

**SUBMISSION COVER SHEET**

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

**Registered Entity Identifier Code (optional):** 18-198 (2 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):** 06/08/18 **Filing Description:** Initial Listing of Four (4) Mini Freight Route (Baltic) Daily 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

**Official Product Name:** See filing.

**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:**

June 8, 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, D.C. 20581

**Re: CFTC Regulation 40.2(a) Certification. Notification Regarding the Initial Listing of Four (4) Mini Freight Route (Baltic) Daily Futures Contracts. NYMEX Submission No. 18-198 (2 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) mini freight route (Baltic) daily futures contracts (the “Contracts”) for trading on the CME Globex electronic trading platform and for submission for clearing via CME ClearPort, effective on Sunday, June 24, 2018 for trade date Monday, June 25, 2018, as set forth in the table below.

Contract Title	Rulebook Chapter	Commodity Code	Underlying Futures Contract Commodity Code
Mini Freight Route TC2 (Baltic) Daily Futures	889	TMD	TM
Mini Freight Route TC14 (Baltic) Daily Futures	890	T4D	FRC
Mini Freight Route TD3C (Baltic) Daily Futures	892	TLD	TL
Mini Freight Route TD20 (Baltic) Daily Futures	891	T2M	T2D

**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 a 60-minute break each day beginning at 5:00 p.m. (4:00 p.m. CT)
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**Exchange Fees**

Exchange Fees	Member	Non-Member	International Incentive Programs (IIP/IVIP)
CME Globex	\$0.26	\$0.33	\$0.30

EFP	\$0.26	\$0.33	
Block	\$0.26	\$0.33	
EFR/EOO	\$0.26	\$0.33	

Processing Fees	Member	Non-Member
Cash Settlement	\$0.05	\$0.05
Facilitation Fee		\$0.60
Give-Up Surcharge		\$0.05
Position Adjustment/Transfer		\$0.10

As background, the Contracts are look-alike contracts to the respective standard futures contracts, with a variation only in the sizes of the contract and the final settlement calculation methodology, and consequently, the Exchange will aggregate the spot month position limits of the Contracts into the underlying standard size futures contracts.

The size of the Contracts is 100 metric tons as compared with the contract size of 1,000 metric tons of the underlying standard size futures contracts. The final settlement price is based on the daily assessments published by Baltic for that business day, compared to the simple arithmetic average of the daily assessments during the contract month, for the standard contracts.

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the 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 contracts. 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 contracts. Please see Appendix B, attached under separate cover.

NYMEX is also notifying the CFTC that it is self-certifying block trading on the Contracts with a minimum block threshold level of five (5) contracts. These block levels align with the Exchange's suite of wet freight route futures contracts.

Appendix E provides the summary contract specifications.

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 Contract may have some bearing on the following Core Principles:

- **Compliance with Rules:** Trading in the Contracts will be subject to all NYMEX Rules, including prohibitions against fraudulent, noncompetitive, unfair and abusive practices as outlined in NYMEX Rule Chapter 4, the Exchange's trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the NYMEX Rulebook, and the dispute resolution and arbitration procedures of NYMEX Rule Chapter 6. As with all products listed for trading on one of CME Group's designated contract markets, trading activity in the Contracts will be subject to 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.

- **Contract Not Readily Subject to Manipulation:** The Contracts are based on a cash price series that is reflective of the underlying cash market and is commonly relied on and used as a reference price by cash market brokers and commercial market participants.
- **Prevention of Market Disruption:** Trading in the Contracts will be subject to the Rules of the Exchange, 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 futures 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 in regard to contract specifications, terms, and conditions, as well as daily trading volume, open interest, and price information for the Contracts.
- **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 and for clearing through CME ClearPort. The CME Globex electronic 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 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:** 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.
- **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 these 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 these products 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 the listing of the Contracts complies 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 via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

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

**APPENDIX A**  
**NYMEX Rulebook Chapters**

**Chapter 889**  
**Mini Freight Route TC2 (Baltic) Daily Futures**

**889100. 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.

**889101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract day is equal to the rate that the TC2 Tanker Route (for 37,000 metric tons for Continent Europe to USAC) is published by the Baltic Exchange for that business day, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association.

