

**SUBMISSION COVER SHEET**

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

**Registered Entity Identifier Code (optional): 17-556 (1 of 4)**

**Organization:** New York Mercantile Exchange, Inc. ("NYMEX")

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

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

**Filing Date (mm/dd/yy):** 12/20/2017 **Filing Description:** Initial Listing of Four (4) Baltic Freight Route Futures Contracts.

**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:**

**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

**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:**



Christopher Bowen  
Managing Director and Chief Regulatory Counsel  
Legal Department

December 20, 2017

**VIA ELECTRONIC PORTAL**

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

**Re: CFTC Regulation 40.2(a) Certification. Notification Regarding the Initial Listing of Four (4) Baltic Freight Route Futures Contracts. NYMEX Submission No. 17-556 (1 of 4)**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying the initial listing of four (4) freight route futures contracts (the “Contracts”) based on price assessments by the Baltic Exchange (“Baltic”) for trading on the CME Globex electronic platform, and for submission for clearing via CME ClearPort as noted in the table below, effective on Sunday, January 7, 2018 for trade date Monday, January 8, 2018 as noted in the table below.

Contract Title	Freight Route TC9 (Baltic) Futures
Commodity Code	TC9
Rulebook Chapter	945
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listed Contracts	Monthly contracts listed for the current year and the next two years. Monthly contracts for a new calendar year will be added following termination of trading in the December contract of the current year.
Floating Price	The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC9 Tanker Route (for 30,000 metric tons Primorsk to Le Havre) is published by the Baltic Exchange during the contract settlement period, as described in paragraph 945102.E of these rules.

	If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.
First Listed Month	January 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TC15 (Baltic) Futures
Commodity Code	T5C
Rulebook Chapter	946
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listed Contracts	Monthly contracts listed for the current year and the next two years. Monthly contracts for a new calendar year will be added following termination of trading in the December contract of the current year.
Floating Price	The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC15 Tanker Route (for 80,000 metric tons Skikda to Chiba) is published by the Baltic Exchange during the contract settlement period, as described in paragraph 945102.E of these rules.  If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.
First Listed Month	January 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TD8 (Baltic) Futures
Commodity Code	TD8
Rulebook Chapter	943
Contract Size	1,000 metric tons

Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listed Contracts	Monthly contracts listed for the current year and the next two years. Monthly contracts for a new calendar year will be added following termination of trading in the December contract of the current year.
Floating Price	The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TD8 Tanker Route (for 80,000 metric tons Kuwait to Singapore) is published by the Baltic Exchange during the contract settlement period, as described in paragraph 945102.E of these rules.  If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.
First Listed Month	January 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Freight Route TD20 (Baltic) Futures
Commodity Code	T2D
Rulebook Chapter	944
Contract Size	1,000 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.0001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listed Contracts	Monthly contracts listed for the current year and the next two years. Monthly contracts for a new calendar year will be added following termination of trading in the December contract of the current year.
Floating Price	The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TD20 Tanker Route (for 130,000 metric tons Bonny, Nigeria to Rotterdam) is published by the Baltic Exchange during the contract settlement period, as described in paragraph 945102.E of these rules.  If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement

	Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.
First Listed Month	January 2018
Termination of Trading	Trading shall cease on the last business day of the contact month
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

### Trading and Clearing Hours

CME Globex and CME ClearPort: Sunday – Friday 6:00 p.m. – 5:00 p.m. (5:00 p.m. – 4:00 p.m. Central Time/CT) with an hour break each day beginning at 5:00 p.m. (4:00 p.m. CT).

### Exchange Fees

Exchange Fees	Member	Non-Member	International Incentive Programs (IIP/IVIP)
CME Globex	\$2.60	\$3.25	\$2.90
EFP	\$2.60	\$3.25	
Block	\$2.60	\$3.25	
EFR/EOO	\$2.60	\$3.25	
Agency Cross	\$2.60	\$3.25	

Processing Fees	Member	Non-Member
Cash Settlement	\$0.50	\$0.50

Other Processing Fees	Fee
Facilitation Fee	\$0.60
Give-Up Surcharge	\$0.05
Position Adjustments/Position Transfers	\$0.10

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the new contracts into the Position Limit, Position Accountability and Reportable Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the NYMEX Rulebook in relation to the listing of the new contract. These terms and conditions establish the all month/any one-month accountability levels, expiration month position limit, reportable level, and aggregation allocation for the new contract. Please see Exhibit B, attached under separate cover.

