

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 19-267

Organization: The Board of Trade of the City of Chicago, Inc.

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

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 08/07/19 **Filing Description:** Initial Listing of the Black Sea Sunflower Oil Financially Settled (Platts) Futures Contract

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers:

New Product

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

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

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

Official Name(s) of Product(s) Affected:

Rule Numbers:

August 7, 2019

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 40.2(a) Certification. Notification Regarding the Initial Listing of the Black Sea Sunflower Oil Financially Settled (Platts) Futures Contract. CBOT Submission No. 19-267

Dear Mr. Kirkpatrick:

The Board of Trade of the City of Chicago, Inc. (“CBOT” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying the initial listing of the Black Sea Sunflower Oil Financially Settled (Platts) Futures contract (the “Contract”) for trading on the CME Globex electronic trading platform and for submission for clearing via CME ClearPort, effective Sunday, August 25, 2019 for trade date Monday, August 26, 2019, as more specifically described below.

Contract Title	Black Sea Sunflower Oil Financially Settled (Platts) Futures
Commodity Code	BSF
Rulebook Chapter	70
Settlement method	Financial
Contract Size	25 MT (metric tons)
Listing Schedule	Monthly contracts listed for twelve (12) consecutive months. Add a new contract month after the nearby expiry.
First Listed Month	November 2019
Minimum Price Fluctuation	\$0.50 per MT (metric ton)
Value per tick	\$12.50
Block Trade Minimum Threshold	5 contracts
Termination of Trading	Trading shall cease on the 15th calendar day of the month prior to the contract month. If this is not a business day and a Platts publication day for the price assessment, the contract shall terminate on the first prior business day which is also a Platts publication day for the price assessment.
CME Globex Matching Algorithm	First in First Out (FIFO)

Trading and Clearing Hours:

CME Globex and CME ClearPort	CME Globex: Sunday – Friday, 7:00 p.m. – 7:45 a.m. and Monday – Friday, 8:30 a.m. – 1:20 p.m. CT CME ClearPort: Sunday – Friday 5:00 p.m. – 4:00 p.m. Central Time/CT with a 60-minute break each day beginning at 4:00 p.m. CT
-------------------------------------	--

Exchange Fees:

Level	Account Owner	Execution Type	Venue/Transaction Type	Exchange Fee
Individual Member				
1	Individual Members	Member Account Owner		
			CME Globex	\$0.20
			EFP	\$1.07
			EFR	\$1.37
	Block	\$1.20		
	Individual Delegates	Delegate Trading Own Account		
			CME Globex	\$0.30
			EFP	\$1.22
EFR			\$1.52	
Block	\$1.30			
Equity Members (Individual Equity members, Clearing Firms and Equity Firms)				
2	Equity Members ¹	Member or Delegate		
			CME Globex	\$0.20
			EFP	\$1.07
			EFR	\$1.37
		Block	\$1.17	
		Non Member		
			CME Globex	\$0.46
			EFP	\$1.07
	EFR		\$1.37	
	Rule 106.S. Family of Funds Equity Member Firms	Member, Delegate or Non Member		
			CME Globex	\$0.46
			EFP	\$1.07
EFR			\$1.37	
Block	\$1.17			

¹ Clearing Closely Held Corporate Members & Sole Proprietors, Rule 106.J. Equity Closely Held Corporate Members & Rule 106.I. Affiliate Equity Member Firms, Individual Equity Members (other member/delegate executing), Clearing FCMs, Rule 106.J. Equity FCMs, Clearing Corporate Members, Rule 106.J. Equity Corporate Members & Rule 106.I. Affiliate Equity Member Firm (Affiliate of Clearing FCM, Clearing Corporate Member or Rule 106.J Equity FCM or Equity Corporate Member), Rule 106.I. Affiliate Membership Umbrella - Qualified Affiliate - Unlimited Number of Affiliates.

