

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 20-165 (2 of 2)

Organization: Commodity Exchange Inc. ("COMEX")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 03/20/20 Filing Description: Amendments to NYMEX/COMEX Rule 589. ("Special Price Fluctuation Limits") for One (1) NYMEX Primary Metals Futures and Three (3) COMEX Primary Metals Futures and all Related Associated Contracts

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|--------------------------|-------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Notification | § 40.6(d) |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change | § 40.10(h) |

Rule Numbers:

New Product

Please note only ONE product per Submission.

- | | | |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.2(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class | § 40.2(d) |
| <input type="checkbox"/> | Approval | § 40.3(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission | § 39.5 |

Official Product Name:

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

- | | | |
|-------------------------------------|---|----------------------|
| <input checked="" type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Certification Made Available to Trade Determination | § 40.6(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.24(a) |
| <input type="checkbox"/> | Delisting (No Open Interest) | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Approval Made Available to Trade Determination | § 40.5(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.24(c) |
| <input type="checkbox"/> | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/> | "Non-Material Agricultural Rule Change" | § 40.4(b)(5) |
| <input type="checkbox"/> | Notification | § 40.6(d) |

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.



March 20, 2020

VIA ELECTRONIC PORTAL

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

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Amendments to NYMEX/COMEX Rule 589. (“Special Price Fluctuation Limits”) for One (1) NYMEX Primary Metals Futures and Three (3) COMEX Primary Metals Futures and all Related Associated Contracts.
 COMEX Submission No. 20-165 (2 of 2)**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange Inc. (“NYMEX”) and Commodity Exchange, Inc. (“COMEX”) (collectively the “Exchanges”) are notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that they are self-certifying amendments to NYMEX/COMEX Rule 589. (“Special Price Fluctuation Limits”) for one (1) NYMEX primary metals futures contract and three (3) COMEX primary metals futures contracts and their related Associated Products (the “Contracts”) as noted below effective on Sunday, April 5, 2020 effective for trade date Monday, April 6, 2020.

CONTRACT TITLE	RULEBOOK CHAPTER	COMMODITY CODE	PRIMARY/ASSOCIATED	ASSOCIATED WITH
NYMEX				
Platinum Futures	105	PL	Primary	Primary
Micro Palladium Futures	118	PAM	Associated	PA
COMEX				
Gold Futures	113	GC	Primary	Primary
Micro Gold Futures	120	MGC	Associated	GC
Gold Kilo Futures	114	GCK	Associated	GC
Shanghai Gold (USD) Futures	127	SGU	Associated	GC
Shanghai Gold (CNH) Futures	128	SGC	Associated	GC
E-mini Gold Futures	911	QO	Associated	GC
London Spot Gold Futures	129	GSP	Associated	GC
Silver Futures	112	SI	Primary	Primary
Micro Silver Futures	121	SIL	Associated	SI
E-mini Silver Futures	912	QI	Associated	SI
London Spot Silver Futures	130	SSP	Associated	SI
Copper Futures	111	HG	Primary	Primary

E-mini Copper Futures	913	QC	Associated	HG
Copper Financial Futures	1190	HGS	Associated	HG

Specifically, the Exchanges are increasing the special price fluctuation limits from 5% to 10% in light of recent market volatility. These changes are intended to reduce market interruptions and ensure fair and orderly trading to help preserve liquidity in the Contracts which are subject to NYMEX/COMEX Rule 589. (“Special Price Fluctuation Limits”).

For your convenience, a copy of NYMEX/COMEX Rule 589. appears in Exhibit A. The applicable levels are set forth in the Special Price Fluctuation Limits and Daily Price Limits Table (the “Table”) in the Interpretations Section at the end of Chapter 5 (“Trading Qualifications and Practices”) of the NYMEX/COMEX Rulebook.

The amendments to the Table are provided in blackline format in Exhibit B attached under separate cover.

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

Prevention of Market Disruption: The Exchanges are amending the special price fluctuation limits to maintain an orderly market and allow efficient price discovery and risk transfer.

Availability of General Information: The change will be communicated to the marketplace via the issuance of a CME Group Special Executive Report. The SER will be distributed via email to subscribers of these publications in addition to being posted publicly on the CME Group website.

The Exchanges hereby certify that the amendments comply with the Act and regulations thereunder. There were no substantive opposing views to this proposal.

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

If you have any questions regarding this submission, please contact me at 212.299.2200 or via email at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A – NYMEX/COMEX Rule 589.
Exhibit B – Special Price Fluctuation Limits Table (under separate cover)

Exhibit A

NYMEX/COMEX Rulebook Chapter 5 ("Trading Qualifications and Practices")

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589. SPECIAL PRICE FLUCTUATION LIMITS

The special price fluctuation limits, including dynamic price fluctuation limits, applicable to those contracts with such limits are set forth in the Special Price Fluctuation Limits and Daily Price Limits Table ("Table") in the Interpretations Section at the end of Chapter 5.

589.A. Initial Price Fluctuation Limits for All Contract Months

At the commencement of each trading day, there shall be initial price fluctuation limits in effect for each futures contract month of the primary futures contract (as identified in the Table) above or below the previous day's settlement price for such contract month set at the first special price fluctuation limit level as provided in the Table.