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NYMEX is also self-certifying block trading on the Contracts with a minimum block threshold of five (5) contracts.

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA”) and staff identified that the Contracts may have some bearing on the following Core Principles:

Compliance with Rules: Trading in the Contracts will be subject to the rules in Rulebook Chapter 4 which includes prohibitions against fraudulent, noncompetitive, unfair and abusive practices. Additionally, trading will also be subject to the full range of trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook. As with all products listed for trading on one of CME Group’s designated contract markets, activity in this product will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

Contracts Not Readily Subject to Manipulation: The Contracts are based on cash price series that are reflective of the underlying cash market and are commonly relied on and used as reference prices by cash market brokers and commercial market participants.

Prevention of Market Disruption: Trading in the Contracts will be subject to Rulebook Chapter 4, which include prohibitions on manipulation, price distortion and disruptions of the delivery or cash-settlement process. As with all products listed for trading on one of CME Group’s designated contract markets, activity in the Contract will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department.

Position Limitations or Accountability: The speculative position limits for the Contracts as demonstrated in this submission are consistent with the Commission’s guidance.

Emergency Authority: As with all CME Group futures and options products, the Exchange shall have full authority to act appropriately and as necessary in emergency situations.

Availability of General Information: The Exchange will publish on its website information with regard to contract specifications, terms, and conditions, as well as daily trading volume, open interest, and price information for the Contract.

Daily Publication of Trading Information: The Exchange will publish contract trading volumes, open interest levels, and price information daily on its website and through quote vendors for the Contracts.

Execution of Transactions: The Contracts will be listed for trading on the CME Globex electronic trading platform, and for clearing through the CME ClearPort platform. The CME Globex trading venue provides for competitive and open execution of transactions. CME Globex affords the benefits of reliability and global connectivity. The CME ClearPort platform provides a competitive, open and efficient mechanism for novating transactions that are competitively executed by brokers.

Trade Information: All requisite trade information for the Contracts will be included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.

Financial Integrity of Contracts: The Contracts will be cleared by the CME Clearing House, a derivatives clearing organization registered with the Commodity Futures Trading Commission and subject to all CFTC regulations related thereto.

Protection of Market Participants: Rulebook Chapters 4 and 5 set forth multiple prohibitions that preclude intermediaries from disadvantaging their customers. These rules apply to trading in all of the Exchange's competitive trading venues.

Disciplinary Procedures: Chapter 4 of the Rulebook contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate the Rulebook. Trading in the Contracts will be subject to Chapter 4, and the Market Regulation Department has the authority to exercise its enforcement power in the event rule violations in the product are identified.

Dispute Resolution: Disputes with respect to trading in the Contracts will be subject to the arbitration provisions set forth in Chapter 6 of the Rulebook. Chapter 6 allows all nonmembers to submit a claim for financial losses resulting from transactions on the Exchange to arbitration. A member named as a respondent in a claim submitted by a nonmember is required to participate in the arbitration pursuant to Chapter 6. Additionally, the Exchange requires that members resolve all disputes concerning transactions on the Exchange via arbitration.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2(a), the Exchange hereby certifies that listing the Contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to the listing of the Contracts.

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 e-mail [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A: NYMEX Rulebook Chapters  
Exhibit B: Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the NYMEX Rulebook (attached under separate cover)  
Exhibit C: NYMEX Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table  
Exhibit D: Cash Market Overview and Analysis of Deliverable Supply

## **Exhibit A**

### **NYMEX Rulebook Chapter**

#### **Chapter 945 Freight Route TC9 (Baltic) Futures**

**945100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**945101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC9 Tanker Route (for 30,000 metric tons Primorsk to Le Havre) is published by the Baltic Exchange during the contract settlement period, as described in paragraph 945102.E of these rules.

If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

**945102. TRADING SPECIFICATIONS**

Contracts shall be listed for a range of calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

**945102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

**945102.B. Trading Unit**

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

**945102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton.

**945102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**945102.E. Settlement Period**

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the



December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

**945102.F. Termination of Trading**

The contract shall terminate at the close of trading on the last business day of the contract month.