(Execution Not a Factor in Membership Types Below)

Level	Account Owner	Execution Type	Venue/Transaction Type	Exchange Fee
Trading Members (Individual Non-Equity Members and Non-Equity Member Firms)				
3	Individual Non-Equity Members (other member/delegate executing); Rule 106.H. Corporate Trading Firms; Rule 106.H. Trading FCMs; & Rule 106.I. Affiliate Trading Member Firms	Member, Delegate or Non Member		
			CME Globex	\$0.66
			EFP	\$1.21
			EFR/Block	\$1.66

	Individual Delegates (Other Member or Delegate executing the trade) & Rule 106.I. Affiliate Trading Member Firms	Member, Delegate or Non Member		
			CME Globex	\$0.81
			EFP	\$1.36
			EFR/Block	\$1.81
	Rule 106.S. Family of Funds Trading Member Firms	Member, Delegate or Non Member		
			CME Globex	\$0.66
			EFP	\$1.21
EFR/Block			\$1.66	
Level	Account Owner	Execution Type	Venue/Transaction Type	Exchange Fee
Electronic Corporate Member Firm				
4	Rule 106.R Electronic Corporate Member Firms (For open outcry and EFP/EFR/Block - Non-Member rates apply)	Member, Delegate or Non Member	CME Globex	\$0.81
Non Members				
5	International Incentive Program (IIP) and International Volume Incentive Program (IVIP) Participants (Open Outcry - Interest Rate products only)	Member, Delegate or Non Member	CME Globex	\$0.90
	Central Bank Incentive Program (CBIP), Emerging Markets Bank Incentive Program (EMBIP), Latin American Fund Manager Incentive Program (FMIP) (For open outcry and EFP/EFP/Block - Non-Member rates apply)	Member, Delegate or Non Member	CME Globex	\$1.03
	Non Members	N/A		
			CME Globex	\$1.03
EFP			\$1.44	
EFR/Block			\$2.03	

Processing Fees	Fee
Exchange Fees for Non-Trades (Member/Delegate/Non-Member)	\$2.00
Exchange Fees for Non-Trades - Expired Options	\$0.10
Facilitation Fee	\$0.40
Brokerage Fees – with discretion 106F within/106D or 106F outside	\$0.00/\$0.15
Brokerage Fees – without discretion Member or 106F within/106D, 106F outside or CMACE Permit Holder	\$0.04/\$0.17
Position Adjustments/Position Transfers	\$0.10

The Exchange is also notifying the CFTC that it is self-certifying block trading on the Contract with a minimum block threshold of 5 contracts.

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

Compliance with Rules: Trading in the Contract will be subject to all CBOT Rules, including prohibitions against fraudulent, noncompetitive, unfair and abusive practices as outlined in CBOT Rule Chapter 4, the Exchange’s trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the CBOT Rulebook, and the dispute resolution and arbitration procedures of CBOT Rule Chapter 6. As with all products listed for trading on one of CME Group’s designated contract markets, trading activity in the Contract 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 Contract is 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 Contract 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 Contract 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 Contract as demonstrated in this submission are consistent with the Commission’s guidance.

Availability of General Information: The Exchange will publish information on the Contracts’ specifications on its website, together with daily trading volume, open interest and price information. In addition, the Exchange will advise the marketplace of the launch of the Contracts by releasing a Special Executive Report (“SER”). The SER will also be posted on CME Group’s website.

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 Contract.

Execution of Transactions: The Contract will be listed for trading on the CME Globex electronic trading platform and for submission of clearing via CME ClearPort. CME Globex provides for competitive and open execution of transactions and affords the benefits of reliability and global connectivity.

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

Financial Integrity of Contract: The Contract 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: CBOT Rulebook Chapters 4 and 5 set forth multiple prohibitions that preclude intermediaries from disadvantaging their customers. These rules apply to trading in all of the Exchange’s competitive trading venues.

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

Dispute Resolution: Disputes with respect to trading in the Contract will be subject to the arbitration provisions set forth in Chapter 6 of the Rulebook. Chapter 6 allows all non-members to submit a claim for financial losses resulting from transactions on the Exchange to arbitration. A member named as a respondent in a claim submitted by a non-member 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 Regulations 40.2(a), the Exchange hereby certifies that listing the Contract complies with the Act, including regulations under the Act. There were no substantive opposing views to the proposal.

The Exchange certifies that this submission has been concurrently posted on the CME Group 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.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A: CBOT Rulebook Chapter 70
Exhibit B: Position Limits, Position Accountability and Reportable Level Table in Chapter 5 of the CBOT Rulebook (attached under separate cover)
Exhibit C: CBOT Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table
Exhibit D: Cash Market Overview and Analysis of Deliverable Supply

Exhibit A
CBOT Rulebook

Chapter 70
Black Sea Sunflower Oil Financially Settled (Platts) Futures

70100. 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. 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.

70101. CONTRACT SPECIFICATIONS

The 'Settlement Period' for a specified contract month shall be the one-month period that starts on and includes the 16th calendar day of the month that is two months prior to the contract month and ends on and includes the 15th calendar day of the month prior to the contract month. For example, the settlement period for a July contract would start on and include May 16 and end on and include June 15.

