

**SUBMISSION COVER SHEET**

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

**Registered Entity Identifier Code (optional):** 17-407 (4 of 4)

**Organization:** Commodity Exchange, Inc. ("COMEX")

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

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

**Filing Date (mm/dd/yy):** 10/17/17

**Filing Description:** Issuance of CME Group Market Regulation Advisory Notice RA1715-5 Concerning CME Globex Pre-Open Order Entry.

**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:** 573.

**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:**

October 17, 2017

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification. Issuance of CME Group Market Regulation  
Advisory Notice RA1715-5 Concerning Order Entry During the CME Globex Pre-  
Open.  
COMEX Submission No. 17-407 (4 of 4)**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), Chicago Mercantile Exchange Inc. (“CME”), The Board of Trade of the City of Chicago, Inc. (“CBOT”), New York Mercantile Exchange, Inc. (“NYMEX”) and Commodity Exchange, Inc. (“COMEX”) (collectively, the “Exchanges”) hereby notify the Commission that they are self-certifying the issuance of CME Group Market Regulation Advisory Notice RA1715-5 (“RA1715-5”) concerning the entry of orders during the CME Globex pre-open (“pre-open”), effective on Thursday, November 2, 2017.

RA1715-5 provides regulatory guidance on the proper handling of orders in circumstances where a market participant wants to trade at the CME Globex opening price. It is being issued based on multiple questions that the Market Regulation Department has received by firms looking to provide guidance to their brokers.

The guidance reminds all market participants that CME Globex does not support the entry of market-on-open (“MOO”) orders and explains that market participants must either place orders at a specific price or give the broker handling the order discretion as to the price in the form of a DRT order. Additionally, the guidance reminds all market participants that the entry of orders during the pre-open at prices significantly above and/or below the displayed indicative opening price must ensure that such entry does not cause aberrant price movement.

RA1715-5 is attached below as Exhibit A.

The Exchanges reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the issuance of RA1715-5 may have some bearing on the following Core Principles:

**Compliance with Rules:** RA1715-5 reminds market participants that if their entry of orders during the pre-open cause aberrant price movements, such entry may be deemed to violate CME/CBOT/NYMEX/COMEX Rule 575 (“Disruptive Practices Prohibited”).

**Availability of General Information:** As required by this Core Principle, the Exchanges are publicly issuing RA1715-5 to ensure that market participants have regulatory guidance concerning order entry during the CME Globex pre-open.

There were no substantive opposing views to this proposal.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchanges certify that the issuance of RA1715-5 complies with the Act and regulations thereunder.

The Exchanges certify that this submission has been concurrently posted on the Exchanges' website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information regarding this submission, please contact the undersigned at 212.299.2200 or via email at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A: CME Group RA1715-5

## EXHIBIT A

### MARKET REGULATION ADVISORY NOTICE

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<b>Exchange</b>	<b>CME, CBOT, NYMEX &amp; COMEX</b>
<b>Subject</b>	<b>Order Entry During the CME Globex Pre-Open</b>
<b>Rule References</b>	<b>Rule 573</b>
<b>Advisory Date</b>	<b>October 18, 2017</b>
<b>Advisory Number</b>	<b>CME Group RA1715-5</b>
<b>Effective Date</b>	<b>November 2, 2017</b>

Recently, market participants have requested guidance on the proper method of handling and/or entering orders during the CME Globex pre-open period in circumstances where a market participant wants to trade at the opening price.

Market participants are reminded that CME Globex (“Globex”) **does not** support the entry of market-on-open (“MOO”) orders. Accordingly, market participants may not place such orders for entry with brokers or other parties eligible to handle customer orders, and no party may accept such orders.

Information on eligible order types for entry into Globex may be found using the following link:

<https://www.cmegroup.com/confluence/display/EPICSANDBOX/Order+Types+for+Futures+and+Options>

Market participants wishing to place an order with a broker or other party eligible to handle customer orders prior to the time Globex opens must either indicate a specific price for the order or place a DRT (disregard tape or not-held order) order. A DRT order gives the party handling the order complete discretion over price and time in execution of the order, including discretion to execute all, some, or none of the order.

**Any** party entering orders during the pre-open at prices significantly above and/or below the displayed Indicative Opening Price (“IOP”) must be cognizant of the potential for such orders to cause aberrant price movement during the IOP, and are reminded that if such aberrant price movement occurs, the activity may be deemed to violate Rule 575 (“Disruptive Practices Prohibited”). Additionally, market participants should be prepared to, and capable of, handling the financial obligations attendant to the full execution of their orders at the prices that are entered into CME Globex by them or their brokers.

Questions regarding this Advisory Notice may be directed to the following individuals in Market Regulation:

Natasha Selkov, Lead Investigator, 312.341.7623  
Colin Garvey, Manager, Investigations, 312.435.3656  
Erin Middleton, Lead Rules & Regulatory Outreach Specialist, 312.341.3286  
Daniel Stephens, Senior Rules & Regulatory Outreach Specialist, +44 2033 793304  
Shawn Tan, Senior Rules & Regulatory Outreach Specialist, +65 6593 5580

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434.