**945103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

**945104. DISCLAIMER**

NEITHER NYMEX, ITS AFFILIATES, NOR THE BALTIC EXCHANGE GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACTS, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR THE BALTIC EXCHANGE HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts. Baltic Exchange does not sponsor, endorse, sell or promote the contract and makes no recommendations concerning the advisability of investing in the contract.

**Chapter 946**  
**Freight Route TC15 (Baltic) Futures**

**946100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**946101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC15 Tanker Route (for 80,000 metric tons Skikda to Chiba) is published by the Baltic Exchange during the contract settlement period, as described in paragraph 946102.E of these rules.

If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

**946102. TRADING SPECIFICATIONS**

Contracts shall be listed for a range of calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

**946102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

**946102.B. Trading Unit**

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

**946102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton.

**946102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**946102.E. Settlement Period**

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the

December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

**946102.F. Termination of Trading**

The contract shall terminate at the close of trading on the last business day of the contract month.

**946103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

**946104. DISCLAIMER**

NEITHER NYMEX, ITS AFFILIATES, NOR THE BALTIC EXCHANGE GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACTS, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR THE BALTIC EXCHANGE HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts. Baltic Exchange does not sponsor, endorse, sell or promote the contract and makes no recommendations concerning the advisability of investing in the contract.

**Chapter 943**  
**Freight Route TD8 (Baltic) Futures**

**943100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**943101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TD8 Tanker Route (for 80,000 metric tons Kuwait to Singapore) is published by the Baltic Exchange during the contract settlement period, as described in paragraph 943102.E of these rules.

If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

**943102. TRADING SPECIFICATIONS**

Contracts shall be listed for a range of calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

**943102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

**943102.B. Trading Unit**

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

**943102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton.

**943102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**943102.E. Settlement Period**

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the

December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

**943102.F. Termination of Trading**

The contract shall terminate at the close of trading on the last business day of the contract month.

**943103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

**943104. DISCLAIMER**

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The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts. Baltic Exchange does not sponsor, endorse, sell or promote the contract and makes no recommendations concerning the advisability of investing in the contract.

**Chapter 944**  
**Freight Route TD20 (Baltic) Futures**

**944100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**944101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC20 Tanker Route (for 130,000 metric tons Bonny, Nigeria to Rotterdam) is published by the Baltic Exchange during the contract settlement period, as described in paragraph 944102.E of these rules.

If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

**944102. TRADING SPECIFICATIONS**

Contracts shall be listed for a range of calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

**944102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

**944102.B. Trading Unit**

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

**944102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton.

**944102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**944102.E. Settlement Period**

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the

December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

**944102.F. Termination of Trading**

The contract shall terminate at the close of trading on the last business day of the contract month.

**944103. FINAL SETTLEMENT**

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The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts. Baltic Exchange does not sponsor, endorse, sell or promote the contract and makes no recommendations concerning the advisability of investing in the contract.

**Exhibit B**

**Position Limit, Position Accountability, and Reportable Level Table in Chapter 5  
of the NYMEX Rulebook**

(Attached under separate cover.)



## Exhibit C

### **NYMEX Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table** (Additions are underscored.)

<b>Instrument Name</b>	<b>Globex Symbol</b>	<b>Globex Non-Reviewable Ranges (NRR)</b>	<b>NRR: Globex Format</b>	<b>NRR: Ticks</b>
<u>Freight Route TC9 (Baltic) Futures</u>	<u>TC9</u>	<u>\$0.20 per metric ton</u>	<u>2000</u>	<u>2000</u>
<u>Freight Route TC15 (Baltic) Futures</u>	<u>T5C</u>	<u>\$0.20 per metric ton</u>	<u>2000</u>	<u>2000</u>
<u>Freight Route TD8 (Baltic) Futures</u>	<u>TD8</u>	<u>\$0.20 per metric ton</u>	<u>2000</u>	<u>2000</u>
<u>Freight Route TD20 (Baltic) Futures</u>	<u>T2D</u>	<u>\$0.20 per metric ton</u>	<u>2000</u>	<u>2000</u>

## **Exhibit D**

### **Cash Market Overview and Analysis of Deliverable Supply**

#### **Data Source**

The Exchange based its analysis of deliverable supply on data provided by the Review of Maritime Transport<sup>1</sup>, British Petroleum's Statistical Review of World Energy, and UN Comtrade.

