

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 22-002 (4 of 6)

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): 01/21/22 Filing Description: Initial Listing of Six (6) (FBX) (Baltic) Container Freight 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:**

January 21, 2022

**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. Initial Listing of Six (6) (FBX) (Baltic)  
 Container Freight Futures Contracts.  
 NYMEX Submission No. 22-002 (4 of 6)**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is certifying to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the initial listing of six (6) container freight futures contracts (the “Contracts”) for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission for clearing via CME ClearPort effective Sunday, February 27, 2022 for trade date Monday, February 28, 2022.

<b>Contract Title</b>	<b>Container Freight (China/East Asia to US West Coast) (FBX01) (Baltic) Futures</b>	<b>Container Freight (US West Coast to China/East Asia) (FBX02) (Baltic) Futures</b>	<b>Container Freight (China/East Asia to US East Coast) (FBX03) (Baltic) Futures</b>	<b>Container Freight (China/East Asia to North Europe) (FBX11) (Baltic) Futures</b>	<b>Container Freight (North Europe to China/East Asia) (FBX12) (Baltic) Futures</b>	<b>Container Freight (China/East Asia to Mediterranean) (FBX13) (Baltic) Futures</b>
<b>CME Globex and CME ClearPort Code</b>	CS1	CS2	CS3	CS4	CS5	CS6
<b>Rulebook Chapter</b>	427	428	429	430	431	432
<b>Settlement Type</b>	Financial					
<b>Contract Size</b>	One (1) forty-foot equivalent unit (FEU)					
<b>Pricing Quotation</b>	U.S. dollars per FEU					
<b>Minimum Price Fluctuation</b>	\$1.00 per FEU					
<b>Value Per Tick</b>	\$1.00					
<b>Termination of Trading</b>	Trading terminates on the last business day of the contract month.					
<b>Listing Schedule</b>	Monthly contracts listed for the current year and the next two (2) calendar years. List monthly contracts for a new calendar year following the termination of trading in the December contract of the current year.					
<b>First Listed Contract Month</b>	March 2022					
<b>Block Trade Minimum Threshold</b>	10 contracts – subject to a minimum 15-minute reporting window					

<b>CME Globex Match Algorithm</b>	First-In, First-Out (FIFO)
<b>Trading and Clearing Hours</b>	<p>CME Globex: Sunday - Friday 6:00 p.m. - 5:00 p.m. Eastern Time/ET (5:00 p.m. - 4:00 p.m. Central Time/CT) with a 60-minute break each day beginning at 5:00 p.m. ET (4:00 p.m. CT)</p> <p>CME Globex Pre-Open: Sunday 5:00 p.m. – 6:00 p.m. ET (4:00 p.m. – 5:00 p.m. CT) Monday – Friday 5.45 p.m. – 6:00 p.m. ET (4:45 p.m. to 5:00 p.m. CT)</p> <p>CME ClearPort: Sunday - Friday 6:00 p.m. - 5:00 p.m. ET (5:00 p.m. - 4:00 p.m. CT) with a 60-minute break each day beginning at 5:00 p.m. ET (4:00 p.m. CT)</p>

NYMEX is certifying block trading on the Contracts with a minimum block threshold of ten (10) contracts, which represents 10 FEUs. This aligns with over the counter (“OTC”) market convention.

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA”) and 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 in this Contract 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 not readily subject to manipulation because of its structural attributes, underlying market and reliance on a well administered index. The Contracts final settle against an index based on market assessments published by Baltic and licensed to the Exchange.
- **Prevention of Market Disruption:** Trading in the Contracts will be subject to Rules of NYMEX, which include prohibitions on manipulation, price distortion and disruption to the cash settlement process. As with any new product listed for trading on a CME Group designated contract market, trading activity in the Contracts proposed herein will be subject to 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.
- **Availability of General Information:** The Exchange will publish on its website information regarding the Contracts’ specifications, terms, and conditions, as well as daily trading volume, open interest, and price information.
- **Daily Publication of Trading Information:** The Exchange will publish the Contracts’ 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 and for clearing through the CME ClearPort. The CME Globex trading venue provides for competitive and open execution of transactions. CME Globex affords the benefits of reliability and global connectivity.