**889102. TRADING SPECIFICATIONS**

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

**889102.A. Trading Schedule**

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

**889102.B. Trading Unit**

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

**889102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton.

**889102.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.

**889102.E. Termination of Trading**

The contract shall terminate at the close of Baltic's assessment period for the contract day.

**889103. FINAL SETTLEMENT**

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

**889104. 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 890 Mini Freight Route TC14 (Baltic) Daily Futures

### **890100. 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.

### **890101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract day is equal to the rate that the TC14 Tanker Route (for 38,000 metric tons for US Gulf to Continent Europe) is published by the Baltic Exchange for that business day, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association.

### **890102. TRADING SPECIFICATIONS**

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

#### **890102.A. Trading Schedule**

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

#### **890102.B. Trading Unit**

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

#### **890102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton.

#### **890102.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.

#### **890102.E. Termination of Trading**

The contract shall terminate at the close of Baltic's assessment period for the contract day.

### **890103. FINAL SETTLEMENT**

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

### **890104. DISCLAIMER**

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## Chapter 892 Mini Freight Route TD3C (Baltic) Daily Futures

### **892100. 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.

### **892101. CONTRACT SPECIFICATIONS**

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

### **892102. TRADING SPECIFICATIONS**

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

#### **892102.A. Trading Schedule**

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

#### **892102.B. Trading Unit**

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

#### **892102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton.

#### **892102.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.

#### **892102.E. Termination of Trading**

The contract shall terminate at the close of Baltic's assessment period for the contract day.

### **892103. FINAL SETTLEMENT**

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

### **892104. DISCLAIMER**

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## Chapter 891 Mini Freight Route TD20 (Baltic) Daily Futures

### **891100. 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.

### **891101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract day is equal to the rate that the TD20 Tanker Route (for 130,000 metric tons for Bonny, Nigeria to Rotterdam) is published by the Baltic Exchange for that business day, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association.

### **891102. TRADING SPECIFICATIONS**

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

#### **891102.A. Trading Schedule**

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

#### **891102.B. Trading Unit**

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

#### **891102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton.

#### **891102.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.

#### **891102.E. Termination of Trading**

The contract shall terminate at the close of Baltic's assessment period for the contract day.

### **891103. FINAL SETTLEMENT**

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

### **891104. DISCLAIMER**

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**APPENDIX B**

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

(attached under separate cover)

**APPENDIX C**

**Amendments to NYMEX Rule 588.H.**

**(“Globex Non-Reviewable Trading Ranges”) Table**

(additions are underscored)

Outright					Spreads	
Instrument Name	Globex Symbol	Globex Non-Reviewable Ranges (NRR)	NRR: Globex Format	NRR: Ticks	NRR: Globex Format	NRR: Minimum Outright Ticks
<u>Mini Freight Route TC2 (Baltic) Daily Futures</u>	<u>TMD</u>	<u>\$.20 per metric ton</u>	<u>200</u>	<u>200</u>	<u>N/A</u>	<u>N/A</u>
<u>Mini Freight Route TC14 (Baltic) Daily Futures</u>	<u>T4D</u>	<u>\$.20 per metric ton</u>	<u>200</u>	<u>200</u>	<u>N/A</u>	<u>N/A</u>
<u>Mini Freight Route TD3C (Baltic) Daily Futures</u>	<u>TLD</u>	<u>\$.20 per metric ton</u>	<u>200</u>	<u>200</u>	<u>N/A</u>	<u>N/A</u>
<u>Mini Freight Route TD20 (Baltic) Daily Futures</u>	<u>T2M</u>	<u>\$.20 per metric ton</u>	<u>200</u>	<u>200</u>	<u>N/A</u>	<u>N/A</u>

## **APPENDIX 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 Panelists'. 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 panelist 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. Panelists 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 assessed. The Baltic Exchange calculates the published route assessment based on the average of all assessments reported

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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>

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 1,838 million tons for crude oil and 1,218<sup>4</sup> million tons for petroleum products in 2016. The 2016 figures represent an increase of 0.7% per annum over the year 2012 for crude oil, and an increase of 4.0% per annum for the same period for refined products. Overall, trade in oil and gas cargoes have grown at 2% per annum 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 60,000 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>

<sup>4</sup> Of the 1,218 million tons of petroleum products traded, 355 million tons are LNG and LPG.

