

**SUBMISSION COVER SHEET**

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

**Registered Entity Identifier Code (optional):** 18-183

**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):** 06/06/18 **Filing Description:** Expansion of the Listing Schedule of Five (5) Freight (Baltic) 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:** See filing.

**Rule Numbers:** See filing.

June 6, 2018

**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 Expansion of the Listing Schedule of Five (5) Freight (Baltic) Futures Contracts. NYMEX Submission No. 18-183**

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 expansion of the listing schedule of five (5) freight (Baltic) futures contracts (the “Contracts”) for trading for trading on CME Globex electronic trading platform and for submission of clearing via CME ClearPort effective on Sunday, June 24, 2018 for trade date Monday, June 25, 2018, as more specifically described in the table below.

<b>Contract Title</b>	<b>CME Globex Code and CME ClearPort Code</b>	<b>NYMEX Rulebook Chapter</b>	<b>Current Listing Schedule</b>	<b>Listing Schedule Effective on Trade Date 6/25/18</b>
Freight Route TC5 (Platts) Futures	TH	682	Monthly contracts listed for the 36 consecutive months. A new contract month is added following the termination of an existing contract month.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year
Freight Route TC2 (Baltic) Futures	TM	683	Monthly contracts listed for the 36 consecutive months. A new contract month is added following the termination of an existing contract month.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of

				trading in the December contract of the current year.
Freight Route TD3C (Baltic) Futures	TL	684	Monthly contracts listed for the current year plus two (2) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.
Freight Route TD20 (Baltic) Futures	T2D	944	Monthly contracts listed for the current year plus (2) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.
Freight Route TC14 (Baltic) Futures	FRC	1103	Monthly contracts for the 24 consecutive months. A new contract month is added following the termination of an existing contract month.	Monthly contracts listed for the current year plus three (3) consecutive years. Monthly contracts for a new calendar year will be added following the termination of trading in the December contract of the current year.

Also at this time the Exchange shall also make non-substantive, administrative amendments to the Contracts’ rulebook chapters for harmonization purposes which are provided below in Exhibit A in blackline format.

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

**Availability of General Information:** NYMEX will issue a Special Executive Report (“SER”) o the marketplace regarding this amendment. The SER will also be posted on the CME Group website. Daily

**Publication of Trading Information:** NYMEX will continue to comply with this Core Principle by making public daily information on settlement prices, volume, open interest, and opening and closing ranges for the Contracts which will be published daily on the Exchange’s website.

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

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 e-mail [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com) or contact the undersigned at (212) 299-2200.

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A – NYMEX Rulebook Amendments (blackline format)

## Exhibit A

### NYMEX Rulebook

(underline indicates addition; ~~strikethrough~~ indicates deletion)

#### Chapter 682 Freight Route TC5 (Platts) Futures

##### **682.01. SCOPE**

~~The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.~~

##### **682.02. FLOATING PRICE**

~~The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC5 Tanker Route for Arab Gulf to Japan for 55,000 metric tons is published by the Platts over the contract month. If for any reason Platts 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.~~

##### **682.03. CONTRACT QUANTITY AND VALUE**

~~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.~~

##### **682.04. CONTRACT MONTHS**

~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

##### **682.05. PRICES AND FLUCTUATIONS**

~~Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton. There shall be no maximum price fluctuation.~~

##### **682.06. TERMINATION OF TRADING**

~~Trading shall cease on the last business day of the contract month.~~

##### **682.07. FINAL SETTLEMENT**

~~Delivery 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.~~

##### **682.08. RESERVED**

##### **682.09. DISCLAIMER**

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## **Chapter 682 Freight Route TC5 (Platts) Futures**

### **682100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

### **682101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC5 Tanker Route for Arab Gulf to Japan for 55,000 metric tons is published by the Platts over the contract month. If for any reason Platts 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.