- **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 Contract**: The Contracts will be cleared by the CME Clearing House, a derivatives clearing organization registered with the CFTC and subject to all CFTC regulations related thereto.
- **Protection of Market Participants**: NYMEX 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 and will be applicable to transaction in the Contracts.
- **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 contract 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 non-members 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 complies with the Act, including regulations under the Act. There were no substantive opposing views to 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: Exchange Fees  
 Exhibit E: Cash Market Overview and Analysis of Deliverable Supply

**EXHIBIT A**  
**NYMEX Rulebook**  
**Chapter 427**  
**Container Freight (China/East Asia to US West Coast) (FBX01) (Baltic) Futures**

**427100. 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.

**427101. CONTRACT SPECIFICATIONS**

The floating price for each contract month is equal to arithmetic average of the USD per FEU rate for the Container Freight Route China/East Asia to North America West Coast (FBX01) or as subsequently amended, published by The Baltic Exchange for each day that it is published during the Contract Month. The Floating Price shall be rounded to the nearest \$0.01.

**427102. 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.

**427102.A. Trading Schedule**

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

**427102.B. Trading Unit**

The contract quantity shall be 1 forty-foot equivalent unit (FEU). Each contract shall be valued as the contract quantity multiplied by the settlement price.

**427102.C. Price Increments**

Prices shall be quoted in U.S. dollars per FEU. The minimum price fluctuation shall be \$1.00 per FEU. There shall be no maximum price fluctuation.

**427102.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.

**427102.E. Termination of Trading**

Trading terminates on the last business day of the contract month.

**427103. FINAL SETTLEMENT**

Delivery under this 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.

**427103. DISCLAIMER**

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.

## Chapter 428

### Container Freight (US West Coast to China/East Asia) (FBX02) (Baltic) Futures

**428100. 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.

**428101. CONTRACT SPECIFICATIONS**

The floating price for each contract month is equal to arithmetic average of the USD per FEU rate for the Container Freight Route US West Coast to China/East Asia (FBX02) or as subsequently amended, published by The Baltic Exchange for each day that it is published during the Contract Month. The Floating Price shall be rounded to the nearest \$0.01.

**428102. 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.

**428102.A. Trading Schedule**

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

**428102.B. Trading Unit**

The contract quantity shall be 1 forty-foot equivalent unit (FEU). Each contract shall be valued as the contract quantity multiplied by the settlement price.

**428102.C. Price Increments**

Prices shall be quoted in U.S. dollars per FEU. The minimum price fluctuation shall be \$1.00 per FEU. There shall be no maximum price fluctuation.

**428102.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.

**428102.E. Termination of Trading**

Trading terminates on the last business day of the contract month.

**428103. FINAL SETTLEMENT**

Delivery under this 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.

**428103. DISCLAIMER**

See NYMEX/COMEX Chapter iv. ("DISCLAIMERS") incorporated herein by reference.

## Chapter 429

### Container Freight (China/East Asia to US East Coast) (FBX03) (Baltic) Futures

**429100. 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.

**429101. CONTRACT SPECIFICATIONS**

The floating price for each contract month is equal to arithmetic average of the USD per FEU rate for the Container Freight Route China/East Asia to North America East Coast (FBX03) or as subsequently amended, published by The Baltic Exchange for each day that it is published during the Contract Month. The Floating Price shall be rounded to the nearest \$0.01.

**429102. 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.

**429102.A. Trading Schedule**

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

**429102.B. Trading Unit**

The contract quantity shall be 1 forty-foot equivalent unit (FEU). Each contract shall be valued as the contract quantity multiplied by the settlement price.