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 a 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>5</sup>

Route	Description of Routes assessed by Baltic Exchange
TC2	37,000mt CPP/UNL. Continent to US Atlantic coast (Rotterdam to New York). Laydays/cancelling 10/14 days from index date. Age max 15 yrs. 3.75% total commission.
TC14	38,000mt CPP/UNL/diesel. US Gulf to Continent (Houston to Amsterdam). Laydays/cancelling 6/12 days from index date. Age max 15 yrs. 2.50% total commission.
TD3C	270,000mt. Middle East Gulf to China (Ras Tanura to Ningbo). Laydays/cancelling 15/30 days from index date. Age max 15 yrs. 3.75% 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 TC2 is a benchmark route for refined products, loaded in North West Europe and delivered to the US and Canadian Atlantic Coast<sup>6</sup>. The ports of Rotterdam and New York reflect reference points that are used to assess a Worldscale flat rate. Baltic has been assessing prices for the TC2 route since October 1998. The route was amended to TC2\_37 in January 2005, but is still commonly referred to as TC2.

Freight route TC14 is a benchmark route for refined products, loaded in the US Gulf<sup>7</sup> and delivered to Europe. The ports of Houston, USA and Amsterdam, Netherlands reflect reference points that are used to assess a Worldscale flat rate. Baltic has been assessing prices for the TC14 route since April 2012.

Freight route TD3C is a benchmark route for crude oil, loaded in the Middle East and delivered to the Far East. The ports of Ras Tanura, Saudi Arabia and Ningbo, China (previously Chiba, Japan when the route was named TD3) reflect reference points that are used to assess a Worldscale flat rate. Baltic has been assessing prices for the old TD3 since April 1998. Baltic ceased reporting the TD3 and replaced it with the TD3C from December 2017 onwards.

<sup>5</sup> Source: Baltic Exchange

<sup>6</sup> The TC2 tanker route passes the ports at Nova Scotia (Canada) before reaching NY harbor. About 22 million MT of oil are exported to US and 4 million MT to Canada.

<sup>7</sup> Although the US Gulf to Amsterdam route also passes the ports at Nova Scotia, 96% of all Canadian crude is exported to the US, and very little Canadian crude is exported to Europe, hence US is the only point of origin considered for the TC14. <https://www.desmog.ca/2016/02/22/canada-s-oil-exports-65-over-last-decade>

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.

The UNCTAD<sup>8</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 routes in its BP Statistical Review of World Energy<sup>9</sup> reports.

Table 2: International Seaborne Trade, Petroleum Products

Seaborne Trade of Oil Products	Million Metric Tons			
	2014	2015	2016	Average
World <sup>10</sup>	1,118	1,171	1,218	1,169
Europe to US and Canada East Coast	26.9	25.6	25.4	26.0
US Gulf to Europe	31.9	34.2	33.6	33.2

Source: UNCTAD, 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 routes in its BP Statistical Review of World Energy reports.

Table 3: International Seaborne Trade, Crude Oil

Seaborne Trade of Crude Oil	Million Metric Tons			
	2014	2015	2016	Average
World	1,707	1,761	1,838	1,766
Middle East to Far East <sup>11</sup>	278.7 <sup>12</sup>	310.1	328.5	305.8
West Africa to Europe	78.4	85.3	64.6	76.1

Source: UNCTAD, BP Statistical Review of Energy Products, UN Comtrade

### **Analysis of Deliverable Supply**

In deriving the Deliverable Supply, BP Statistics was the primary source of reference data, as information were available for most of 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 deduction was applied to each of these routes in order to derive the deliverable supply relevant to each of the 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. The detailed estimates are in the Exhibit A.

