

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): **16-375 (1 of 2)**

Organization: Commodity Exchange, Inc. ("COMEX")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): September 21, 2016 Filing Description: Initial Listing of Gold/Silver Ratio Futures and Gold/Platinum Spread 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:

September 21, 2016

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 Gold/Silver Ratio Futures and Gold/Platinum Spread Futures Contracts.
COMEX Submission No. 16-375 (1 of 2)**

Dear Mr. Kirkpatrick:

Commodity Exchange, Inc. ("COMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the initial listing of the Gold/Silver Ratio Futures contract (Rulebook Chapter: 188; Commodity Code: GSR) and Gold/Platinum Spread Futures (Rulebook Chapter: 189; Commodity Code: GPS) (the "Contracts") for trading on CME Globex and for submission for clearing through CME ClearPort, effective on Sunday, October 23, 2016 for trade date Monday, October 24, 2016, as described below.

Gold/Silver Ratio Futures

Contract Name	Gold/Silver Ratio Futures
Rulebook Chapter	188
Commodity Code	GSR
Contract Size	\$500*index (GC/SI)
First Listed Month	December 2016, February 2017
Listing Schedule	Nearest two cycle month combinations
Termination of Trading	Trading terminates on the third last business day of the calendar month prior to the contract month.
Business Days	Business days are based on U.S. public holiday calendar.
Minimum Price Fluctuation	0.05 index points
Value per Tick	\$25.00
Block Trade Minimum Threshold	25 contracts
CME Globex Matching Algorithm	First in first out (FIFO)

Gold/Platinum Spread Futures

Contract Name	Gold/Platinum Spread Futures
Rulebook Chapter	189
Commodity Code	GPS
Contract Size	100 troy ounces
First Listed Month	December 2016, January 2017
Listing Schedule	Nearest two cycle month combinations
Termination of Trading	Trading terminates on the third last business day of the calendar month prior to the contract month.
Business Days	Business days are based on U.S. public holiday calendar.
Minimum Price Fluctuation	\$0.10
Value per Tick	\$10.00
Block Trade Minimum Threshold	10 contracts
CME Globex Match Algorithm	First in first out (FIFO)

Trading and Clearing Hours:

Sunday – Friday 6:00 p.m. – 5:00 p.m. (5:00 p.m. – 4:00 p.m. Chicago Time/CT) with an hour break each day beginning at 5:00 p.m. (4:00 p.m. Chicago Time/CT).

Trading and Clearing Fees:

Gold/Silver Ratio Futures

	Member	Cross-Division	Non-Member	International Incentive Programs (IIP/IVIP)
Exchange Fees				
CME Globex	\$0.70	\$0.95	\$1.45	\$0.88
EFP	\$0.85		\$1.45	
Block	\$0.80		\$1.55	
EFR/EOO	\$3.35		\$3.95	
Agency Cross	\$0.70		\$1.45	

Processing Fees	Member	Non-Member
Cash Settlement	\$0.70	\$1.45
Other Fees		
Facilitation Fee		\$0.50
Give-Up Surcharge		\$0.05
Position Adjustment/Transfer		\$0.10

Gold/Platinum Spread Futures

Exchange Fees	Member	Cross-Division	Non-Member	International Incentive Programs (IIP/IVIP)
CME Globex	\$1.40	\$1.90	\$2.90	\$1.76
EFP	\$1.40		\$2.90	
Block	\$1.60		\$3.10	
EFR/EOO	\$6.40		\$7.90	
Agency Cross	\$1.40		\$2.90	

Processing Fees	Member	Non-Member
Cash Settlement	\$1.40	\$2.90
Other Fees		
Facilitation Fee		\$0.50
Give-Up Surcharge		\$0.05
Position Adjustment/Transfer		\$0.10

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 COMEX Rulebook in relation to the listing of the Contracts. The terms and conditions establish the all month/any one month accountability levels, expiration month position limit, reportable level and aggregation allocation for the Contracts (See Appendix B, attached under separate cover).

COMEX is self-certifying block trading on the Gold/Silver Ratio Futures contract with a minimum block threshold of 25 contracts and the Gold/Platinum Spread Futures contract with a minimum block threshold of 10 contracts. These block levels align with the comparable metals contracts listed on the Exchange.

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 listing of the Gold/Silver Ratio Futures and Gold/Platinum Spread Futures contracts may have some bearing on the following Core Principles:

- **Prevention of Market Disruption:** Trading in these Contracts will be subject to the COMEX rules (“Rulebook”) Chapters 4 and 7 which include prohibitions on manipulation, price distortion and disruptions of the delivery or cash-settlement process. As with all products listed for trading on one of CME Group’s designated contract markets, activity in the new products will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department.
- **Compliance with Rules:** Trading in these Contracts will be subject to the rules in Rulebook Chapter 4 which includes prohibitions against fraudulent, noncompetitive, unfair and abusive practices. Additionally, trading in these Contracts will also be subject to the full panoply of trade practice rules, the majority of which are contained in Chapter 5 of the Rulebook. As with all products listed for trading on one of CME Group’s designated contract markets, activity in these new products will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department. The Market

Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

- Position Limitations or Accountability: The speculative position limits for the Contracts as demonstrated in this submission are consistent with the Commission's guidance.
- Financial Integrity of Contracts: All contracts traded on the Exchange will be cleared by the Clearing House of the Chicago Mercantile Exchange Inc. which is a registered derivatives clearing organization with the Commission and is subject to all Commission regulations related thereto.
- Execution of Transactions: The Contracts will be listed for trading on CME Globex. The CME Globex platform provides a transparent, open, and efficient mechanism to electronically execute trades on screen.
- Trade Information: All required trade information is included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.
- Protection of Market Participants: Rulebook Chapters 4 and 5 contain multiple prohibitions precluding intermediaries from disadvantaging their customers. These rules apply to trading on all of the Exchange's competitive trading venues and will be applicable to transactions in this product.
- 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 this product are identified.
- Dispute Resolution: Disputes with respect to trading in these 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.
- Availability of General Information: COMEX will issue a Special Executive Report ("SER") to the marketplace regarding these Contracts. The SER will also be posted on the CME Group website.
- Daily Publication of Trading Information: COMEX 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 contract. This will be accomplished by publishing this information on a daily basis on the Exchange's website.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2(a), the Exchange hereby certifies that the listing of these 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 email at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel

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

Appendix A

COMEX RULEBOOK

Chapter 188 Gold/Silver Ratio Futures

188100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all contracts listed 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.

188101. FLOATING PRICE

The Floating Price shall be determined on the last trading day of a contract month, and shall be calculated using the prices for Gold Futures and Silver Futures published by the Exchange. For a contract month, the reference month of the Gold Futures price shall be same month or the next nearest month in the cycle February, April, June, August, and December. For a contract month, the reference month of the Silver Futures price shall be same month or the next nearest month in the cycle March, May, July, September and December. The Gold Futures price will be determined by a volume weighted average price (VWAP) during the 1:24-1:25pm EST period of the reference month. The Silver Futures price will be the settlement price of the reference month.

The Floating Price shall be the Gold Futures price divided by the Silver Futures price, and shall be rounded to two decimal places.

188102. TRADING SPECIFICATIONS

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

188102.A. Trading Schedule

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

188102.B. Trading Unit

The contract shall be priced as the index of the gold price divided by the silver price, as specified in Rule 188101. The contract unit shall be \$500 multiplied by the index.

188102.C. Price Increments

Prices shall be quoted in hundredths of index points. The minimum price fluctuation shall be 0.05 index points.

188102.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.

188102.E. Termination of Trading

Trading shall terminate on the third last business day of the calendar month prior to the contract month.

188103.

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.

Chapter 189 Gold/Platinum Spread Futures

189100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all contracts listed 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.

189101. FLOATING PRICE

The Floating Price shall be determined on the last trading day of a contract month, and shall be calculated using the prices for Gold Futures and Platinum Futures published by the Exchange. For a contract month, the reference month of the Gold Futures price shall be same month or the next nearest month in the cycle February, April, June, August, and December. For a contract month, the reference month of the Platinum Futures price shall be same month or the next nearest month in the cycle January, April, July, and October. The Gold Futures price will be determined by a volume weighted average price (VWAP) during the 1:03-1:05pm EST period of the reference month. The Platinum Futures price will be the settlement price of the reference month.

The Floating Price shall be the Gold Futures price minus the Platinum Futures price, and shall be rounded to two decimal places.

189102. TRADING SPECIFICATIONS

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

189102.A. Trading Schedule

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

189102.B. Trading Unit

The contract unit shall be 100 troy ounces.

189102.C. Price Increments

Prices shall be quoted in multiples of ten cents (\$0.10) per troy ounce. Price shall be quoted in dollars and cents per troy ounce.

189102.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.

189.02.E. Termination of Trading

Trading shall terminate on the third last business day of the calendar month prior to the contract month.

189103.

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.

APPENDIX B

COMEX Rulebook Chapter 5 Position Limit Table

(Attached under separate cover)

APPENDIX C

COMEX Rule 588.H. (“Globex Non-Reviewable Trading Ranges”)

(additions are underscored)

Instrument Name	Globex Symbol	Globex Non-Reviewable Ranges (NRR)	NRR: Globex Format	NRR: Ticks
<u>Gold/Silver Ratio Futures</u>	<u>GSR</u>	<u>1.00 index points</u>	<u>100</u>	<u>20</u>
<u>Gold/Platinum Spread Futures</u>	<u>GPS</u>	<u>\$5.00 per troy ounce</u>	<u>500</u>	<u>50</u>

APPENDIX D

Cash Market Overview and Deliverable Supply Analysis

Gold/Silver Ratio Futures

The Gold/Silver Ratio Futures contract is a financially settled product that will complement the existing physically delivered Gold Futures and Silver Futures contracts. Market participants in the precious metals industry, including the OTC market and ETFs, currently reference a gold/silver ratio derived from the Gold Futures and Silver Futures contracts.

The daily settlement price for the Gold/Silver Ratio Futures contract will be determined each business day by a volume weighted average price (VWAP) of the Gold Futures nearby active month price during the 1:24pm-1:25pm EST period divided by the settlement price of the Silver Futures nearby active month price. The final settlement price will be determined on the third last business day of the month preceding the contract month.

The contract will be priced as an index – the index being the gold price divided by the silver price as described above. The contract size will be \$500 multiplied by the index level. The contract month will always expire before either of its components are in the spot month. Table 1 below indicates the contract month, its respective Gold Futures and Silver Futures contract month components, and the termination date rule. There will be two contract months listed at all times and will represent the nearest two active months of the Gold Futures and Silver Futures contracts. For example, the final settlement price of the February 2017 contract would settle basis the settlement price of the February 2017 Gold Futures contract divided by the settlement price of the March 2017 Silver Futures contract on the third last business day of January 2017.