### **682102. TRADING SPECIFICATIONS**

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

#### **682102.A. Trading Schedule**

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

#### **682102.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

#### **682102.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. There shall be no maximum price fluctuation.

#### **682102.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.

#### **682102.E. Termination of Trading**

Trading shall cease on the last business day of the contract month.

### **682103. FINAL SETTLEMENT**

Delivery 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.

### **682104. DISCLAIMER**

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## Chapter 683 Freight Route TC2 (Baltic) Futures

### **683.01. SCOPE**

~~The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.~~

### **683.02. FLOATING PRICE**

~~The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC2 Tanker Route (for 37,000 metric tons for Continent Europe to USAC) is published by the Baltic Exchange over the contract month. 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.~~

### **683.03. CONTRACT QUANTITY AND VALUE**

~~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.~~

### **683.04. CONTRACT MONTHS**

~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

### **683.05. PRICES AND FLUCTUATIONS**

~~Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton. There shall be no maximum price fluctuation.~~

### **683.06. TERMINATION OF TRADING**

~~Trading shall cease on the last business day of the contract month.~~

### **683.07. FINAL SETTLEMENT**

~~Delivery 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.~~

### **683.08. RESERVED**

### **683.09. DISCLAIMER**

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**Chapter 683**  
**Freight Route TC2 (Baltic) Futures**

**683100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

**683101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC2 Tanker Route (for 37,000 metric tons for Continent Europe to USAC) is published by the Baltic Exchange over the contract month. 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.

**683102. TRADING SPECIFICATIONS**

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

**683102.A. Trading Schedule**

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

**683102.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

**683102.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. There shall be no maximum price fluctuation.

**683102.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.

**683102.E. Termination of Trading**

Trading shall cease on the last business day of the contract month.

**683103. FINAL SETTLEMENT**

Delivery 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.

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## **Chapter 684 Freight Route TD3C (Baltic) Futures**

### **684.01. SCOPE**

~~The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.~~

### **684.02. FLOATING PRICE**

~~The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TD3C Tanker Route (for 270,000 metric tons for Middle East Gulf to China) is published by the Baltic Exchange over the contract month, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association. 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.~~

### **684.03. CONTRACT QUANTITY AND VALUE**

~~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.~~

### **684.04. CONTRACT MONTHS**

~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

### **684.05. PRICES AND FLUCTUATIONS**

~~Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 per metric ton. There shall be no maximum price fluctuation.~~

### **684.06. TERMINATION OF TRADING**

~~Trading shall cease on the last business day of the contract month.~~

### **684.07. FINAL SETTLEMENT**

~~Delivery 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.~~

### **684.08. RESERVED**

### **684.09. DISCLAIMER**

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## Chapter 684 Freight Route TD3C (Baltic) Futures

### **684100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

### **684101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TD3C Tanker Route (for 270,000 metric tons for Middle East Gulf to China) is published by the Baltic Exchange over the contract month, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association. 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.

### **684102. TRADING SPECIFICATIONS**

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

#### **684102.A. Trading Schedule**

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

#### **684102.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.

#### **684102.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. There shall be no maximum price fluctuation.

#### **684102.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.

#### **684102.E. Termination of Trading**

Trading shall cease on the last business day of the contract month.

### **684103. FINAL SETTLEMENT**

Delivery 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.

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## **Chapter 1103 Freight Route TC14 (Baltic) Futures**

### **1103100. 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.

### **1103101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TC14 Tanker Route (for 38,000 metric tons US Gulf to Continent Europe) is published by the Baltic Exchange over the contract month. 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.

### **1103102. TRADING SPECIFICATIONS**

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

#### **1103102.A. Trading Schedule**

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

#### **1103102.B. Trading Unit**

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

#### **1103102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 (0.01¢) per metric ton.

#### **1103102.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.

#### **1103102.E. Termination of Trading**

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

### **1103103. 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.

### **1103104. DISCLAIMER**

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