**429102.C. Price Increments**

Prices shall be quoted in U.S. dollars per FEU. The minimum price fluctuation shall be \$1.00 per FEU. There shall be no maximum price fluctuation.

**429102.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.

**429102.E. Termination of Trading**

Trading terminates on the last business day of the contract month.

**429103. FINAL SETTLEMENT**

Delivery under this 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.

**429103. DISCLAIMER**

See NYMEX/COMEX Chapter iv. ("DISCLAIMERS") incorporated herein by reference.

## Chapter 430

### Container Freight (China/East Asia to North Europe) (FBX11) (Baltic) Futures

**430100. 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.

**430101. CONTRACT SPECIFICATIONS**

The floating price for each contract month is equal to arithmetic average of the USD per FEU rate for the Container Freight Route China/East Asia to Northern Europe (FBX11) or as subsequently amended, published by The Baltic Exchange for each day that it is published during the Contract Month. The Floating Price shall be rounded to the nearest \$0.01.

**430102. 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.

**430102.A. Trading Schedule**

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

**430102.B. Trading Unit**

The contract quantity shall be 1 forty-foot equivalent unit (FEU). Each contract shall be valued as the contract quantity multiplied by the settlement price.

**430102.C. Price Increments**

Prices shall be quoted in U.S. dollars per FEU. The minimum price fluctuation shall be \$1.00 per FEU. There shall be no maximum price fluctuation.

**430102.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.

**430102.E. Termination of Trading**

Trading terminates on the last business day of the contract month.

**430103. FINAL SETTLEMENT**

Delivery under this 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.

**430103. DISCLAIMER**

See NYMEX/COMEX Chapter iv. ("DISCLAIMERS") incorporated herein by reference.



## Chapter 431

### Container Freight (North Europe to China/East Asia) (FBX12) (Baltic) Futures

**431100. 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.

**431101. CONTRACT SPECIFICATIONS**

The floating price for each contract month is equal to arithmetic average of the USD per FEU rate for the Container Freight Route North Europe to China/East Asia (FBX12) or as subsequently amended, published by The Baltic Exchange for each day that it is published during the Contract Month. The Floating Price shall be rounded to the nearest \$0.01.

**431102. 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.

**431102.A. Trading Schedule**

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

**431102.B. Trading Unit**

The contract quantity shall be 1 forty-foot equivalent unit (FEU). Each contract shall be valued as the contract quantity multiplied by the settlement price.

**431102.C. Price Increments**

Prices shall be quoted in U.S. dollars per FEU. The minimum price fluctuation shall be \$1.00 per FEU. There shall be no maximum price fluctuation.

**431102.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.

**431102.E. Termination of Trading**

Trading terminates on the last business day of the contract month.

**431103. FINAL SETTLEMENT**

Delivery under this 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.

**431103. DISCLAIMER**

See NYMEX/COMEX Chapter iv. ("DISCLAIMERS") incorporated herein by reference.

## Chapter 432

### Container Freight (China/East Asia to Mediterranean) (FBX13) (Baltic) Futures

**432100. 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.

**432101. CONTRACT SPECIFICATIONS**

The floating price for each contract month is equal to arithmetic average of the USD per FEU rate for the Container Freight Route China/East Asia to Mediterranean (FBX13) or as subsequently amended, published by The Baltic Exchange for each day that it is published during the Contract Month. The Floating Price shall be rounded to the nearest \$0.01.

**432102. 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.

**432102.A. Trading Schedule**

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

**432102.B. Trading Unit**

The contract quantity shall be 1 forty-foot equivalent unit (FEU). Each contract shall be valued as the contract quantity multiplied by the settlement price.

**432102.C. Price Increments**

Prices shall be quoted in U.S. dollars per FEU. The minimum price fluctuation shall be \$1.00 per FEU. There shall be no maximum price fluctuation.