Table 1. Contract Month Listing and Termination Date

Contract Month	Gold	Silver	Termination Date – third to last business day of the calendar month below
February	February	March	January
March	April	March	February
April	April	May	March
May	June	May	April
June	June	July	May
July	August	July	June
August	August	September	July
September	December	September	August
December	December	December	November

ANALYSIS OF DELIVERABLE SUPPLY

Gold/Silver Ratio Futures

The listed months used for the Gold portion of the Gold/Silver Ratio Futures contract are February, April, June, August and December. The listed months for the Silver portion of the Gold/Silver Ratio Futures contract are March, May, July, September and December. These months are listed as part of the Gold/Silver Ratio Futures contract month when they are considered the nearby active month. For example, the February 2017 contract month for the Gold/Silver Ratio Futures contract is comprised of the February 2017 Gold Futures month and the March 2017 Silver Futures month. The February 2017 Gold Futures month is considered the nearby active contract month from the second last business day in November 2016 through the third last business day of January 2017. Similarly, the March 2017 Silver Futures month is considered the nearby active contract month from second last business day of November 2016 through the third last business day of February 2017. , Table 3 below provides an average daily volume for the most current three years for the listed months during the time period in which they are considered the nearby active month and represent their respective portion of the Gold/Silver Ratio Futures contract.

Table 3. Average Daily Volume of Nearby Active Contract Month

Month	Gold ADV	Gold Nearby Active Month	Silver ADV	Silver Nearby Active Month
13-Jan	158,974	Feb	42,720	Mar
13-Feb	174,169	Apr	52,700	Mar
13-Mar	153,356	Apr	34,456	May
13-Apr	219,497	Jun	67,233	May
13-May	196,964	Jun	46,012	Jul
13-Jun	174,253	Aug	55,162	Jul
13-Jul	152,379	Aug	38,130	Sep
13-Aug	145,588	Dec	57,778	Sep
13-Sep	155,581	Dec	44,670	Dec
13-Oct	142,481	Dec	38,149	Dec
13-Nov	141,540	Dec	45,441	Dec
13-Dec	124,874	Feb	36,535	Mar
14-Jan	139,585	Feb	38,568	Mar
14-Feb	126,357	Apr	55,744	Mar
14-Mar	160,662	Apr	41,871	May
14-Apr	118,548	Jun	46,502	May
14-May	137,236	Jun	37,754	Jul
14-Jun	113,219	Aug	50,869	Jul
14-Jul	127,801	Aug	39,978	Sep

14-Aug	104,333	Dec	42,524	Sep
14-Sep	141,244	Dec	43,915	Dec
14-Oct	151,604	Dec	40,978	Dec
14-Nov	200,655	Dec	57,438	Dec
14-Dec	140,879	Feb	40,400	Mar
15-Jan	182,162	Feb	44,870	Mar
15-Feb	125,564	Apr	45,227	Mar
15-Mar	157,265	Apr	35,268	May
15-Apr	130,269	Jun	46,395	May
15-May	147,395	Jun	40,316	Jul
15-Jun	122,934	Aug	49,961	Jul
15-Jul	148,973	Aug	40,171	Sep
15-Aug	151,630	Dec	53,729	Sep
15-Sep	127,046	Dec	36,679	Dec
15-Oct	132,230	Dec	45,760	Dec
15-Nov	158,560	Dec	48,484	Dec
15-Dec	116,589	Feb	36,540	Mar
16-Jan	170,195	Feb	45,082	Mar
16-Feb	204,148	Apr	61,751	Mar
16-Mar	208,448	Apr	49,592	May
16-Apr	174,177	Jun	68,967	May
16-May	220,299	Jun	51,564	Jul
16-Jun	206,263	Aug	62,464	Jul
16-Jul	210,730	Aug	67,797	Sep
16-Aug	173,237	Dec	64,625	Sep

Approved Depositories and Stock Reporting Requirements for Underlying Physically Delivered Futures Contracts

To date, Exchange approved gold depositories are Brinks, Inc., Delaware Depository Service Company, HSBC Bank, USA, International Depository Services of Delaware, JP Morgan Chase Bank NA, Malca-Amit USA, LLC, Manfra, Tordella & Brookes, Inc. and Scotia Mocatta.

Pursuant to the rules of the Exchange, each depository is required to report to the Exchange the level of Exchange grade inventory on a daily basis. The inventory shall include eligible and registered gold. Eligible gold shall mean all such gold that is acceptable for delivery against the Gold Futures contract (i.e., which meets the specifications and approved brands of the Gold Futures contract) for which a warrant has not been issued. Registered gold shall mean eligible gold for which a warrant has been issued. Specifically, on a daily basis, each depository is required to provide the Exchange (1) the total quantity of registered gold stored at the depository, (2) the total quantity of eligible gold stored at the depository, and (3) the quantity of eligible gold and registered gold received and shipped from the depository.

The gold inventory levels at all Exchange-approved depositories are made publicly available daily on the Exchange website¹. Further, the rules of the Exchange require an independent inventory audit to be performed annually to provide a comprehensive reconciliation of stocks stored at depositories with records maintained by both the Exchange and the depository².

Deliverable Supply Analysis

The Exchange determined at this time to base its estimates of deliverable supply of gold on registered stock as well as such gold stock meeting all specifications of the Gold Futures contract stored at Exchange approved depositories. The Exchange recognizes that gold is used as an investment vehicle and as such some gold stock may be held as a long term investment. While surveys conducted indicated no clear consensus as to how much gold is dedicated to long term investments, the Exchange, in an effort to represent a conservative deliverable supply that may be readily available for delivery, made a determination to discount from its estimate of deliverable supply 50% of its reported eligible gold at this time. The Exchange may, at a later date, decide to estimate those stocks and include them in future deliverable supply estimates.