<sup>8</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>9</sup> <https://www.bp.com/en/global/corporate/energy-economics/statistical-review-of-world-energy.html>

<sup>10</sup> The UNCTAD figures were used for World total. BP Statistics figures were used for the regional totals.

<sup>11</sup> This is a conservative estimate as destination points included only China and Japan. See also earlier footnote.

<sup>12</sup> BP did not break down between crude and petroleum products for 2014, and this figure was estimated based on the proportions in 2015 and 2016.



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

Seaborne route	Average Annual Trade Volume (million MT) <sup>13</sup>	Freight Route	Estimated Volume on Freight Route <sup>14</sup>	
			As % of Average Trade Volume	Volume (million MT)
Europe to US/Canada	26.0	TC2	85%	22.1
US Gulf to Europe	33.2	TC14	60%	19.9
Middle East to Far East	305.8	TD3C	70%	214.0
West Africa to Europe	76.1	TD20	59%	44.9

The lot size for all the Mini Daily Futures contracts are 100 MT each. The position limits for the Mini Daily contracts are aggregated into their respective parent Futures contracts, which are all in 1,000 MT lot sizes. Table 5 provides the volume figures on these routes in equivalent parent 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

Freight 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
TC2	22.1	1,839	1,839	450	24.5%
TC14	19.9	1,662	1,662	200	12.0%
TD3C	214.0	17,836	17,836	2,500	14.0%
TD20	44.9	3,742	3,742	800	21.4%

**TC2:** The estimated annual deliverable supply of petroleum product exports from Europe to the US and Canada East Coast is 22.1 million MT per year, which is equivalent to 1,839 thousand MT per month, or 1,839 lots of the Freight Route TC2 (Baltic) futures contract (code: TM). The current position limit of 450 lots for the expiring month positions is proposed to be maintained. This figure represents 24.5% of the oil products exported from Europe to US/Canada East Coast. The Mini Daily futures contract (code: TMD) is aggregated into TM.

**TC14:** The estimated annual deliverable supply of petroleum product exports from US Gulf to Europe is 19.9 million MT per year, which is equivalent to 1,662 thousand MT per month, or 1,662 lots of the Freight Route TC14 (Baltic) futures contract (code: FRC). The current position limit of 200 lots for the expiring month positions is proposed to be maintained. This figure represents 12.0% of the petroleum products exported from US Gulf to Europe. The Mini Daily futures contract (code: T4D) is aggregated into the FRC.

**TD3C:** The estimated annual deliverable supply of 214.0 million MT per year is equivalent to 17,836 thousand MT per month, or 17,836 lots of the Freight Route TD3C (Baltic) futures contract (code: TL). The current position limit of 2,500 lots for the expiring month positions represents 14.0% of crude oil exported from Middle East to Far East. The Mini Daily futures contract (code: TLD) is aggregated into the TL.

<sup>13</sup> Source: BP Statistical Review of Energy 2015, 2016, 2017

<sup>14</sup> Proportions based on following supplementary sources: UN Comtrade data for the majority of the routes, marinetraffic.com ports data for TD3C.

TD20: 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 3,742 thousand MT per month, or 3,742 lots of the Freight Route TD20 (Baltic) futures contract (code: T2D). The current position limit of 800 lots for the expiring month positions is proposed to be maintained. This figure represents 21.4% of oil exported from West Africa to Europe. The Mini Daily futures contract (code: T2M) is aggregated into the T2D.

## EXHIBIT A

### DETAILED ESTIMATES OF DELIVERABLE SUPPLY ON THE INDIVIDUAL FREIGHT ROUTES

The Commission defines deliverable supply as the quantity of the commodity meeting a derivative 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. (See Appendix C to 17 CFR part 38.