The Review of Maritime Transport data are compiled by UNCTAD, a permanent inter-governmental body established by the United Nations General Assembly in 1964. The Review of Maritime Transport is one of UNCTAD's flagship publications, published since 1968. The Review provides analyses of structural and cyclical changes affecting seaborne trade, ports and shipping, as well as an extensive collection of statistical information. Its data are published in its Review of Maritime Transport annually, and is a reliable source for those looking to get the most complete and accurate data on the shipping transportation. We have referred to UNCTAD data in our analyses of global seaborne trade of crude oil and refined products.

British Petroleum (BP) is a global energy business operating in more than 70 countries worldwide. It finds and produces oil and gas on land and offshore and moves energy around the globe. The BP Statistical Review of World Energy<sup>2</sup> provides high-quality objective and globally consistent data on world energy markets. The review is published annually using robust global data, and provides an objective overview of what happened to energy markets. We have referred to the BP data to supplement the UNCTAD data in our analyses of global seaborne trade of crude oil, and the BP data provides further granularity to enable the volumes transported along the specific freight routes to be estimated.

Over 170 reporter countries/areas provide the UN Comtrade (United Nations International Trade Statistics Database) with national international trade statistical data, detailed by commodities countries and partner countries. It contains over 3 billion data records dating back to 1962 and is publicly available on the internet. Commodities are reported in HS codes and classified according to SITC. We have referred to the UN Comtrade data where all the required reporting and partner countries are available, and we have used the available data to take a proportion of the BP reported volumes to represent the deliverable supply volumes on the specific trade routes to be estimated.

The Baltic Exchange (Baltic) is an organization that supports the marketplace for maritime trade. It collates and publishes price assessments on over fifty different shipping routes and indices every day. The methodology for these assessments is contained in its 'Manual for Panellists'. For each freight route, a panel of brokers active in the physical shipping market on that route is appointed to provide price assessments. The obligation of each panellist is to 'assess and report a professional judgement of the prevailing open market level, at their time of reporting on each Baltic index publication day'. The production of freight market information is overseen by the Freight Indices and Futures Committee, a committee responsible to the Board of the Baltic Exchange. Panellists are expected to take into account all available relevant information in the physical market, when making their assessment. Assessments should be made to reflect the specific voyage described in the route definition. As individual transactions will vary in specification, panelists are expected to adjust prices to conform with the standard terms for the route being

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<sup>1</sup> United Nations Conference on Trade and Development (UNCTAD) Review of Maritime Transport series  
[http://unctad.org/en/Pages/Publications/Review-of-Maritime-Transport-\(Series\).aspx](http://unctad.org/en/Pages/Publications/Review-of-Maritime-Transport-(Series).aspx)

<sup>2</sup> <https://www.bp.com/en/global/corporate/energy-economics/statistical-review-of-world-energy.html>

assessed. The Baltic Exchange calculates the published route assessment based on the average of all assessments reported by panelists. There is both a daily quality control process and a periodic independent audit to assess the performance of panelists, and there are standards of good practice included in the Manual. Panelists are required to make personnel available to the Baltic Exchange to answer any queries relating to their assessment. NYMEX has a license agreement with Baltic Exchange to utilize its pricing data<sup>3</sup>.

## **Cash Market Overview**

### **Freight Market Overview**

The products referenced in this submission relate to the international seaborne tanker freight market, i.e. the market for providing shipping freight for crude oil and refined oil products.

UNCTAD estimates total international seaborne trade to equal 3.055 billion tons for crude oil and 0.863 billion tons for petroleum products in 2016. The 2016 figures represent an increase of 1.8% per annum over the year 2012 for crude oil, and a decline of 4.9% per annum for the same period for refined products. Overall, trade in oil and gas cargoes have been flat at 3.9 billion tons from 2012 to 2016.

The chartering of seaborne freight is a privately negotiated activity between the ship owner and the charterer, with each transaction having unique features. However, standards have been established for the marketplace by trade associations, most notably the Baltic Exchange based in London.