Table 4 below provides the monthly inventory average of each of registered and eligible gold stored at Exchange-approved depositories for the most recent three year period beginning January 2013 through December 2015.

Over the most recent three year period beginning January 2013 through December 2015, the monthly average registered gold was **9,211** futures equivalent contracts and the monthly average eligible gold was **70,551** futures equivalent contracts. Based on the foregoing and accounting for a 50% discount of eligible gold stored at Exchange approved depositories, the Exchange estimates monthly deliverable supply at approximately **44,487** futures equivalent contracts. The current spot month position limit of 3,000 contracts represents **6.74%** of the estimated monthly deliverable supply.

At this time, the Exchange does not account for gold stock meeting all specifications of the Gold Futures contract that is stored at depositories other than those approved by the Exchange and which can be moved economically into such Exchange-approved depositories consistent with Appendix C of Part 38. The Exchange may, at a later date, decide to estimate those stocks and include them in future deliverable supply estimates.

Table 4: Monthly Average Stock Levels at Exchange Depositories

(in Gold Futures equivalent contracts (contract size: 100 troy ounces))

Yr-Month	Average Eligible	Average Registered	Average Total
13-Jan	86,173	23,379	109,552
13-Feb	79,478	27,734	107,212
13-Mar	70,541	26,155	96,697
13-Apr	62,395	25,938	88,333
13-May	62,669	17,348	80,017
13-Jun	63,018	14,274	77,292
13-Jul	60,845	10,209	71,054
13-Aug	62,016	8,019	70,035
13-Sep	62,939	6,822	69,761

¹ <http://www.cmegroup.com/market-data/reports/registrar-reports.html>

² <http://www.cmegroup.com/rulebook/NYMEX/1/7.pdf>

Yr-Month	Average Eligible	Average Registered	Average Total
13-Oct	62,953	7,225	70,178
13-Nov	65,710	6,112	71,822
13-Dec	69,526	5,859	75,385
14-Jan	71,946	4,150	76,097
14-Feb	65,261	6,215	71,476
14-Mar	66,321	6,604	72,924
14-Apr	70,935	7,999	78,934
14-May	72,534	8,063	80,597
14-Jun	73,472	9,208	82,680
14-Jul	75,218	9,267	84,484
14-Aug	84,965	10,859	95,823
14-Sep	85,723	10,115	95,838
14-Oct	79,280	9,262	88,542
14-Nov	72,283	8,635	80,918
14-Dec	71,410	7,679	79,089
15-Jan	71,825	7,706	79,531
15-Feb	74,151	8,043	82,195
15-Mar	73,985	6,740	80,725
15-Apr	72,326	5,924	78,250
15-May	73,951	4,125	78,076
15-Jun	73,830	5,383	79,213
15-Jul	74,024	4,581	78,605
15-Aug	68,776	4,885	73,661
15-Sep	67,663	1,913	69,576
15-Oct	65,422	1,828	67,251
15-Nov	64,376	1,491	65,867
15-Dec	61,899	1,862	63,761
Average Total	70,551	9,211	79,763

Silver Futures

Approved Depositories and Stock Reporting Requirements for Underlying Physically Delivered Futures Contract

To date, Exchange approved silver depositories are Brinks, Inc., CNT Depository, Inc., Delaware Depository Service Company, HSBC Bank, USA, International Depository Services of Delaware, JP Morgan Chase Bank NA, Malca-Amit USA, LLC and Scotia Mocatta.

Pursuant to the rules of the Exchange, each depository is required to report to the Exchange the level of Exchange grade inventory on a daily basis. The inventory shall include eligible and registered silver. Eligible silver shall mean all such silver that is acceptable for delivery against the Silver Futures contract (i.e., which meets the specifications and approved brands of the Silver Futures contract) for which a

warrant has not been issued. Registered silver shall mean eligible silver for which a warrant has been issued. Specifically, on a daily basis, each depository is required to provide the Exchange (1) the total quantity of registered silver stored at the depository, (2) the total quantity of eligible silver stored at the depository, and (3) the quantity of eligible silver and registered silver received and shipped from the depository.

The silver inventory levels at all Exchange-approved depositories are made publicly available daily on the Exchange website³. Further, the rules of the Exchange require an independent inventory audit to be performed annually to provide a comprehensive reconciliation of stocks stored at depositories with records maintained by both the Exchange and the depository⁴.

Deliverable Supply Analysis

The Exchange determined at this time to base its estimates of deliverable supply of silver on registered stock as well as such silver stock meeting all specifications of the Silver Futures contract stored at Exchange approved depositories. The Exchange recognizes that silver is used as an investment vehicle and as such some silver stock may be held as a long term investment. While surveys conducted indicated no clear consensus as to how much silver is dedicated to long term investments, the Exchange, in an effort to represent a conservative deliverable supply that may be readily available for delivery, made a determination to discount from its estimate of deliverable supply 50% of its reported eligible silver at this time. The Exchange may, at a later date, decide to estimate those stocks and include them in future deliverable supply estimates.

Table 5 below provides the monthly inventory average of each of registered and eligible silver stored at Exchange-approved depositories for the most recent three year period beginning January 2013 through December 2015.