UN Comtrade data have more granular details, but there are gaps in the data. As such, for consistency in methodology, the BP Statistical data were used as the primary data source, and the UN Comtrade data were consulted in order to apply an appropriate haircut to the BP data, to derive the deliverable supply.

#### TC2 Route / TC14 Route

The TC2 route is from Rotterdam to New York ports, and generically represents the oil products transported from Europe to the US and Canada East Coast. The TC2 tanker route passes the ports of Netherlands, UK, Belgium, France, Spain before crossing the Atlantic. On the destination side, the route goes past Nova Scotia (Canada) before reaching NY harbor. Even though most of the oil ends up in US (19 million MT), some (3 million MT) do end up in Canada. Hence the ports of destination included Canada & US

The TC14 route is from Houston to Amsterdam, and generically represents the oil products transported from US Gulf to Europe. The route also passes by Nova Scotia before crossing the Atlantic to Europe. In this case, very little Canadian oil is exported directly to Europe<sup>15</sup>, hence US was the only point of origin considered for the TC14.

Europe to US/Canada (kg)	2014	2015	2016	Average
<b>Canada</b>				
Belgium	76,049,982	248,599,548	230,952,397	185,200,642
France	53,479,325	110,605,315	71,470,033	78,518,224
Germany	69,371,548	47,544,216	49,498,000	55,471,255
Netherlands	1,392,464,867	2,138,105,177	2,920,016,029	2,150,195,358
Norway	11,892	114,593,993	182,802,313	99,136,066
Spain	140,622,372	77,679,302	211,875,887	143,392,520
United Kingdom	424,527,771	257,352,610	598,794,060	426,891,480
Canada Total	2,156,527,757	2,994,480,161	4,265,408,719	3,138,805,546
<b>US</b>				
Belgium	3,792,377,809	3,887,719,469	3,200,259,180	3,626,785,486
France	1,378,625,806	1,658,801,128	1,462,916,446	1,500,114,460
Germany	73,236,731	26,367,189	28,454,586	42,686,169
Netherlands	4,680,112,252	3,799,923,752	4,427,610,812	4,302,548,939
Norway	1,649,444,757	2,294,890,526	1,625,755,162	1,856,696,815
Spain	2,800,879,168	3,004,431,754	2,838,806,530	2,881,372,484

<sup>15</sup> <https://www.neb-one.gc.ca/nrg/sttstc/crdlndptrlmprdct/stt/crdlsmmr/2016/smmry2016-eng.html>. Canada continued to have almost complete reliance on the U.S. market for its crude oil exports. In 2016, 99% of exported crude oil went to the U.S. Since 2012, between 97% to 99% of exported crude oil has been exported to the U.S.

United Kingdom	5,197,902,464	4,580,720,901	4,722,050,069	4,833,557,811
US Total	19,572,578,987	19,252,854,719	18,305,852,785	19,043,762,164
<b>US + Canada Total</b>	<b>21,729,106,744</b>	<b>22,247,334,880</b>	<b>22,571,261,504</b>	<b>22,182,567,709</b>

<b>Europe to US/Canada (million MT)</b>				
<b>BP Statistics</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Average</b>
Canada	4.9	3.3	4.0	4.1
US	22.0	23.3	21.4	21.9
<b>US + Canada Total</b>	<b>26.9</b>	<b>25.6</b>	<b>25.4</b>	<b>26.0</b>

TC2 (Europe to US/Canada): Based on UN Comtrade data, Europe exported an average of 22.2 million MT per annum of oil products to US and Canada from 2014 to 2016. A proportion of 85% was applied to the BP Statistics for the Europe to US/Canada volumes to arrive at 22.1 million MT as the deliverable supply represented by the TC2 route.