**432102.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.

**432102.E. Termination of Trading**

Trading terminates on the last business day of the contract month.

**432103. FINAL SETTLEMENT**

Delivery under this 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.

**432103. DISCLAIMER**

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.

**EXHIBIT B**  
**NYMEX Rulebook**  
**Chapter 5**  
**(“Trading Qualifications and Practices”)**  
**Position Limit, Position Accountability, and Reportable Level Table**  
  
(under separate cover)

**EXHIBIT C**  
**NYMEX Rulebook**  
**Chapter 5**  
**(“Trading Qualifications and Practices”)**  
**NYMEX Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table**  
(additions underscored)

Instrument Name	Globex Symbol	Outright Globex Non-Reviewable Ranges (NRR)	NRR: Globex Format	NRR: Ticks
<u>Container Freight (China/East Asia to US West Coast) (FBX01) (Baltic) Futures</u>	<u>CS1</u>	<u>\$200 per FEU</u>	<u>200</u>	<u>200</u>
<u>Container Freight (US West Coast to China/East Asia) (FBX02) (Baltic) Futures</u>	<u>CS2</u>	<u>\$200 per FEU</u>	<u>200</u>	<u>200</u>
<u>Container Freight (China/East Asia to US East Coast) (FBX03) (Baltic) Futures</u>	<u>CS3</u>	<u>\$200 per FEU</u>	<u>200</u>	<u>200</u>
<u>Container Freight (China/East Asia to North Europe) (FBX11) (Baltic) Futures</u>	<u>CS4</u>	<u>\$200 per FEU</u>	<u>200</u>	<u>200</u>
<u>Container Freight (North Europe to China/East Asia) (FBX12) (Baltic) Futures</u>	<u>CS5</u>	<u>\$200 per FEU</u>	<u>200</u>	<u>200</u>
<u>Container Freight (China/East Asia to Mediterranean) (FBX13) (Baltic) Futures</u>	<u>CS6</u>	<u>\$200 per FEU</u>	<u>200</u>	<u>200</u>

## EXHIBIT D

### Exchange Fees

	Member	Non-Member	International Incentive Programs (IIP/IVIP)
CME Globex	\$1.50	\$2.00	\$1.70
EFP	\$1.50	\$2.00	
Block	\$1.50	\$2.00	
EFR/EOO	\$1.50	\$2.00	
<b>Processing Fees</b>		<b>Member</b>	<b>Non-Member</b>
Cash Settlement		\$0.10	\$0.10
Facilitation Fee		\$0.60	
Give-Up Surcharge		\$0.05	
Position Adjustment/Position Transfer		\$0.10	

## **EXHIBIT E**

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

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is certifying to the CFTC the listing of six (6) futures contracts for the main container freight trade lanes for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission for clearing via CME ClearPort.

The Exchange has used publicly available data from the following sources to compile the analysis of the container markets which support the launch of the futures.

**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 is 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 containers.

The final settlement price for the futures contracts in container freight will be the container freight indices calculated by Freightos, more commonly referred to as the FBX Indices.

#### **Background to the market**

The container freight market is a growing sector, driven in part by the demand for industrial and consumer goods. The most actively traded trade lanes are from northeast Asia to the west coast of North America and to northwest Europe and the Mediterranean. The main reason for this is that these routes represent where the major goods are produced and consumed.

There are two main size of containers sold in the market. The largest of the containers is the forty-foot equivalent unit or FEU with a smaller twenty-foot equivalent unit or TEU also traded in the market. The price of FEUs can trade at a similar level to the TEUs but in times of strong demand, prices can reach around 1.8 times the price of the TEU container market, according to market based sources.

In the container market, there are three main types of ships<sup>1</sup> in operation. The largest are the **Post Panamax** ships with a capacity of greater than 15,000 TEUs, followed by the **Neo-Panamax** with a capacity of between 12,000 and 14,999 TEUs. The smallest class of ship is the **Panamax** vessels with a capacity of above 3,000 TEUs, these are the largest ships that can transit the old locks of the Panama Canal.