The Floating Price for each contract month shall be equal to the arithmetic average of the "Sunflower Oil FOB Black Sea Ukraine" spot price assessment published by Platts for each day that it is published during the Settlement Period. The Floating Price shall be rounded to the nearest \$0.01.

70102. TRADING SPECIFICATIONS

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

70102.A. Trading Schedule

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

70102.B. Trading Unit

The contract quantity shall be twenty five (25) metric tons.

70102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.50 per metric ton. The final settlement price shall be rounded to the nearest \$0.01.

70102.D. Price Limits

Daily price limits for Black Sea Sunflower Oil Financially Settled (Platts) Futures are reset every six months, on the first trading day in May and the first trading day in November. For the May reset, daily settlement prices are collected for the nearest July contract month over 45 consecutive trading days before and on the business day prior to April 16th. For the November reset, daily settlement prices are collected for the nearest January contract month over 45 consecutive trading days before and on the business day prior to October 16th. The average of these daily settlement prices is calculated, and the new daily price limit shall be 20% of this average price rounded to the nearest \$5.

There shall be no trading in Black Sea Sunflower Oil Financially Settled (Platts) Futures at a price more than the price limit above or below the previous day's settlement price.

Should two or more Black Sea Sunflower Oil Financially Settled (Platts) Futures contract months, excluding the contract month which is in its final settlement price calculation period, settle at limit, the daily price limits for all contract months shall increase by 50 percent the next business day, rounded up to the nearest \$5. If no Black Sea Sunflower Oil Financially Settled (Platts) Futures contract month settles at the expanded limit the next business day, daily price limits for all contract months shall revert back the following business day to the pre-expansion price limit. There shall be no price limits on a contract month during its final settlement price calculation period. The final settlement price calculation period are all settlement days during the contract month.

70102.E. 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.

70102.F. Termination of Trading

Trading shall cease on the 15th calendar day of the month prior to the contract month. If this is not a business day and a Platts publication day for the price assessment, the contract shall terminate on the first prior business day which is also a Platts publication day for the price assessment.

70103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. The final settlement price will be the Floating Price calculated for each contract month.

70104. DISCLAIMER

NEITHER THE BOARD OF TRADE OF THE CITY OF CHICAGO, INC. ("CBOT"), ITS AFFILIATES, NOR S&P GLOBAL PLATTS GURANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN.

CBOT, ITS AFFILIATES AND S&P GLOBAL PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACTS, OR, FOR ANY OTHER USE. CBOT, ITS AFFILIATES AND S&P GLOBAL PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN, WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL CBOT, ITS AFFILIATES OR S&P GLOBAL PLATTS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

"Platts" and "S&P Global Platts" are trademarks of S&P Global Inc. and have been licensed for use by CBOT. S&P Global Platts does not sponsor, endorse, sell or promote the contracts and S&P Global Platts makes no recommendations concerning the advisability of investing in the contracts.

Exhibit B

**CBOT Rulebook
Chapter 5
("Trading Qualifications and Practices")**

**Position Limits, Position Accountability and Reportable Level Table
in Chapter 5 of the CBOT Rulebook**

(attached under separate cover)

Exhibit C

**CBOT Rulebook
Chapter 5
("Trading Qualifications and Practices")**

CBOT 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>Black Sea Sunflower Oil Financially Settled (Platts) Futures</u>	<u>BSF</u>	<u>\$15.00 per metric ton</u>	<u>1500</u>	<u>30</u>	<u>N/A</u>	<u>N/A</u>

Exhibit D
Cash Market Overview and Analysis of the Deliverable Supply

CASH MARKET ANALYSIS

In its cash market and deliverable supply analysis, the Exchange has incorporated data from a range of sources as described below.

The US Department of Agriculture (“USDA”), is the department of the US Government responsible for agricultural markets. Its Foreign Agricultural Service collates and publishes data on global agricultural markets.

The UN Comtrade Database provides free access to detailed global trade data. UN Comtrade is a repository of official trade statistics and relevant analytical tables. It contains annual trade statistics starting from 1962 and monthly trade statistics since 2010.

Platts is a division of S&P Global. It is a leading price information provider for commodity products around the world. Platts’ assessment methodology for sunflower oil originating in the Ukraine is available on its website¹. CME Group is a party to license agreements with Platts to utilize their pricing data and use the pricing data in the settlement of these contracts.