Over the most recent three year period beginning January 2013 through December 2015, the monthly average registered silver was **10,495** futures equivalent contracts and the monthly average eligible silver was **23,789** futures equivalent contracts. Based on the foregoing and accounting for a 50% discount of eligible silver stored at Exchange approved depositories, the Exchange estimates monthly deliverable supply at approximately **22,390** futures equivalent contracts. The current spot month position limit of 1,500 contracts represents **6.70%** of the estimated monthly deliverable supply. At this time, the Exchange does not account for silver stock meeting all specifications of the Silver Futures contract that is stored at depositories other than those approved by the Exchange and which can be moved economically into such Exchange-approved depositories consistent with Appendix C of Part 38. The Exchange may, at a later date, decide to estimate those stocks and include them in future deliverable supply estimates.

Table 5: Monthly Average Stock Levels at Exchange Depositories

(in Silver Futures equivalent contracts (contract size: 5,000 troy ounces))

Yr-Month	Average Eligible	Average Registered	Average Total
13-Jan	22,519	7,716	30,235
13-Feb	24,521	7,455	31,976
13-Mar	24,194	8,503	32,697
13-Apr	24,781	8,293	33,075
13-May	24,237	8,813	33,050

³ <http://www.cmegroup.com/market-data/reports/registrar-reports.html>

⁴ <http://www.cmegroup.com/rulebook/NYMEX/1/7.pdf>

Yr-Month	Average Eligible	Average Registered	Average Total
13-Jun	24,557	8,358	32,915
13-Jul	23,601	9,459	33,060
13-Aug	24,835	8,053	32,888
13-Sep	24,031	8,570	32,601
13-Oct	24,558	8,728	33,286
13-Nov	25,016	8,879	33,895
13-Dec	24,001	10,297	34,297
14-Jan	25,502	9,939	35,441
14-Feb	26,128	10,141	36,268
14-Mar	25,890	10,549	36,440
14-Apr	24,686	10,706	35,392
14-May	23,930	11,130	35,072
14-Jun	23,741	11,414	35,175
14-Jul	23,533	11,565	35,097
14-Aug	23,319	12,057	35,376
14-Sep	23,380	12,956	36,336
14-Oct	22,995	13,294	36,298
14-Nov	22,613	13,089	35,702
14-Dec	22,326	12,918	35,244
15-Jan	21,926	13,203	35,129
15-Feb	21,705	13,596	35,301
15-Mar	21,410	13,930	35,341
15-Apr	22,433	12,630	35,063
15-May	23,391	12,087	35,478
15-Jun	24,529	11,608	36,138
15-Jul	24,063	11,713	35,776
15-Aug	23,227	11,080	34,307
15-Sep	23,731	9,638	33,369
15-Oct	23,905	8,646	32,552
15-Nov	23,534	8,674	32,208
15-Dec	23,672	8,142	31,814
Average Total	23,789	10,495	34,286

Basis the above analysis of deliverable supply for gold and silver, the Exchange is proposing the position limits for the Gold/Silver Ratio Futures contract to be set to 1,500 contracts. As a product based on a ratio of futures prices, the level of the proposed spot month position limit has been set so that the implied exposure to either underlying futures contract is substantially less than that provided by the spot month position limits in the underlying futures directly.

Cash Market Overview and Deliverable Supply Analysis

Gold/Platinum Spread Futures

The Gold/Platinum Spread Futures contract is a financially settled product that will complement the existing physically delivered Gold Futures and Platinum Futures contracts. Market participants in the precious metals industry currently reference a gold/platinum spread price derived from the Gold Futures and Platinum Futures contracts. By offering this new contract, we can better compete with other investment tools available to the marketplace and maintain a leading role in the precious metals market. Expanding the product slate of the Exchange's flagship Gold Futures and Platinum Futures contracts will provide new trading opportunities based on successful, highly liquid benchmark products.

The daily settlement price for the Gold/Platinum Spread Futures contract will be determined each business day by a volume weighted average price (VWAP) of the Gold Futures nearby active month price during the 1:03pm-1:05pm EST period minus the settlement price of the Platinum Futures nearby active month price. The final settlement price will be determined on the third last business day of the month preceding the contract month.

The contract month will always expire before either of its components are in the spot month. Table 6 below indicates the contract month, its respective Gold Futures and Platinum Futures contract month components, and the termination date rule. For example, the final settlement price of the February 2017 contract would settle basis the VWAP as described above of the February 2017 Gold Futures contract minus the settlement price of the April 2017 Platinum Futures contract on the third last business day of January 2017.

Table 6. Contract Month Listing and Termination Date

Contract Month	Gold	Platinum	Termination Date – third to last business day of the calendar month below
January	February	January	December
February	February	April	January
April	April	April	March
June	June	July	May
July	August	July	June
August	August	January	July
December	December	January	November

The listed months used for the Gold portion of the Gold/Platinum Spread Futures contract are February, April, June, August and December. The listed months for the Platinum portion of the Gold/Platinum Spread Futures contract are January, April, July and October. These months are listed as part of the Gold/Platinum Spread Futures contract month when they are considered the nearby active month. For example, the February 2017 contract month for the Gold/Platinum Spread Futures contract is comprised of the February 2017 Gold Futures month and the April 2017 Platinum Futures month. The February 2017 Gold Futures month is considered the nearby active contract month from the second last business day in November 2016 through the third last business day of January 2017. Similarly, the April 2017 Platinum Futures month is considered the nearby active contract month from second last business day of December 2016 through the third last business day of March 2017. , Table 7 below provides an average daily volume for the most

current three years for the listed months during the time period in which they are considered the nearby active month and represent their respective portion of the Gold/Platinum Spread Futures contract.