The UNCTAD Review of Shipping report noted that in 2019 containerized trade expanded at a slower rate of 1.1%, down from the 3.8% recorded in 2018. The total number of TEUs transported was 152 million TEUs. This figure includes both the 20 foot and 40-foot containers, represented as 20-foot container equivalents. The main trade lanes from northeast Asia to the west coast of North America and northern and southern Europe handled around 39.1% of the worldwide containerized trade flows in 2019.

UNCTAD provides a breakdown of the Containerized trade on the key trade lanes between 2016 and 2020. For the purpose of this analysis we have used the three-year average data covering the period from 2018 to 2020 inclusive.

---

<sup>1</sup> Vessel Grouping used in the Review of Maritime Transport [https://unctad.org/system/files/official-document/rmt2020\\_en.pdf](https://unctad.org/system/files/official-document/rmt2020_en.pdf)

Volume of TEUs traded – East to West trade routes

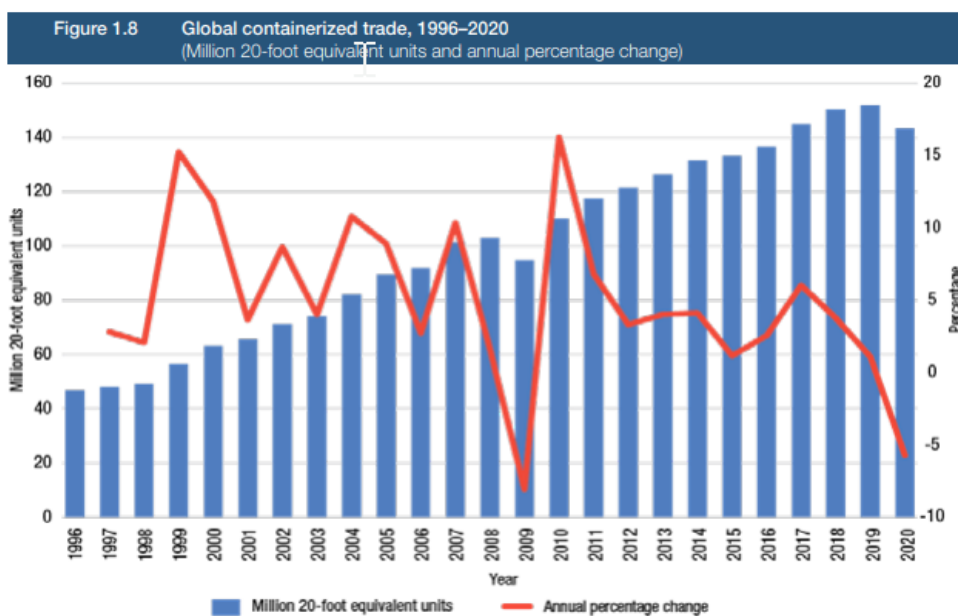
Total number of TEUs*	2018	2019	2020	3-year average
Mainlane East-West Routes	60,512,411	59,451,778	55,529,706	58,497,965
<i>Other routes of which:</i>	89,796,992	92,439,115	87,733,977	89,990,028
Non mainlane East-West	18,961,472	19,869,413	18,099,717	18,976,867
North – South	11,963,148	12,018,424	11,576,259	11,852,610
South – South	18,898,303	19,433,908	18,007,289	18,779,833
Intraregional	39,974,069	41,117,369	40,050,711	40,380,716
	<b>150,309,403</b>	<b>151,890,892</b>	<b>143,263,682</b>	<b>148,487,992</b>

\* 1 TEU = 0.5 FEUs

The total number of containers was 148.5 million TEUs. On an FEU equivalent basis this was 74.25 million using the data over a three-year period from 2018 to 2020.