589.B. Triggering Events and Temporary Trading Halts

1. First Triggering Event and Temporary Trading Halt

If the lead contract month (as identified by the Exchange) of the primary futures contract is bid or offered via Globex at the upper or lower price fluctuation limit at the first special price fluctuation limit level, as applicable, it will be considered a triggering event that will begin a two (2) minute monitoring period in the lead contract month. If, at the end of the two (2) minute monitoring period, the lead contract month of the primary futures contract is not bid or offered at the applicable special price fluctuation limit, the special price fluctuation limits shall be expanded an additional increment above and below the previous day's settlement price for all contract months of the primary futures contract and all contract months of associated products of the primary futures contract as provided in the Table. If, however, at the end of the two (2) minute monitoring period, the lead contract month of the primary futures contract is bid or offered at the applicable special price fluctuation limit, a two (2) minute temporary trading halt will commence in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract as provided in the Table. In addition, trading in any associated product that is an option related to the primary futures contract or in an option contract related to any other associated product of the primary futures contract that may be available for trading on Globex shall be subject to a coordinated temporary trading halt.

2. Expansion of Limits Following Temporary Trading Halt

Following the end of a temporary trading halt, the affected markets shall re-open simultaneously in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract. When trading resumes, the special price fluctuation limits shall be expanded an additional increment above and below the previous day's settlement price for all contract months of the primary futures contract and all contract months of associated products of the primary futures contract as provided in the Table.

In each instance in which a triggering event occurs, a two (2) minute monitoring period will commence as provided in Section B.1. of this Rule. In each instance, the special price fluctuation limits shall be expanded by an additional increment above and below the previous day's settlement price for all contract months of the primary futures contract and all contract months of associated products of the primary futures contract as provided in the Table. Following the fourth triggering event on a trading day, there shall be no further special price fluctuation limits.

3. Metals Contracts

For certain Metals contracts, as designated in the Table, the GCC shall designate a lead primary contract month for purposes of this Rule. Additionally, an expiring contract month of a primary futures contract shall have no special price fluctuation limits from the contract's first position day through its last delivery day.

On each trading day, there shall be no temporary trading halts or expansion of special price fluctuation limits in the primary futures contract or in any associated products of the primary futures contract during

the five (5) minutes preceding the end of the primary futures contract's settlement price determination period. If a triggering event occurs during this five (5) minute period, trading will continue with the current price limit in effect until the conclusion of the five (5) minute period, at which time a monitoring period, temporary trading halt or special price fluctuation limit expansion, as applicable, will occur.

On each trading day, there shall be no temporary trading halts or expansion of special price fluctuation limits in the primary futures contract or in any associated products of the primary futures contract during the five (5) minute period preceding the close of trading. If a triggering event occurs during this five (5) minute period, trading will continue with the current price limit in effect until the close of trading.

589.C Dynamic Price Fluctuation Limits

At the commencement of each trading day, the subject contracts, as designated in the Table, shall be assigned a price limit variant which shall equal a percentage of the prior trading day's Exchange-determined settlement price, or a price deemed appropriate by the GCC, ("dynamic variant"). During the trading day, the dynamic variant shall be applied in rolling 60-minute look-back periods to establish dynamic lower and upper price fluctuation limits as follows:

- (a) the dynamic variant shall be subtracted from the highest trade and/or bid price during a look-back period to establish the lower price fluctuation limit, i.e., trade and/or offer, and
- (b) the dynamic variant shall be added to the lowest trade and/or offer price during a look-back period to establish the upper price fluctuation limit, i.e., trade and/or bid.

1. Triggering Events and Temporary Trading Halts

If the lead contract month (as identified by the Exchange) of the primary futures contract is traded, bid or offered via Globex through the lower or upper dynamic price fluctuation limits, it shall be considered a triggering event which shall begin a two (2) minute temporary trading halt in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract as provided in the Table. If a non-lead contract month of the primary futures contract or associated futures contract is traded, bid or offered via Globex through the lower or upper dynamic price fluctuation limits, it shall be considered a triggering event which shall begin a two (2) minute temporary trading halt for that non-lead contract month of the primary contract or associated futures contract.

2. Limits Following Temporary Trading Halt

Following the end of a temporary trading halt triggered by the lead month, the affected markets shall re-open simultaneously at the indicative opening price as determined by the Exchange in all contract months of the primary futures contract and in all contract months of the associated contracts of the primary futures contract as provided in the Table. When trading resumes, the dynamic lower and upper price fluctuation limits shall be recalculated as described above. Likewise following the end of a temporary trading halt triggered by a non-lead month or associated futures contract, the affected market shall re-open at the indicative opening price as determined by the Exchange and the dynamic lower and upper price fluctuation shall be recalculated as described above.

3. Additional Characteristics

On each trading day, should there be a triggering event in the lead contract month of the primary futures contract during such contract's settlement determination period, there shall be a (5) five second temporary trading halt in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract as provided in the Table. If a non-lead contract month of the primary futures contract, or any contract month of an associated product of the primary futures contract, experiences a triggering event during the primary futures contracts settlement determination period, there shall be a (5) five second temporary trading halt for that non-lead contract month or that contract month of an associated product of the primary contract.

On each trading day, should there be a triggering event in the lead contract month of the primary futures contract during the (2) two-minute period preceding the close of trading, there shall be a (5) five second temporary trading halt in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract as provided in the Table. If a non-lead contract month of the primary futures contract, or any contract month of an associated product of the primary futures contract, experiences a triggering event during the (2) two-minute period preceding the close of trading of the primary futures contract, there shall be a (5) five second temporary trading halt for that non-lead contract month or that contract month of an associated product of the primary contract.

Exhibit B

**NYMEX/COMEX Rulebook
Chapter 5
("Trading Qualifications and Practices")**

Rule 589. ("Special Price Fluctuation Limits and Daily Price Limits") Table

(additions underlined; deletions ~~struckthrough~~)

(under separate cover)