The size of a vessel is measured by its deadweight tonnage ('DWT'), which is a measure of the weight in metric tonnes a vessel can safely carry, including cargo, fuel, water etc. Oil tankers are loosely categorized into a range of vessel sizes. Very Large Crude Carrier ('VLCC') is the term given to vessels with a capacity in excess of 250,000 dwt, and the term Ultra Large Crude Carrier ('ULCC') is used for the largest of these vessels – the largest being over 440,000 dwt, the equivalent of over 3 million barrels of oil. These vessels carry crude oil on major trans-ocean routes. Suezmax vessels are smaller in size than VLCCs, typically between 130,000 and 160,000 dwt, and are so named as they represent the largest tankers that can transit the Suez Canal. Aframax vessels are typically between 70,000 and 110,000 dwt. VLCCs, Suezmax and Aframax vessels are typically used for carrying crude oil and dirty petroleum products such as fuel oil, and are referred to in the industry as 'dirty' tankers. Refined oil products are usually transported in smaller vessels referred to as 'clean' tankers. These vessels typically range in size from 20,000 to 80,000 dwt.

There are two main types of vessel charter arrangement. Voyage charters involve the charterer hiring the vessel to carry a cargo between two specified ports. The freight payment for a voyage charter is assessed in terms of dollars per ton of cargo carried. Time charters involve the charterer hiring the vessel for a period of time, during which it can direct the movement of the vessel, although typically the vessel will follow a route between two ports. The freight payment for a time charter is assessed in terms of dollars per day of charter.

Tanker charters are typically voyage charter arrangements. The pricing of the transaction is expressed as percentage of the Worldscale flat rate (officially known as the "New Worldwide Tanker Nominal Freight Scale"), assessed and published by the Worldscale Association. This flat rate represents a fixed value in

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<sup>3</sup> Baltic Exchange's methodology for assessing the wet freight routes can be found online at <http://www.balticexchange.com/market-information/methodology.shtml>

dollars per metric ton for a specific route. The market convention is to quote current tanker freight prices as a percentage of this figure, rather than an explicit dollar value for each transaction.

In order to develop the functioning of the freight market, the Baltic Exchange has developed standard definitions for freight routes which are frequently chartered. The Baltic Exchange collates market price data from shipbrokers on these specified routes, and publishes market price assessments on a daily basis. Other price reporting agencies also collate and publish market price data, most notably Platts, which is seen as the most relevant price reference for certain Pacific Ocean routes.

### **Specific Freight Routes**

The underlying Baltic Freight Route references for the futures contracts described in the submission, have been developed by the Baltic Exchange, and are described as follows:

Table 1: Description of Freight Routes by Baltic Exchange<sup>4</sup>

Route	Description of Route
TC9	30,000mt CPP/UNL/ULSD middle distillate. Baltic to UK-Cont (Primorsk to Le Havre). Laydays /cancelling 5/10 days from index date. Double hull, age max 15 yrs. 3.75% total commission.
TC15	80,000mt naphtha. Med / Far East (Skikda to Chiba). Laydays/cancelling 15/25 days from index date. This route to be reported on a US\$ lumpsum basis. Age max 15 yrs. 2.5% total commission.
TD8	80,000mt crude and/or DPP, heat 135F. Kuwait to Singapore (Mena al Ahmadi to Singapore). Laydays/cancelling 20/25 days from index date. Double hull, age max 15 yrs. 2.5% total commission.
TD20	130,000mt. West Africa to UK-Continent (offshore terminal Bonny) to Rotterdam. Laydays /cancelling 15-20 days from the index date. Age max 15 years. 82,000grt. 2.5% total commission.

Freight route TC9 is a benchmark route for refined products, such as unleaded gasoline, diesel or other clean products, loaded in the Baltic and delivered to North West Europe. The ports of Primorsk, Russia and Le Havre, France reflect reference points that are used to assess a Worldscale flat rate. Baltic has been assessing prices for the TC9 route since May 2016.

Freight route TC15 is a benchmark route for refined products, typically naphtha, loaded in Mediterranean and delivered to Japan. The ports of Skikda, Algeria and Chiba, Japan reflect reference points that are used to assess a Worldscale flat rate. Baltic has been assessing prices for TC15 route since May 2016.