Trade tensions and escalating tariffs between China and the United States took a toll on the trans-pacific container trade, according to UNCTAD. Consequently, trade declined by 4.9% in 2020. Some of the reduced U.S bound flows were replaced with trade flows into other Asian countries.

Chart 1: Global Containerized trade, 1996 to 2020



Source: UNCTAD Review of the shipping market 2020 [https://unctad.org/system/files/official-document/rmt2020\\_en.pdf](https://unctad.org/system/files/official-document/rmt2020_en.pdf)

The UNCTAD Report provides a further breakdown of the total volume of containers on the routes from East Asia to North America (U.S West Coast and U.S East Coast) and East Asia to Northern Europe and the Mediterranean. Total volume on the main trade lanes, measured in terms of the number of containers equated to around 50.7 million TEUs, or about 30% of the global container market. When measured in FEUs the size of the market for these trade lanes from East Asia into the western markets (including the backhaul trade lanes from North America and Europe) was around 25 million per year.

## Containerized trade on major East-West trade routes

**Table 1.10** Containerized trade on major East-West trade routes, 2014–2020  
(Million 20-foot equivalent units and annual percentage change)

Year	Trans-Pacific			Asia–Europe			Transatlantic		
	Eastbound	Westbound	Trans-Pacific	Eastbound	Westbound	Total Asia–Europe	Eastbound	Westbound	Transatlantic
	East Asia–North America	North America–East Asia		Northern Europe and Mediterranean to East Asia	East Asia–Northern Europe and Mediterranean		North America–Northern Europe and Mediterranean	Northern Europe and Mediterranean–North America	
2014	16.2	7.0	<b>23.2</b>	6.3	15.5	<b>21.8</b>	2.8	3.9	<b>6.7</b>
2015	17.4	6.9	<b>24.3</b>	6.4	15.0	<b>21.3</b>	2.7	4.1	<b>6.8</b>
2016	18.2	7.3	<b>25.5</b>	6.8	15.3	<b>22.1</b>	2.7	4.3	<b>7.0</b>
2017	19.4	7.3	<b>26.7</b>	7.1	16.4	<b>23.4</b>	3.0	4.6	<b>7.5</b>
2018	20.8	7.4	<b>28.2</b>	7.0	17.3	<b>24.3</b>	3.1	4.9	<b>8.0</b>
2019	20.0	6.8	<b>26.8</b>	7.2	17.5	<b>24.7</b>	2.9	4.9	<b>7.9</b>
2020	18.1	7.0	<b>25.1</b>	6.9	16.1	<b>23.0</b>	2.8	4.7	<b>7.4</b>
<b>Annual percentage change</b>									
2014–2015	7.9	-2.0	<b>4.9</b>	1.4	-2.6	<b>-1.4</b>	-2.4	5.6	<b>2.2</b>
2015–2016	4.4	6.6	<b>5.1</b>	6.3	2.5	<b>3.6</b>	0.4	2.9	<b>1.9</b>
2016–2017	6.7	-0.5	<b>4.7</b>	4.1	6.9	<b>6.0</b>	7.9	8.3	<b>8.1</b>
2017–2018	7.0	0.9	<b>5.4</b>	-1.3	5.7	<b>3.6</b>	5.8	6.8	<b>6.4</b>
2018–2019	-3.8	-7.4	<b>-4.7</b>	2.9	1.4	<b>1.8</b>	-5.0	-0.2	<b>-2.1</b>
2019–2020	-9.7	2.6	<b>-6.6</b>	-3.6	-8.3	<b>-6.9</b>	-5.3	-5.8	<b>-5.6</b>