Table 7. Average Daily Volume of Nearby Active Contract Month

Month	Gold ADV	Gold Nearby Active Month	Platinum ADV	Platinum Nearby Active Month
13-Jan	158,974	Feb	13,119	Apr
13-Feb	174,169	Apr	14,126	Apr
13-Mar	153,356	Apr	12,549	Apr
13-Apr	219,497	Jun	12,411	Jul
13-May	196,964	Jun	10,658	Jul
13-Jun	174,253	Aug	14,918	Jul
13-Jul	152,379	Aug	8,378	Oct
13-Aug	145,588	Dec	9,564	Oct
13-Sep	155,581	Dec	12,801	Oct
13-Oct	142,481	Dec	9,396	Jan
13-Nov	141,540	Dec	9,021	Jan
13-Dec	124,874	Feb	10,253	Jan
14-Jan	139,585	Feb	10,213	Apr
14-Feb	126,357	Apr	9,830	Apr
14-Mar	160,662	Apr	13,639	Apr
14-Apr	118,548	Jun	8,545	Jul
14-May	137,236	Jun	11,032	Jul
14-Jun	113,219	Aug	13,632	Jul
14-Jul	127,801	Aug	9,413	Oct
14-Aug	104,333	Dec	8,362	Oct
14-Sep	141,244	Dec	13,925	Oct
14-Oct	151,604	Dec	11,512	Jan
14-Nov	200,655	Dec	10,679	Jan
14-Dec	140,879	Feb	11,807	Jan
15-Jan	182,162	Feb	11,922	Apr
15-Feb	125,564	Apr	10,343	Apr
15-Mar	157,265	Apr	13,840	Apr
15-Apr	130,269	Jun	9,649	Jul
15-May	147,395	Jun	10,248	Jul
15-Jun	122,934	Aug	14,131	Jul

15-Jul	148,973	Aug	11,548	Oct
15-Aug	151,630	Dec	12,325	Oct
15-Sep	127,046	Dec	14,808	Oct
15-Oct	132,230	Dec	12,470	Jan
15-Nov	158,560	Dec	12,297	Jan
15-Dec	116,589	Feb	13,859	Jan
16-Jan	170,195	Feb	14,525	Apr
16-Feb	204,148	Apr	12,836	Apr
16-Mar	208,448	Apr	14,132	Apr
16-Apr	174,177	Jun	11,492	Jul
16-May	220,299	Jun	11,356	Jul
16-Jun	206,263	Aug	15,003	Jul
16-Jul	210,730	Aug	13,799	Oct
16-Aug	173,237	Dec	11,518	Oct

Approved Depositories and Stock Reporting Requirements

To date, Exchange approved gold depositories are Brinks, Inc., Delaware Depository Service Company, HSBC Bank, USA, International Depository Services of Delaware, JP Morgan Chase Bank NA, Malca-Amit USA, LLC, Manfra, Tordella & Brookes, Inc. and Scotia Mocatta.

Pursuant to the rules of the Exchange, each depository is required to report to the Exchange the level of Exchange grade inventory on a daily basis. The inventory shall include eligible and registered gold. Eligible gold shall mean all such gold that is acceptable for delivery against the Gold Futures contract (i.e., which meets the specifications and approved brands of the Gold Futures contract) for which a warrant has not been issued. Registered gold shall mean eligible gold for which a warrant has been issued. Specifically, on a daily basis, each depository is required to provide the Exchange (1) the total quantity of registered gold stored at the depository, (2) the total quantity of eligible gold stored at the depository, and (3) the quantity of eligible gold and registered gold received and shipped from the depository.

The gold inventory levels at all Exchange-approved depositories are made publicly available daily on the Exchange website⁵. Further, the rules of the Exchange require an independent inventory audit to be performed annually to provide a comprehensive reconciliation of stocks stored at depositories with records maintained by both the Exchange and the depository⁶.

Deliverable Supply Analysis

The Exchange determined at this time to base its estimates of deliverable supply of gold on registered stock as well as such gold stock meeting all specifications of the Gold Futures contract stored at Exchange approved depositories. The Exchange recognizes that gold is used as an investment vehicle and as such some gold stock may be held as a long term investment. While surveys conducted indicated no clear consensus as to how much gold is dedicated to long term investments, the Exchange, in an effort to represent a conservative deliverable supply that may be readily available for delivery, made a determination to discount from its estimate of deliverable supply 50% of its reported

⁵ <http://www.cmegroup.com/market-data/reports/registrar-reports.html>

⁶ <http://www.cmegroup.com/rulebook/NYMEX/1/7.pdf>

eligible gold at this time. The Exchange may, at a later date, decide to estimate those stocks and include them in future deliverable supply estimates.

Table 4 above provides the monthly inventory average of each of registered and eligible gold stored at Exchange-approved depositories for the most recent three year period beginning January 2013 through December 2015.

Over the most recent three year period beginning January 2013 through December 2015, the monthly average registered gold was **9,211** futures equivalent contracts and the monthly average eligible gold was **70,551** futures equivalent contracts. Based on the foregoing and accounting for a 50% discount of eligible gold stored at Exchange approved depositories, the Exchange estimates monthly deliverable supply at approximately **44,487** futures equivalent contracts. The current spot month position limit of 3,000 contracts represents **6.74%** of the estimated monthly deliverable supply.