Freight route TD8 is a benchmark route for crude oil, loaded in Kuwait and delivered to Singapore. The ports of Mena al Ahmadi and the Port of Singapore reflect reference points that are used to assess a Worldscale flat rate. Baltic has been assessing prices for the TD8 route since July 2000.

Freight route TD20 is a benchmark route for crude oil, loaded in West Africa and delivered to North West Europe. The offshore terminal Bonny, Nigeria and the port of Rotterdam, Netherlands reflect reference points that are used to assess a Worldscale flat rate. Baltic has been assessing prices for the TD20 route since August 2014.

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<sup>4</sup> Source: Baltic Exchange

The UNCTAD<sup>5</sup> estimates of total international seaborne trade for petroleum and gas products in millions of metric tons of cargo are in Table 2. British Petroleum provides more granular details of refined products transported along the North Africa to China/Japan, and Russia to Europe routes in its BP Statistical Review of World Energy<sup>6</sup> reports.

Table 2: International Seaborne Trade, Petroleum Products

	Seaborne Trade of Refined Products (million metric tons (MT)) <sup>7</sup>		
Year	World	Russia to Europe Routes	North Africa to Far East Routes
2014	1,118	103.7	7.6
2015	842	88.9	9.2
2016	863	89.3	7.0
2014-2016 3-year average		94.0	7.9

Source: UNCTAD Review of Maritime Transport, BP Statistical Review of Energy Products

The UNCTAD estimates of total international seaborne trade for crude oil in millions of metric tons of cargo are as in Table 3. British Petroleum provides more granular details of refined products transported along the Middle East to Singapore, and West Africa to Europe routes in its BP Statistical Review of World Energy reports.

Table 3: International Seaborne Trade, Crude Oil

	Seaborne Trade of Crude Oil (million MT)		
Year	World	Middle East to Singapore Routes	West Africa to Europe Routes
2014	1,707	53.3	78.4
2015	1,761	37.5	87.0
2016	1,838	42.2	67.0
2014-2016 3-year average		44.3	77.5

Source: UNCTAD Review of Maritime Transport, BP Statistical Review of Energy Products

<sup>5</sup> [http://unctad.org/en/Pages/Publications/Review-of-Maritime-Transport-\(Series\).aspx](http://unctad.org/en/Pages/Publications/Review-of-Maritime-Transport-(Series).aspx)

<sup>6</sup> <https://www.bp.com/en/global/corporate/energy-economics/statistical-review-of-world-energy.html>

<sup>7</sup> For 2014, BP did not provide a breakdown between crude oil and refined products. BP did provide a breakdown for 2015 and 2016, and based on the figures, 35% of the volumes were estimated to be refined products for 2014 for the Russia to Europe routes, and 11% for the North Africa to Far East routes.

### Analysis of Deliverable Supply

In deriving the Deliverable Supply, BP Statistics was the primary source of reference data, as information were available for all the routes for the past three years. The BP statistical data provided a broad estimate of the volumes of oil transported by tankers along the respective regional routes.

However, besides the tankers which ply the regional routes and utilize the Baltic assessments, the BP Statistics would have included other local tanker trade movements. Hence, a suitable proportion was thereafter applied to each of these routes in order to derive the deliverable supply relevant to each of the Baltic route assessments. Various news and data sources were used to estimate proportions to be applied to the average trade volumes, as shown in Table 4.

Table 4: Summary of Estimates of Traded Volumes Along the Baltic Assessed Freight Routes

Seaborne route	Average Trade Volume (million MT) <sup>8</sup>	Baltic Freight Route	Estimated Volume on Baltic Freight Route <sup>9</sup>	
			As % of Average Trade Volume	Volume (million MT)
Russia to Europe	94.0	TC9	68%	63.6
North Africa to Far East	7.9	TC15	100%	7.9
Middle East to Singapore	44.3	TD8	70%	31.0
West Africa to Europe	77.5	TD20	58%	44.9

#### TC9 Route

The TC9 route from Russia/Norway to France passes by ports in Denmark, Germany, Netherlands, United Kingdom, Belgium and France. Based on UN Comtrade data, the average oil products exported from Russia and Norway to these countries were 63.6 million MT for the years 2014 to 2016. To maintain consistency with the UN Comtrade data, a proportion of 68% was therefore applied to the BP Statistics for the Russia to Europe seaborne trade volumes to arrive at 63.6 million MT as the deliverable supply of oil volumes represented by the TC9 route.

