and indicated on the Exchange website, the Last Trading Date for the Contract will be the day prior to the release date of the next FT900 U.S. International Trade in Goods and Services Press Release, and the Last Trading Time for the Contract will be 7:00pm ET on the Last Trading Date. No trading in the Contract shall occur after its Last Trading Date and Time. A calendar of future FT900 U.S. International Trade in Goods and Services Press Release dates is available at the following page, under “FT900 U.S. International Trade in Goods and Services Press Release Schedule”:
https://www.census.gov/foreign-trade/reference/release_schedule.html.

For example, the Last Trading Date for the initial contract is July 1, 2021 and the Last Trading Time is 7:00pm ET on July 1, 2021 because the release date of the next FT900 U.S. International Trade in Goods and Services Press Release is July 2, 2021.

Settlement Date: The Settlement Date of the Contract shall be the day after the Expiration Date unless the Market Outcome is under review pursuant to Rule 7.1.

Expiration Date: The Expiration Date of the Contract shall be the release date of the next FT900 U.S. International Trade in Goods and Services Press Release. For example, the Expiration Date of the initial contract is July 2, 2021, since the next FT900 U.S. International Trade in Goods and Services Press Release is scheduled to come out on July 2, 2021.

Expiration time: The Expiration time of the Contract shall be 6:00pm ET.

Settlement Value: The Settlement Value for this Contract is \$1.00.

Expiration Value: The Expiration Value is the value of the Underlying for the statistical period of <month> as documented by the Source Agency on the Expiration Date at the Expiration time.

Contingencies: Before Settlement, Kalshi may, at its sole discretion, initiate the Market Outcome Review Process pursuant to Rule 6.3(c) of the Rulebook.

Current Targets:

<dollar amount>	28,000 (in millions)
<month>	June

Rule 100.1

Copy Showing Changes

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Current Targets:

<dollar amount>	2380 ,000 (in millions)
<month>	June May