

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

**Registered Entity Identifier Code (optional):** 18-391

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

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

**Please note - only ONE choice allowed.**

**Filing Date (mm/dd/yy):** 09/12/18    **Filing Description:** Amendments to CME Rule 588.H. ("Globex Non-Reviewable Trading Ranges") Table for US Dollar/Offshore Chinese Renminbi ("USD/CNH") and Indian Rupee/US Dollar ("INR/USD") Futures 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     |

**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:**



Christopher Bowen  
Managing Director and Chief Regulatory Counsel  
Legal Department

September 12, 2018

**VIA ELECTRONIC PORTAL**

Mr. Christopher 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 Amendments to CME Rule 588.H. (“Globex Non-Reviewable Trading Ranges”) Table for US Dollar/Offshore Chinese Renminbi (“USD/CNH”) and Indian Rupee/US Dollar (“INR/USD”) Futures Contracts.  
CME Submission No. 18-391**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments to CME Rule 588.H. (“Globex Non-Reviewable Trading Ranges”) Table (the “Table”) for the US Dollar/Offshore Chinese Renminbi (“USD/CNH”) Futures (CME Rulebook Chapter: 284L; Commodity Code: CNH) and Indian Rupee/US Dollar (“INR/USD”) Futures (CME Rulebook Chapter: 279; Commodity Code: SIR) contracts (the “Contracts”) effective Sunday, September 30, 2018 for trade date Monday, October 1, 2018.

Specifically, CME will amend the Globex non-reviewable trading ranges (“NRR”) for the Contracts such that each leg of an intra-market calendar spread transaction is evaluated by the Exchange’s Global Command Center (“GCC”) on an outright basis – and no longer as a spread transaction – when executed on the CME Globex electronic trading platform. Specifically, GCC will evaluate each leg of a USD/CNH futures intra-market calendar spread over a 300-point tick increment range on an outright basis and not as a single spread transaction over a 75-point range when traded on CME Globex. Likewise, GCC will evaluate each leg of a INR/USD futures intra-market calendar spread over a 40-point tick increment range on an outright basis and not as a single spread transaction over a 10-point range when executed on CME Globex.

CME is amending the NRR of the Contracts because the Exchange is concurrently adding implied functionality to trades executed on CME Globex for the Contracts. The addition of implied functionality will facilitate increased pricing transparency in the Contracts on an outright and intra-market calendar spread basis. For USD/CNH futures, CME will add implied functionality to CME Globex to include all outright contracts and intra-market calendar spread combinations within the first 12 contract expires. For INR/USD futures, the Exchange will add implied functionality to CME Globex to include all outright contracts and intra-market calendar spread combinations within the first four contract expires.

The Contracts are listed for trading on CME Globex for submission for clearing via CME ClearPort.

Amendments to Table are provided in blackline format in Exhibit A below.

CME reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“Act” or “CEA”) and identified that the amendments to the Table may have some bearing on the following Core Principles:

- **Compliance with the Rules:** CME shall continue its normal practice to establish, monitor, and enforce compliance with the rules of the Contracts, including the terms and conditions of the Contracts’ newly revised rules for Globex non-reviewable trading ranges.
- **Prevention of Market Disruption:** Amendments to the NRR for the Contracts, and then applying these changes to existing open interest starting with the October 2018 futures expiration, will not impede the CME’s capacity and responsibility to prevent manipulation, price distortion, and disruptions to the Contracts through currently established market surveillance, compliance, and enforcement practices and procedures.
- **Availability of General Information:** The Exchange will amend the CME rulebook accordingly on the effective date, which is publicly available on the CME Group website, to reflect the changes that will be made to the rules pertaining to the NRR for the Contracts. In addition, the Exchange will publish a Special Executive Report (“SER”) to inform the marketplace of these amendments to the Contracts. The SER will also be posted on the CME Group website.
- **Execution of Transactions:** Amendments to the NRR for the Contracts will have no impact on the central limit order book for these instruments. These amendments will not impede the CME’s ability as a designated contract market to provide a competitive, open, and efficient market mechanism for executing transactions that protects the price discovery and final cash settlement or physically deliverable processes of the Contracts.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), CME hereby certifies that the amendments to the Table, comply with the Act, including all regulations under the Act. There were no substantive opposing views to this proposal.

CME 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](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A: Amendments to CME Rule 588.H. (“Globex Non-Reviewable Trading Ranges”) Table (blackline format)

## Exhibit A

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

#### CME Rule 588.H. ("Globex Non-Reviewable Trading Ranges") Table US Dollar/Offshore Chinese Renminbi ("USD/CNH") and Indian Rupee/US Dollar ("INR/USD") Futures Contracts

(Additions are underlined; deletions are ~~everstruck~~.)

Instrument Name	Globex Symbol	Outright Transactions			Calendar Spreads	
		Globex Ranges (NRR) Non-Reviewable	NRR: Globex Format	NRR: Ticks	NRR: Globex Format	NRR: Minimum Outright Ticks
INR/USD Futures	SIR	40 points	40	40	<u>Each leg evaluated as an outright</u> <del>40</del> <del>40</del>	
USD/CNH Futures	CNH	300 points	300	300	<u>Each leg evaluated as an outright</u> <del>75</del> <del>75</del>	