Table 5: UN Comtrade data for Oil exported from Russia/Norway to selected European countries (HS code 2710)

Units in Kilograms	2014	2015	2016	2014-16 Average (million MT)
Belgium	4,195,500,603	5,056,610,586	4,906,469,118	4.72
Denmark	2,807,048,530	3,685,580,810	1,921,542,969	2.81
France	4,223,857,866	4,026,422,073	4,676,982,201	4.31
Germany	7,570,450,444	7,015,684,106	5,181,563,854	6.59
Netherlands	41,070,648,398	42,965,513,848	36,402,637,003	40.15
United Kingdom	5,422,823,607	5,601,312,201	4,141,407,942	5.06
<b>Total</b>	<b>65,290,329,448</b>	<b>68,351,123,624</b>	<b>57,230,603,087</b>	<b>63.62</b>

<sup>8</sup> Source: BP Statistical Review of Energy 2015, 2016, 2017

<sup>9</sup> Proportions based on following supplementary sources: UN Comtrade data for TC9, CIA Factbook 2013 and OPEC Report 2016 for TC15, Singapore Ports data for TD8, UN Comtrade data for TD20.

## TC15 Route

The TC15 route represents the oil products transported from North Africa (predominantly Algeria and Libya) to Asia via the Suez Canal. The TC15 route passes India and China on its way to the designated port in Japan. Based on BP Statistics<sup>10</sup>, the volume of oil transported from North Africa to India, China and Japan averaged 7.9 million MT from 2014 to 2016. It was determined that no haircut would be applied to the figure, as explained below.

Historical data on Algerian and Libyan oil exports (such as from UN Comtrade) are lacking. However, according to the CIA Factbook, Algeria exported 1.1 million bpd (or 56 million MT) and Libya exported 1.3 million bpd (or 67 million MT) in 2013<sup>11</sup>. This was consistent with OPEC's report that Algeria exported 1.2 million bpd<sup>12</sup> of crude and products in 2016. In terms of export destinations, EIA reported that 76%<sup>13</sup> of Algerian oil were exported to Europe, 17% to the Americas and 7% to Asia (which translated to 4.3 million MT). Assuming that a similar proportion of Libyan oil is exported to Asia, the volume of oil exported from North Africa to Far East would be in excess of BP's figure of 7.9 million MT. Hence the BP figure was used, with no haircut applied, as the estimate of deliverable supply of assessable volumes represented by the TC15 route.

## TD8 Route

The TD8 route is the crude oil route from Middle East to Singapore transported by the medium sized tankers. The 3-year average volume for the Middle East to Singapore route calculated from BP Statistics was 44.3 million MT. While over 70% of the volumes on the Middle East to Japan/China long haul route (TD3C) are undertaken by VLCCs, about half of the crude volumes that break bulk mid-way in Singapore are undertaken by the medium sized Aframax and Suezmax tankers (represented by TD8 route).

Table 6: Breakdown of Tankers Berthed at Singapore Ports<sup>14</sup>

Number of tankers berthed	Aframax	Suezmax	VLCC	Ratio of medium sized tankers
000 DWT	70 to 110	130 to 160	Above 200	
Snapshot on 1 December 2017	117	30	59	0.71
Snapshot on 4 December 2017	110	34	62	0.70

Ratio is (Aframax + Suezmax) divided by (Aframax + Suezmax + VLCC)

Based on two snapshots of the tankers berthed at the Singapore ports recently, a proportion of 70% was applied to represent the portion of crude transported by the medium tankers, giving an average of 31.0 million MT per year as the deliverable supply of volumes assessed by the TD8 route.

## TD20 Route

<sup>10</sup> <https://www.bp.com/en/global/corporate/energy-economics/statistical-review-of-world-energy.html>

<sup>11</sup> CIA Factbook 2014, <https://www.cia.gov/library/publications/the-world-factbook/>, also found in <http://www.indexmundi.com/g/r.aspx?v=95>

<sup>12</sup> [http://www.opec.org/opec\\_web/en/about\\_us/146.htm](http://www.opec.org/opec_web/en/about_us/146.htm) Algeria exported 668k bpd crude & 541k products.