At this time, the Exchange does not account for gold stock meeting all specifications of the Gold Futures contract that is stored at depositories other than those approved by the Exchange and which can be moved economically into such Exchange-approved depositories consistent with Appendix C of Part 38. The Exchange may, at a later date, decide to estimate those stocks and include them in future deliverable supply estimates.

Platinum Futures

Approved Depositories and Stock Reporting Requirements

To date, Exchange approved platinum depositories are Brinks, Inc., CNT Depository, Inc., Delaware Depository Service Company, HSBC Bank, USA, International Depository Services of Delaware, JP Morgan Chase Bank NA, Malca-Amit USA, LLC, Manfra, Tordella & Brookes, Inc. and Scotia Mocatta.

Pursuant to the rules of the Exchange, each depository is required to report to the Exchange the level of Exchange grade inventory on a daily basis. The inventory shall include eligible and registered platinum. Eligible platinum shall mean all such platinum that is acceptable for delivery against the Platinum Futures contract (i.e., which meets the specifications and approved brands of the Platinum Futures contract) for which a warrant has not been issued. Registered platinum shall mean eligible platinum for which a warrant has been issued. Specifically, on a daily basis, each depository is required to provide the Exchange (1) the total quantity of registered platinum stored at the depository, (2) the total quantity of eligible platinum stored at the depository, and (3) the quantity of eligible platinum and registered platinum received and shipped from the depository.

The platinum inventory levels at all Exchange-approved depositories are made publicly available daily on the Exchange website⁷. Further, the rules of the Exchange require an independent inventory audit to be performed annually to provide a comprehensive reconciliation of stocks stored at depositories with records maintained by both the Exchange and the depository⁸.

Deliverable Supply Analysis

The Exchange determined at this time to base its estimates of deliverable supply of platinum on registered stock as well as such platinum stock meeting all specifications of the Platinum Futures contract stored at Exchange approved depositories. The Exchange recognizes that platinum may at times be used as an investment vehicle and as such some platinum stock may be held as a long term investment. While surveys conducted indicated no clear consensus on how much platinum was

⁷ <http://www.cmegroup.com/market-data/reports/registrar-reports.html>

⁸ <http://www.cmegroup.com/rulebook/NYMEX/1/7.pdf>

dedicated to long term investments, there was consensus that investment demand for platinum typically accounts for a much smaller portion of total physical supply compared to gold and silver.

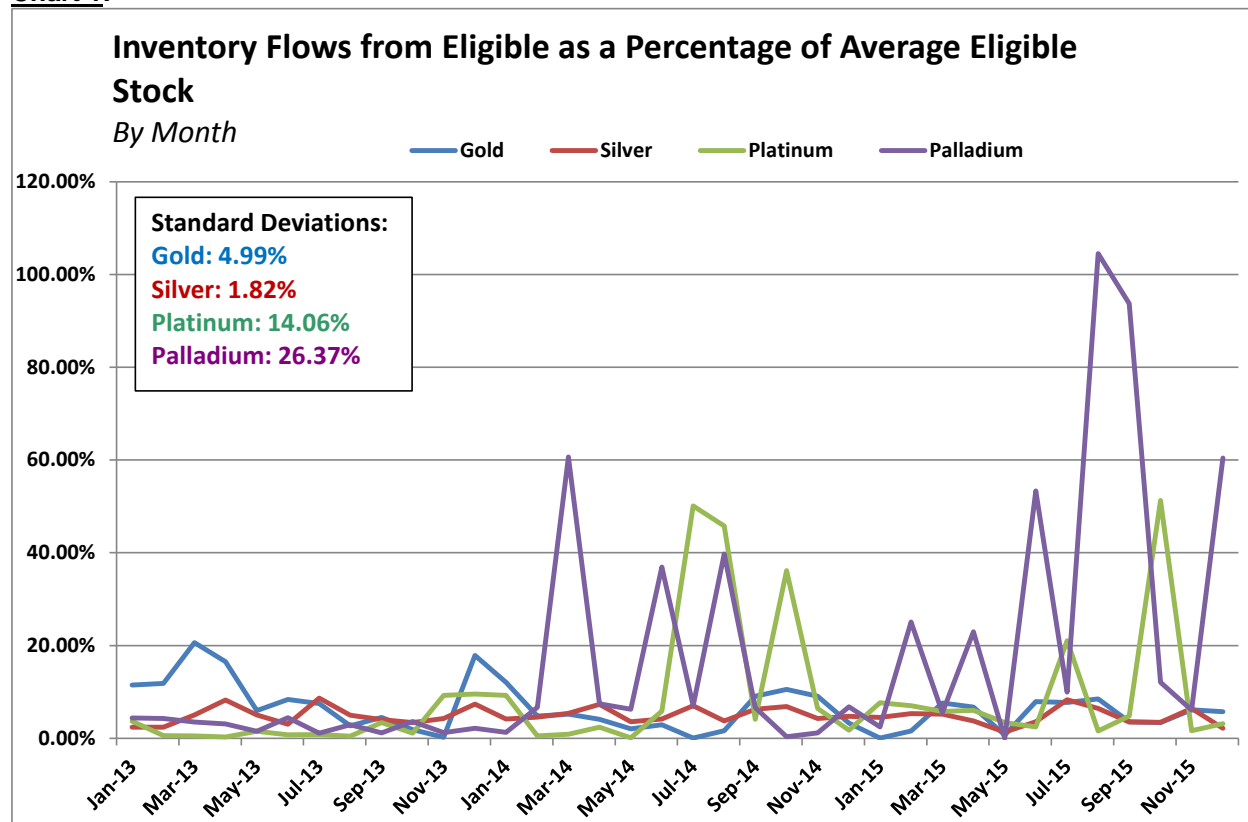
Data from GFMS, a metals research consultancy, notes that retail investment, which it classifies as the sale of coins and bullion to small-scale, less sophisticated investors, in platinum and palladium was roughly 1.9% and 0.5% of total physical demand in 2014, respectively. This compares to 25.9% for gold and 18.5% for silver.⁹