Source: UNCTAD

Total number of TEUs*	2018	2019	2020	3-year average
East Asia to North America	20.8	20.0	18.1	19.6
North America to East Asia	7.4	6.8	7.0	7.06
East Asia to Northern Europe and Mediterranean	17.3	17.5	16.1	17.0
Northern Europe and Mediterranean to East Asia	7.0	7.2	6.9	7.03
<b>Total TEUs</b>	<b>52.5</b>	<b>51.5</b>	<b>48.1</b>	<b>50.7</b>

\*Millions of TEUs  
1 TEU = 0.5 FEU



Appendix C to part 38 of the Commission's regulations defines deliverable supply as "the quantity of the commodity meeting the contract's delivery specifications that can reasonably be expected to be readily available to short traders and saleable by long traders at its market value in normal cash marketing channels at the derivative contract's delivery points during the specified delivery period, barring abnormal movement in interstate commerce."

The Exchange has based its deliverable supply on the number of containers that are shipped between East Asia and North America and East Asia to Northern Europe and the Mediterranean. For the backhaul trade lanes the volume of containers on the North America to East Asia and Northern Europe to East Asia has been used. In the case of the European discharge volumes, the data split between Northern Europe and the Mediterranean is not provided. Therefore, the Exchange has applied a 50% reduction to the volume for Northern Europe with the remaining 50% being classified as the Mediterranean. For North American trade, the Exchange has based its analysis of the market on the Port market share of US imports from Asia by coast, provided by IHS Markit<sup>2</sup>. Based on the data over the period Jan-May 2019, 2020 and 2021, it is possible to say that 60% of total trade was imported into U.S. West Coast Ports and 35% imported into U.S. East Coast ports, therefore, a decrease of 40% was applied to U.S container volumes into the West Coast and 65% reduction into the East Coast.

For the UNCTAD data, it is displayed in TEUs so a conversion to FEUs has been applied. The Exchange has converted the TEU into FEU volume using a factor of 1 TEU = 0.5 FEU.

For the trade lane East Asia to North America the total number of TEUs traded was 19.6 million over the period from 2018 to 2020. On a FEU basis this equated to around 10 million containers. Of the total volume exported to the U.S. around 60% of the volumes were exported to the U.S. West Coast with around 35% of the total volumes exported to the U.S. East Coast. The remaining 5% was exported to the ports on the U.S. Gulf Coast. Therefore, it is possible to say that 6 million FEUs were traded on the East Asia to U.S West Coast trade lane with a further 3.5 million FEUs into the U.S East Coast.

For the U.S backhaul routes (to Asia), a total of 7 million TEUs were traded per year over the period from 2018 to 2020. On an FEU basis, this equates to a total volume of 3.5 million FEUs. Of this, a 60% reduction has been applied for U.S West Coast exports and a 35% for U.S. East Coast exports (with 5% being U.S. Gulf Coast). Total exports from the U.S. West Coast to Asia were 2.1 million FEUs with a further 1.2 million FEUs for exports from the U.S. East Coast.

For the East Asia to Europe, the Exchange has calculated a deliverable supply of 17 million TEUs or 8.5 million FEUs. For Northern Europe, the Exchange has reduced this volume of supply by 50% giving a total deliverable supply of 4.25 million FEUs with the remaining 50%, equating to 4.25 million FEUs as the deliverable supply for the Mediterranean.

For the European backhaul routes, a total of 7 million TEUs were traded per year over the period from 2018 to 2020. Of this, a 50% reduction has been applied for Northern Europe load as the data does not split out further between Northern Europe and the Mediterranean. On a FEU basis this equates to 3.5 million containers but when further reduced for Northern Europe this equates to around 1.75 million containers (FEU).

There is no official data on the proportion of chartering that is concluded on annual tenders, quarterly rates, or spot. It is understood that around 10% of the total volume could be traded on a spot basis<sup>3</sup>. Some of the annual tenders and quarterly rates are being re-negotiated in the market as spot deals which may also increase the total volume of spot business. Due to the nature of the market where cargo owners will charter containers to transport goods for specific consumer demands, the containers are not typically re-traded. The Exchange has applied a 90% reduction to the volume of containers on each trade lane to account for the total volume traded on a spot basis.