<sup>13</sup> <http://www.hellenicshippingnews.com/eia-algeria-oil-market-overview/> 7% of Algerian crude exported to Asia

<sup>14</sup> Source: <http://marinetraffic.com>; vessel: tankers; destination: Singapore Ports. The small Handymax tankers berthed at Singapore ports were disregarded, as they represented domestic freight, and not relevant to the Middle East to Singapore/Far East routes. There were 314 and 259 Handymax tankers on the respective dates.

The TD20 route is the crude oil route from West Africa (predominantly Nigeria and Angola) to Europe. The route travels past Portugal, Spain, France, the United Kingdom en route to Rotterdam, Netherlands. The 3-year average volume for the West Africa to Europe route calculated from BP Statistics was 77.5 million MT.

Export data from UN Comtrade for these routes were incomplete, as shown in Table 7. Nevertheless, taking the average figures would derive an estimate of 44.9 million MT (19.3 + 25.6) for the amount of oil transported from Nigeria and Angola along the route represented by TD20. To maintain consistency in the calculations, a proportion of 58% was applied to the average volumes calculated from the BP Statistics, to arrive at a 3-year average deliverable supply of 44.9 million MT per year for the TD20 (Bonny to Rotterdam) route.

Table 7: UN Comtrade data for Oil exported from Angola/Nigeria to selected European countries (HS code 270900)

Units in Kilograms	2014	2015	2016	Average (million MT)
<b>Angola</b>				
France	3642853888	5014677504		4.3
Netherlands	3466829056	3183693568		3.3
Portugal	3251543040	3631507968		3.4
Spain	6236204032	6948185600		6.6
United Kingdom	450557664	2678181376		1.6
<b>Angola Total</b>	<b>17047987680</b>	<b>21456246016</b>		<b>19.3</b>
<b>Nigeria</b>				
France	6251006648		4471830344	5.4
Netherlands	11524599823		6132155763	8.8
Portugal	901322844		531057439	0.7
Spain	9225004017		5884329058	7.6
United Kingdom	3519034049		2912139223	3.2
<b>Nigeria Total</b>	<b>31420967381</b>		<b>19931511827</b>	<b>25.6</b>

The lot size for the TC9, TC15, TD8 and TD20 contracts are 1,000 MT each. Table 5 provides the volume figures on these routes in equivalent contract lots per month, and the proposed position limits as a percentage of the deliverable supply

Table 5: Proposed Position Limits as a Percentage of Deliverable Supply

Baltic Route	Volume in million MT per year	Volume in thousand MT per month	Equivalent contract lots per month	Proposed position limit (lots)	Position limit as % of deliverable supply
TC9	63.6	5,302	5,302	1,000	18.9%
TC15	7.9	661	661	150	22.7%
TD8	31.0	2,586	2,586	500	19.3%
TD20	44.9	3,744	3,744	800	21.4%



The estimated annual deliverable supply of petroleum product exports from Russia to Europe is 63.6 million MT per year, which is equivalent to 5,302 thousand MT per month, or 5,302 lots of the Freight Route TC9 (Baltic) futures contract. A position limit of 1,000 lots for the expiring month positions is proposed. This figure represents 18.9% of the petroleum products exported from Russia to Europe.

The estimated annual deliverable supply of petroleum product exports from North Africa to Far East is 7.9 million MT per year, which is equivalent to 661 thousand MT per month, or 661 lots of the Freight Route TC15 (Baltic) futures contract. A position limit of 150 lots for the expiring month positions is proposed. This figure represents 22.7% of the petroleum products exported from North Africa to Far East.

The estimated annual deliverable supply of crude oil and condensates exports via medium tankers from Middle East to Singapore is 31.0 million MT per year, which is equivalent to 2,586 thousand MT per month, or 2,586 lots of the Freight Route TD8 (Baltic) futures contract. A position limit of 500 lots for the expiring month positions is proposed. This figure represents 19.3% of oil exported from Middle East to Singapore via medium tankers.

The estimated annual deliverable supply of crude oil and condensates exports from West Africa to Europe is 44.9 million MT per year, which is equivalent to 3,744 thousand MT per month, or 3,744 lots of the Freight Route TD20 (Baltic) futures contract. A position limit of 800 lots for the expiring month positions is proposed. This figure represents 21.4% of oil exported from West Africa to Europe.