<b>US Gulf to Europe (kg)</b>	<b>2012</b>	<b>2013</b>	<b>2015</b>	<b>Average</b>
Belgium	657,633,146	1,905,136,432	1,800,794,253	1,454,521,277
Denmark	16,558,965	46,334,114	190,482,738	84,458,606
France	3,905,333,844	5,671,280,552	4,958,844,275	4,845,152,890
Germany	449,534,801	249,002,794	388,245,254	362,260,950
Netherlands	10,954,076,483	10,750,421,221	8,838,235,920	10,180,911,208
Norway	154,710,424	314,871,465	224,888,253	231,490,047
Spain	848,567,937	677,599,032	608,030,235	711,399,068
United Kingdom	1,594,918,073	1,272,069,954	3,256,681,951	2,041,223,326
<b>Total</b>	<b>18,581,333,673</b>	<b>20,886,715,564</b>	<b>20,266,202,879</b>	<b>19,911,417,372</b>

<b>US Gulf to Europe (mil MT)</b>				
<b>BP Statistics</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Average</b>
<b>Total</b>	<b>31.9</b>	<b>34.2</b>	<b>33.6</b>	<b>33.2</b>

TC14 (US Gulf to Europe): There were gaps in the US Comtrade for 2014 and 2016. The route has also not been actively traded in the past. A more conservative estimate of deliverable supply was therefore adopted for TC14, until such time that more consistent data becomes available and trading volumes improve. Based on the available data from UN Comtrade, there appears to be enough consistency for an average of 19.9 million MT to be used. As such, a proportion of 60% was applied to the BP Statistical figure in Table 4 to arrive at an estimate of 19.9 million MT as the deliverable supply of oil volumes represented by the TC14 route.

### TD3C Route

The 305.8 million MT of crude oil carried along the Middle East to Far East route are transported by Very Large Crude Carriers (VLCC, typically 250,000 dwt) and smaller crude oil tankers. TD3C represents the cargoes carried by the VLCCs. While the breakdown between VLCCs and the smaller tankers plying the

route is not easily available, the number of tankers docked at the destination ports of the TD3C route can be used as a proxy estimate.

Snapshots of the VLCC versus smaller tankers were taken at the destination ports represented by the TD3C (Ningbo) and the old TD3 (Chiba) routes. Some of these tankers represent local tankers transferring oil from the VLCCs for redistribution, are not part of the Middle East to Far East fleet. Since one VLCC load (2 million barrels) can be transferred to about four tankers (500,000 barrel), at least 56 (4 times 14 VLCC) among the 102 small tankers can be removed from the equation. This means that, in the snapshot, the Middle East to Far East shipments are represented by 14 VLCCs and 46 or less small crude oil tankers. By tonnage, VLCCs therefore represent no less than 70% of the cargoes.

Ships at Port <sup>16</sup>	VLCC	Small crude oil tankers			VLCC (dwt)	Small tankers (dwt)
		Total at port	Local ships	Long haul ships		
Ningbo	8	38	32	6 or less	2,000,000	360,000
Chiba	6	45	24	21 or less	1,500,000	1,260,000
Total	14	102	56	46 or less	3,500,000	1,620,000

Based on BP Statistics, the average amount of crude oil imported from Middle East to Japan between 2014 and 2016 was 305.8 million MT. An estimated 70% of that tonnage was carried by VLCCs, thus 214.0 million MT of crude oil was estimated as the deliverable supply representing the TD3C route.

Middle East to Japan/China (million MT)				
BP Statistics	2014	2015	2016	Average
China	153.2	170.4	184.1	175.4
Japan	125.5	139.7	144.4	147.0
<b>Far East Total</b>	<b>278.7</b>	<b>310.1</b>	<b>328.5</b>	<b>305.8</b>
<b>TD3C Route (70%)</b>				<b>214.0</b>

### TD20 Route

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

Export data from UN Comtrade for these routes were incomplete, as shown in the table below. 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. 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.

West Africa to Europe (kg)	2014	2015	2016	Average
<b>Angola</b>				
France	3642853888	5014677504		4,328,765,696
Netherlands	3466829056	3183693568		3,325,261,312

<sup>16</sup> <http://www.marinetraffic.com> Destinations Ningbo and Chiba. Snapshot of ships at port for 23 Jan 2018.