Withdrawals of eligible platinum and palladium from NYMEX depositories and adjustments of that eligible metal to warranted status are typically larger, in terms of percentage of eligible stock, than similar withdrawals and adjustments in the COMEX gold and silver markets. Furthermore, the standard deviation of these statistics are larger for platinum and palladium, suggesting that withdrawals and adjustments from eligible to warranted are proportionally larger than those of gold and silver. These two factors suggest that a greater portion of the eligible platinum and palladium stock is readily available to the marketplace.

Chart 1 below illustrates withdrawals from eligible stock and adjustments from eligible to registered stock as a percentage of monthly average eligible stock and the standard deviations of that data. These withdrawals and adjustments are taken as a percentage of average eligible stock of that metal during that month to adjust for the inventory size. Generally, the chart below shows that as a percentage of average eligible stock, flows of metal are relatively larger in the Platinum Group Metals (PGMs) than in gold and silver. By taking the monthly total withdrawals and adjustments as a percentage of average eligible stock, a turnover ratio is created which illustrates the magnitude of stock movements out of eligible inventory over each month. By taking the standard deviation of these monthly statistics, it is evident that changes in in platinum and palladium eligible stocks as measured by standard deviation, at 14.40 percent and 26.00 percent, respectively, have more dispersion around the mean than those of gold and silver, 5.14 percent and 1.80 percent, respectively. The mean withdrawal for both platinum and palladium are already greater, as a percentage of eligible stock, than for gold and silver. The larger dispersions, however, further show that greater proportions of platinum and palladium are withdrawn from eligible or adjusted to warranted stock.

⁹ Thomson Reuters GFMS Annual Surveys 2015 – Gold, Silver, Platinum & Palladium

Chart 1:



Based on the foregoing, and in order to represent a conservative deliverable supply that is readily available for delivery, the Exchange made a determination to discount from its estimate of deliverable supply 10% of its reported eligible platinum as opposed to the higher discount levied in the gold and silver deliverable supply analyses. The Exchange may, at a later date, decide to estimate those stocks and include them in future deliverable supply estimates.

Table 8 below provides the monthly inventory average of each of registered and eligible platinum stored at Exchange-approved depositories for the most recent three year period beginning January 2013 through December 2015.

Over the period beginning January 2013 through December 2015, the monthly average registered platinum was **1,158** futures equivalent contracts and the monthly average eligible platinum was **2,652** futures equivalent contracts. Based on the foregoing and accounting for a 10% discount of eligible platinum stored at Exchange approved depositories, the Exchange estimates monthly deliverable supply at approximately **3,545** futures equivalent contracts. The current spot month position limit of 500 contracts represents **14.10%** of the estimated monthly deliverable supply.

At this time, the Exchange does not account for platinum stock meeting all specifications of the Platinum Futures contract that is stored at depositories other than those approved by the Exchange and which can be moved economically into such Exchange-approved depositories consistent with Appendix C of Part 38. The Exchange may, at a later date, decide to estimate those stocks and include them in future deliverable supply estimates.

Table 8: Monthly Average Stock Levels at Exchange Depositories**(in Platinum Futures equivalent contracts (contract size: 50 troy ounces))**

Yr-Month	Average Eligible	Average Registered	Average Total
13-Jan	2,356	1,939	4,294
13-Feb	2,727	1,501	4,228
13-Mar	2,843	1,433	4,276
13-Apr	2,844	1,834	4,678
13-May	2,917	1,699	4,617
13-Jun	2,922	1,696	4,533
13-Jul	2,912	1,700	4,612
13-Aug	3,147	1,407	4,553
13-Sep	3,184	1,622	4,807
13-Oct	3,197	2,517	5,714
13-Nov	3,483	1,607	5,091
13-Dec	3,531	1,486	5,017
14-Jan	3,125	1,875	4,999
14-Feb	3,396	1,588	4,985
14-Mar	3,586	1,339	4,926
14-Apr	3,853	1,086	4,939
14-May	3,984	922	4,906
14-Jun	3,973	911	4,884
14-Jul	3,218	1,272	4,490
14-Aug	2,233	802	3,036
14-Sep	2,191	735	2,926
14-Oct	1,987	905	2,892
14-Nov	2,186	547	2,733
14-Dec	2,173	529	2,702
15-Jan	2,033	666	2,699
15-Feb	2,085	586	2,671
15-Mar	2,058	589	2,647
15-Apr	1,956	658	2,615
15-May	1,907	675	2,582
15-Jun	1,885	687	2,572
15-Jul	1,585	956	2,541
15-Aug	1,528	991	2,518
15-Sep	1,912	574	2,485
15-Oct	1,823	848	2,671
15-Nov	2,358	773	3,131
15-Dec	2,381	719	3,101
Average Total	2,652	1,158	3,808

Basis the above analysis of deliverable supply for gold and platinum, the Exchange is proposing the position limits for the Gold/Platinum Spread Futures contract to be set to 500 contracts which is equal to the current spot month position limit for the Platinum Futures contracts and is the lower of the spot month position limits of the Gold Futures and Platinum Futures contracts.