

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 18-320

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

Filing as a: **DCM** **SEF** **DCO** **SDR**

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 08/23/18 **Filing Description:** Increase of CME Globex Committed Cross Better Price Match Percentages for FX Rate Option Contracts

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" 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: See filing.

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 |

Official Product Name:

Product Terms and Conditions (product related Rules and Rule Amendments)

- | | | |
|--------------------------|---|----------------------|
| <input 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:

Rule Numbers:

August 23, 2018

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
3 Lafayette Center
1155 21st Street NW
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Increase of CME Globex Committed Cross Better Price Match Percentages for CME FX Option Contracts.
CME Submission No. 18-320**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME") (the "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying amendments to CME Rule 539.C. ("Crossing Protocols Table") to increase the Better Price Match ("BPM") percentages for Committed Cross ("C-Cross") transactions for CME FX option contracts from 20% to 50% as noted in Exhibit A (collectively, the "Rule Amendments") effective on Sunday, September 9, 2018 for trade date Monday, September 10, 2018.

Based upon client demand, the Exchange is increasing the BPM percentage for C-Cross transactions to provide the necessary incentive to facilitate customer trading activity via the committed cross functionality.

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

- **Compliance with Rules:** The Crossing Protocols Table codifies the available crossing protocols for transactions executed pursuant to pre-execution communications under Rule 539. and as such the Rule Amendments are in compliance with this Core Principle.
- **Availability of General Information:** As required by this Core Principle the Exchange will issued a Special Executive Report ("SER") and updated Crossing Protocols Table at the end of Chapter 5. The SER and the Crossing Protocols Table will be posted publicly on CME Group's website.
- **Execution of Transactions:** Following the modification of the BPM percentage, the C-Cross protocol of the FX option contracts remains a competitive means of execution on CME Globex based on the algorithm applied by the match engine to the handling of a Request for Cross ("RFC"). Upon entry of the RFC, CME Globex will display an indication that a cross has been committed to the market and will occur in five (5) seconds.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange certifies that the Rule Amendments comply with the Act and rules thereunder. There were no substantive opposing views to this proposal.

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 via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A: Amendments to CME Rule 539.C. ("Crossing Protocols Table")

Exhibit A
Amendments to CME Rule 539.C. (“Crossing Protocols Table”)

Product Class	DCM	Product Subgroup	Committed ("C") Cross***			
			Futures		Options	
FX	CME	30 FX Products in Appendix	✓	40%	✓	250%
FX	CME	All Other FX Products	✓	0%	✓	250%
FX	CME	Volatility-Quoted Options			✓	50%

Appendix: Select FX Currency Futures and Options with BPM percentage of 40%

Australian Dollar/Canadian Dollar (AUD/CAD) Cross Rate Futures
 Australian Dollar/Japanese Yen (AUD/JPY) Cross Rate Futures
 Australian Dollar/New Zealand Dollar (AUD/NZD) Cross Rate Futures
 Canadian Dollar/Japanese Yen (CAD/JPY) Cross Rate Futures
 Swiss Franc/Japanese Yen (CHF/JPY) Cross Rate Futures
 Chinese Renminbi/Euro (RMB/EUR) Cross Rate Futures
Options on Chinese Renminbi/Euro (RMB/EUR) Cross Rate Futures
 Chinese Renminbi/U.S. Dollar (RMB/USD) Futures
Options on Chinese Renminbi/U.S. Dollar (RMB/USD) Futures
 Czech Koruna/Euro (CZK/EUR) Cross Rate Futures
Options on Czech Koruna/Euro (CZK/EUR) Cross Rate Futures
 Czech Koruna/U.S. Dollar (CZK/USD) Futures
Options on Czech Koruna/U.S. Dollar (CZK/USD) Futures
 Euro/Australian Dollar (EUR/AUD) Cross Rate Futures
 Euro/Canadian Dollar (EUR/CAD) Cross Rate Futures
 Euro/Norwegian Krone (EUR/NOK) Cross Rate Futures
 Euro/Swedish Krona (EUR/SEK) Cross Rate Futures
 Euro/Turkish Lira (EUR/TRY) Cross Rate Futures
 British Pound Sterling/Swiss Franc (GBP/CHF) Cross Rate Futures
 British Pound Sterling/Japanese Yen (GBP/JPY) Cross Rate Futures
 Hungarian Forint/Euro (HUF/EUR) Cross Rate Futures
Options on Hungarian Forint/Euro (HUF/EUR) Cross Rate Futures
 Hungarian Forint/U.S. Dollar (HUF/USD) Futures
Options on Hungarian Forint/U.S. Dollar (HUF/USD) Futures
 Israeli Shekel/U.S. Dollar (ILS/USD) Futures
Options on Israeli Shekel/U.S. Dollar (ILS/USD) Futures
 Indian Rupee/U.S. Dollar (INR/USD) Futures
 Korean Won/U.S. Dollar (KRW/USD) Futures
Options on Korean Won/U.S. Dollar (KRW/USD) Futures
 Norwegian Krone/U.S. Dollar (NOK/USD) Futures
 Polish Zloty/Euro (PLN/EUR) Cross Rate Futures
Options on Polish Zloty/Euro (PLN/EUR) Cross Rate Futures
 Polish Zloty/U.S. Dollar (PLN/USD) Futures
Options on Polish Zloty/U.S. Dollar (PLN/USD) Futures
 Swedish Krona/U.S. Dollar (SEK/USD) Futures
 U.S. Dollar/Chilean Peso (USD/CLP) Futures
 U.S. Dollar/Offshore Chinese Renminbi (USD/RMB) Futures
~~U.S. Dollar/Chinese Renminbi (USD/RMB or CNY) Futures with U.S. Dollar Banking~~
 U.S. Dollar/South African Rand (USD/ZAR) Futures
 U.S. Dollar/Turkish Lira (USD/TRY) Futures