The Futures contract will be based on the Platts assessment for sunflower oil (Sunflower Oil FOB Black Sea Ukraine). It is a daily assessment of the price of cargoes scheduled for loading in the month following the current month, with a roll on the 16th of each calendar month². The basis of the assessment is FOB Chornomorsk Port; however, pricing data out of ports along the Black Sea as well as CFR ports (destination prices) may also be included and normalized basis Chronomorsk. Pricing is done on a USD/MT basis. The quality of the material reflects Ukrainian origin raw sunflower oil with a free fatty acid basis content of 2%, maximum 3%, a maximum moisture content of 0.5%, a maximum impurities content of 0.5%, a flash point of 121 degrees Celsius minimum, and a maximum hydrocarbon content of 50 milligrams per kilogram. Sunflower oil of other origins or with different specifications may be considered when normalized back to Ukrainian origin raw sunflower oil with the specifications listed above. The assessment reflects a market close of 5pm London time.

Sunflower oil is pressed from sunflower seeds. It may be used in various applications, such as food (as a cooking oil), pharmaceutical and cosmetics. World production of sunflower oil is led by the Ukraine and Russia, followed by Argentina and Turkey.

The USDA provides data for world production, import and exports of vegetable oils including sunflower oil. Sunflower oil represents about 10% of global vegetable oil production (making it the 4th most important seed, behind palm, soybean and rapeseed). Over the past 5 marketing years, sunflower oil production has increased both on an absolute basis as well as a share of total vegetable oils market. The main importing countries and regions are India, the Middle East and the European Union (accounting for 28%, 21% and 17% of world imports respectively).

¹ <https://www.spglobal.com/platts/plattscontent/assets/files/en/our-methodology/methodology-specifications/grains-methodology.pdf>

² meaning that assessments for loading month N+2 are made from the 16th of month N to the 15th of month N+1.

Table 1: world production, exports and imports of sunflower seed oil (source: [USDA](#))

World Production (m MT)	2014/15	2015/16	2016/17	2017/18	2018/19
Sunflower oil	14.97	15.39	18.16	18.25	19.45
Total vegetable oil	177.03	176.30	188.33	198.24	203.94
Percentage sunflower oil	8.46%	8.73%	9.64%	9.21%	9.54%
World Exports (m MT)	2014/15	2015/16	2016/17	2017/18	2018/19
Sunflower oil	7.39	8.11	10.42	9.73	9.98
Total vegetable oil	76.50	73.65	81.23	79.50	84.67
Percentage sunflower oil	9.66%	11.01%	12.83%	12.24%	11.79%
World Imports (m MT)	2014/15	2015/16	2016/17	2017/18	2018/19
Sunflower oil	6.18	7.02	8.88	8.53	8.60
Total vegetable oil	71.23	71.05	75.34	74.60	79.99
Percentage sunflower oil	8.68%	9.88%	11.79%	11.43%	10.75%
Total Imports (m MT)	6.18	7.02	8.88	8.53	8.60
Main importers (m MT)					
European Union	0.83	1.42	1.79	1.53	1.50
Middle East	1.76	1.65	2.22	1.72	1.78
China	0.53	0.88	0.73	0.79	0.85
India	1.58	1.49	2.14	2.50	2.40
RoW	1.48	1.58	2.01	2.00	2.08

The USDA also tracks production and export data for the main growing regions, including the Ukraine.

Table 2: Sunflower oil – main producing regions (source: [USDA](#))

Production ('000 MT)	Marketing year	2016/17	2017/18	2018/19	3y average
Argentina	Sep-Aug	1,288	1,300	1,400	1,329
Russia	Sep-Aug	4,171	4,130	4,750	4,350
Turkey	Sep-Aug	761	912	935	869
Ukraine	Sep-Aug	6,351	5,891	6,235	6,159
European Union	Oct-Sep	3,338	3,634	3,718	3,563
Other		2,254	5,386	2,415	3,352
World Total		18,163	21,253	19,453	19,623
Ukraine as % of World Total		35%	28%	32%	32%
Exports ('000 MT)	Marketing year	2016/17	2017/18	2018/19	
Argentina	Sep-Aug	770	600	670	680
Russia	Sep-Aug	2,178	2,305	2,300	2,261
Turkey	Sep-Aug	635	390	370	465
Ukraine	Sep-Aug	5,851	5,341	5,600	5,597
European Union	Oct-Sep	458	525	500	494
Other		523	568	506	532
World Total		10,415	9,729	9,946	10,030
Ukraine as % of World Total		56%	55%	56%	56%
Ukraine Exports as % of local production		92%	91%	90%	91%

The Ukraine plays an outsize role in global sunflower oil markets. It accounts for a third of global production and more than half of global exports. The Ukraine exports 90% of its local production. Major destinations of Ukrainian sunflower oil include India, European Union countries, the Middle East and China.