Portugal	3251543040	3631507968	3,441,525,504
Spain	6236204032	6948185600	6,592,194,816
United Kingdom	450557664	2678181376	1,564,369,520
<b>Angola Total</b>	<b>17047987680</b>	<b>21456246016</b>	<b>19,252,116,848</b>
<b>Nigeria</b>			
France	6251006648	4471830344	5,361,418,496
Netherlands	11524599823	6132155763	8,828,377,793
Portugal	901322844	531057439	716,190,142
Spain	9225004017	5884329058	7,554,666,538
United Kingdom	3519034049	2912139223	3,215,586,636
<b>Nigeria Total</b>	<b>31420967381</b>	<b>19931511827</b>	<b>25,676,239,604</b>

<b>West Africa to Europe (million MT)</b>				
<b>BP Statistics</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Average</b>
<b>Total</b>	<b>78.4</b>	<b>85.3</b>	<b>64.6</b>	<b>76.1</b>

## APPENDIX E

### SUMMARY CONTRACT SPECIFICATIONS

Contract Title	Mini Freight Route TC2 (Baltic) Daily Futures
Commodity Code	TMD
Rulebook Chapter	889
Contract Size	100 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listed Contracts	Daily contracts listed for three (3) rolling months. Upon expiry of each daily contract, a new daily contract will be listed on the expiry of the front day.
Floating Price	The Floating Price for each contract day is equal to the rate that the TC2 Tanker Route (for 37,000 metric tons for Continent Europe to USAC) is published by the Baltic Exchange for that business day, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association.
First Listed Contract	Monday, July 2, 2018
Termination of Trading	Trading shall cease at the close of Baltic's assessment period for the contract day
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Mini Freight Route TC14 (Baltic) Daily Futures
Commodity Code	T4D
Rulebook Chapter	890
Contract Size	100 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listed Contracts	Daily contracts listed for the current month and the next two months. A new daily will be listed on the expiry of the front day.

Floating Price	The Floating Price for each contract day is equal to the rate that the TC14 Tanker Route (for 38,000 metric tons for US Gulf to Continent Europe) is published by the Baltic Exchange for that business day, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association.
First Listed Contract	Monday July 2, 2018
Termination of Trading	Trading shall cease at the close of Baltic's assessment period for the contract day
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Mini Freight Route TD3C (Baltic) Daily Futures
Commodity Code	TLD
Rulebook Chapter	892
Contract Size	100 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listed Contracts	Daily contracts listed for three (3) rolling months. Upon expiry of each daily contract, a new daily contract will be listed on the expiry of the front day.
Floating Price	The Floating Price for each contract day is equal to the rate that the TD3C Tanker Route (for 270,000 metric tons for Middle East Gulf to China) is published by the Baltic Exchange for that business day, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association.
First Listed Contract	Monday, July 2, 2018
Termination of Trading	Trading shall cease at the close of Baltic's assessment period for the contract day
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO

Contract Title	Mini Freight Route TD20 (Baltic) Daily Futures
Commodity Code	T2M
Rulebook Chapter	891



Contract Size	100 metric tons
Price Quotation	U.S. dollars and cents per metric ton
Minimum Price Fluctuation	\$0.001 per metric ton
Value per Tick	\$0.10
Settlement Method	Financial
Listed Contracts	Daily contracts listed for three (3) rolling months. Upon expiry of each daily contract, a new daily contract will be listed on the expiry of the front day.
Floating Price	The Floating Price for each contract day is equal to the rate that the TD20 Tanker Route (for 130,000 metric tons for Bonny, Nigeria to Rotterdam) is published by the Baltic Exchange for that business day, converted to a US dollar per metric ton valuation at the prevailing Worldscale rate as published by Worldscale Association.
First Listed Contract	Monday, July 2, 2018
Termination of Trading	Trading shall cease at the close of Baltic's assessment period for the contract day
Block Trade Minimum Threshold	5 contracts
CME Globex Matching Algorithm	FIFO