---

<sup>2</sup> [https://www.joc.com/port-news/us-ports/us-west-coast-ports-grab-larger-share-booming-asia-imports\\_20210618.html](https://www.joc.com/port-news/us-ports/us-west-coast-ports-grab-larger-share-booming-asia-imports_20210618.html)

<sup>3</sup> Based on a survey that was carried out in 2018 by the index provider.

The spot month position limits will take effect during the last 3 business days of the contract month.

For the contract **Container Freight China/East Asia to U.S West Coast (FBX01) (Baltic) Futures**, the Exchange has determined that on average the volume of containers shipped on this route was 6 million FEU per year. This equates to around 500,000 FEUs per month or 500,000 futures contracts equivalent based on a contract size of 1 contract = 1 FEU. After a reduction of 90% has been applied to account for the total spot volume, this equates to 50,000 futures equivalent per month. The Exchange therefore proposes a spot month position limit of 12,000 contracts which equates to 24% of the total monthly deliverable supply.

For the contract **Container Freight U.S West Coast to China/East Asia (FBX02) (Baltic) Futures**, the Exchange has determined that on average the volume of containers shipped on this route was 2.1 million FEU per year. This equates to around 175,000 FEUs per month or 175,000 futures contracts equivalent based on a contract size of 1 contract = 1 FEU. After a reduction of 90% has been applied to account for the total spot volume, this equates to 17,500 futures equivalent per month. The Exchange therefore proposes a spot month position limit of 4,000 contracts which equates to 22.8% of the total monthly deliverable supply.

For the contract **Container Freight China/East Asia to U.S East Coast (FBX03) (Baltic) Futures**, the Exchange has determined that on average the volume of containers shipped on this route was 3.5 million FEU per year. This equates to around 291,666 FEUs per month or 291,666 futures contracts equivalent based on a contract size of 1 contract = 1 FEU. After a reduction of 90% has been applied to account for the total spot volume, this equates to 29,166 futures equivalent per month. The Exchange therefore proposes a spot month position limit of 7,000 contracts which equates to 24% of the total monthly deliverable supply.

For the contract **Container Freight China/East Asia to North Europe (FBX11) (Baltic) Futures**, the Exchange has determined that on average the volume of containers shipped on this route was 4.25 million FEU per year. This equates to around 354,166 FEUs per month or 354,166 futures contracts equivalent based on a contract size of 1 contract = 1 FEU. After a reduction of 90% has been applied to account for the total spot volume, this equates to 35,416 futures equivalent per month. The Exchange therefore proposes a spot month position limit of 8,000 contracts which equates to 22.6% of the total monthly deliverable supply.

For the contract **Container Freight North Europe to China/East Asia (FBX12) (Baltic) Futures**, the Exchange has determined that on average the volume of containers shipped on this route was 1.75 million FEU per year based on the reduction of 50% of the total European volume. This equates to around 145,833 FEUs per month or 145,833 futures contracts equivalent based on a contract size of 1 contract = 1 FEU. After a reduction of 90% has been applied to account for the total spot volume, this equates to 14,583 futures equivalent per month. The Exchange therefore proposes a spot month position limit of 3,500 contracts which equates to 24% of the total monthly deliverable supply.

For the contract **Container Freight China/East Asia to Mediterranean (FBX13) (Baltic) Futures**, the Exchange has determined that on average the volume of containers shipped on this route was 4.25 million FEU per year. This equates to around 354,166 FEUs per month or 354,166 futures contracts equivalent based on a contract size of 1 contract = 1 FEU. After a reduction of 90% has been applied to account for the total spot volume, this equates to 35,416 futures equivalent per month. The Exchange therefore proposes a spot month position limit of 8,000 contracts which equates to 22.6% of the total monthly deliverable supply.