Table 3: Ukraine export destinations 2018 (source: [UN Comtrade](#), commodity code 151211)

Export Destination	Volume exported ('000 MT)	Percent of total
India	2,459	48%
China	453	9%
Iraq	359	7%
Spain	324	6%
Netherlands	320	6%
Italy	306	6%
Iran	161	3%
France	106	2%
United Kingdom	102	2%
Egypt	100	2%
Turkey	74	1%
Poland	44	1%
Lebanon	44	1%
Saudi Arabia	36	1%
United Arab Emirates	32	1%
Malaysia	31	1%
Sudan	24	0%
Oman	20	0%
Lithuania	20	0%
Germany	14	0%
RoW	121	2%
Total	5,148	

Out of the twenty main export destinations (accounting for 98% of total exports), only Poland and Lithuania (1% of exports) are easily reached from the Ukraine by land. Seaborne trade via the Black Sea is the main export route. The port of Chornomorsk is located west of the Krim on the shores of the Black Sea, just outside Odessa.

The UN Comtrade database provides monthly export data for the Ukraine. It shows a strong seasonal component with August and September exports significantly below the yearly average monthly exports (at 75% and 61% of average exports respectively). In each year, export volumes were the lowest in September, followed by August). Sunflowers are typically planted in April and harvested in August and September. Once the seeds are crushed, exports ramp up in October.

Table 4: Ukraine sunflower oil exports (source: [UN Comtrade](#), commodity code 151211)

Exports ('000 MT)	2016	2017	2018	Average 2016-2018	Seasonality factor
January	328	434	381	381	92%
February	367	408	400	392	94%
March	399	638	524	521	125%
April	385	531	544	487	117%
May	363	425	399	396	95%
June	424	471	393	429	103%
July	344	466	369	393	94%
August	242	365	326	311	75%
September	249	287	225	254	61%
October	407	488	503	466	112%
November	492	418	531	480	115%
December	523	376	551	483	116%
					100%
Yearly total	4,524	5,307	5,148	4,993	

The seasonality factor shows the average exports in a month as a ratio to average monthly exports across the period 2016-2018

Both local and multinational firms are active in the sunoil export market. The market is well developed, with brokers facilitating indicative bids, offers and trades for spot and forward loading months. Most of the trading occurs in cash and prompt (delivery) markets, with some forward trades as far as 6 months ahead. Physical cargoes can be traded multiple times over, in what is referred to as paper trading of cargoes.

DELIVERABLE SUPPLY ANALYSIS

The Exchange determines deliverable supply applicable to the Sunflower Oil FOB Ukraine (Platts) Futures contract based on the volume of sunflower oil exports from the Ukraine as determined by the USDA.

Table 2: Sunflower oil – Ukraine exports (source: [USDA](#))

Exports ('000 MT)	Marketing year	2016/17	2017/18	2018/19	3y average
Ukraine	Sep-Aug	5,851	5,341	5,600	5,597

Because no quality and specification data are available, and because any sunflower oil specification may be normalised to the required specification, no adjustment for quality is made. Because the near totality of Ukrainian sunflower oil exports is exported via the sea route, all exports are included in the deliverable supply assessment. No adjustment is required to reflect long term supply arrangements in this market.

Monthly deliverable supply is assessed at 466,000 MT prior to any seasonality adjustment. Deliverable supply is therefore equivalent to 18,640 contracts per month (one contract is equivalent to 25 MT).

An adjustment is made to reflect the seasonal component of exports. For August and September contract months, the modified deliverable supply is adjusted to 60% of the monthly deliverable supply. For all other contract months, the modified deliverable supply is adjusted to 90% of monthly deliverable supply. Exchange staff recommends position limits of 2,000 contracts for August and September, and 2,500 contracts for all other contract months.

For August and September, position limits amount to 17.9% of seasonally adjusted deliverable supply (2,000 contracts out of 11,184). For all other contract months, the position limits represent 14.9% of seasonally adjusted deliverable supply (2,500 contracts out of 16,776).