

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 15-411

Organization: The Board of Trade of the City of Chicago, Inc. ("CBOT")

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

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): October 15, 2015 **Filing Description:** Initial Listing of the South American Short-Dated New Crop Soybean Options 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

Official Product Name: South American Short-Dated New Crop Soybean Options

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:

October 15, 2015

VIA ELECTRONIC PORTAL

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 Regarding the Initial Listing of the South American Short-Dated New Crop Soybean Options Contract.
CBOT Submission No. 15-411**

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 terms and conditions of the South American Short-Dated New Crop Soybean Options (Rulebook chapter 11A) contract (the "Contract") to be listed for trading on the CME Globex electronic trading and the CBOT trading floor, and for submission for clearing via CME ClearPort on Sunday, November 1, 2015 for trade date Monday, November 2, 2015.

Standard CBOT Short-Dated New Crop Options (SDNCO) in Soybeans based on the November expiration (North American new crop) have gained significant traction since their launch in June 2012. Launch-to-date, over 1.5 million contracts have traded. The ADV in year 2015 YTD is over 4,100 with multiple records set in June. SDNCO have attracted a wide spectrum of market participants who have been taking advantage of their lower premiums due to their lower time value and are using them as a cost effective tool to hedge or trade around new crop price risk.

Soybean production in South America (SA) is 50% larger than that of the U.S. The new crop months for the SA soybean crop are March and May. The existing SDNCO that exercise into the November contract do not match the southern hemisphere cycle and are not a good fit with material spread risk. As a result, South American SDNCOs are proposed to accommodate the South American cycle. The addition of SDNCO for SA will complement the existing options complex by giving SA market participants increased hedging flexibility in managing their existing option positions as well as increased trading/arbitrage opportunities due to the different underlying. Given the size of the SA market and the very positive success of the existing SDNCO, the proposed product is a logical extension. The customer feedback has been almost universally supportive. We know that SA producers and cooperatives are, in many cases, adverse to margining, which limits their use of futures. They have been very receptive to the concept of options. However, cost remains a factor, and the cost efficiency of SDNCO provides a significant value proposition.

The South American Short-Dated New Crop Soybean Options will have the same contract specifications as the existing SDNCOs. However, there are only two differences between them. First, instead of exercising into the November futures, the SA SDNCO would exercise into the May (South American new crop) futures contract that is nearest to the expiration of the options. Second, the contract months listed would be different. Five (5) contract months (July, September, November, next January, and next March) will be listed on the first trading day following the expiration of May standard option. A new listing cycle will begin on the first trading day following the expiration of the next May standard option. Detailed contract specifications are attached (See Appendix B).

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the new options 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 CBOT Rulebook in relation to the listing of the contracts (See Appendix D: Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the CBOT Rulebook (attached under separate cover)).

In addition, the Exchange is self-certifying the insertion of the non-reviewable ranges (“NRR”) for the futures contracts into Rule 588.H. (See Appendix E: CBOT Rule 588.H – Globex Non-Reviewable Trading Ranges).

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA”) and identified that the proposed changes may impact the following Core Principles:

- Compliance with Rules – Trading in the Contract will be subject to the rules in CBOT 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 range of trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the CBOT Rulebook. 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. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.
- Contracts not Readily Susceptible to Manipulation – The Contract is not readily susceptible to manipulation due to the deep liquidity and robustness in the underlying futures market, which provides diverse participation and sufficient transactions to support the final settlement. Also the underlying of these options is always a deferred futures contract and these options expire before delivery period for the underlying futures. This significantly reduces the risk of price manipulation in the market for the underlying futures.
- Prevention of Market Disruption – Trading in the Contract will be subject to CBOT 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 products will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department.
- Position Limitations or Accountability – CME Group business staff responsible for the development of new products is also responsible for the recommendation of the appropriate position limits and/or position accountability levels. After those recommendations are made, in all cases the limits and/or levels are reviewed by the CME Group Market Regulation Department. The Market Regulation Department assesses the proposed limits against CFTC requirements. The contract specifications establish speculative position limits at the same level as specified for existing soybean options contracts. In addition, positions in this product will be aggregated with positions in their respective existing options contracts and futures contracts to ensure compliance with CFTC and/or Exchange speculative limits.
- Availability of General Information – The Exchange will publish information on the Contract’s term and conditions, trading rules and specification on its website. CME Group will advise the marketplace of the rule amendments via the issuance of a Special Executive Report (“SER”). The SER will be posted on the Exchanges website.
- Daily Publication of Trading Information – Trading volume, open interest, and price information for the products will be published daily on the CME Group website.
- Execution of Transactions – The Contract will be dually listed for trading on CME Globex and on the CBOT trading floor for open outcry trading, and for clearing through the CME ClearPort platform. The CME ClearPort platform provides a competitive, open and efficient mechanism for novating transactions that are competitively executed by brokers. The CME Globex platform provides a transparent, open, and efficient mechanism to electronically execute trades on

screen. In addition, the CBOT trading floor is available as a venue to provide for competitive and open execution of transactions.

- Trade Information – Trade information for this product will be collected and maintained in the same way as for other exchange-traded futures and options contracts. All required trade information is included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.
- Financial Integrity of Contracts – All contracts traded on the Exchange will be cleared by the CME Clearing House which is a registered derivatives clearing organization with the Commission and is subject to all Commission regulations related thereto.
- Protection of Market Participants – CBOT 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 CBOT Rulebook contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate the rules. Trading in this 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 this product 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 CBOT Rulebook. The rules in Chapter 6 allow 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 the rules in 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, the Exchange hereby certifies that listing the Contract complies with the Act, including regulations under the Act. A description of the cash markets for these new products is attached (See Appendix F: Cash Market Overview and Analysis of Deliverable Supply).

The Exchange certifies that these contract terms and conditions comply with the CEA and regulations thereunder. 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>. There were no substantive opposing views to this proposal.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A: CBOT Rulebook Chapter 11A (blackline format)
Appendix B: Contract Specifications
Appendix C: Fee Schedule
Appendix D: Position Limit, Position Accountability and Reportable Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the CBOT Rule Chapter 5 (attached under separate cover)
Appendix E: CBOT Rule 588.H - Globex Non-Reviewable Trading Ranges
Appendix F: Cash Market Overview and Analysis of Deliverable Supply

Appendix A

CBOT Rulebook

(additions **bold and underlined**; deletions ~~overstruck~~)

CBOT Rulebook

Chapter 11A

Options on Soybean Futures

11A01. OPTIONS CHARACTERISTICS

11A01.A. Contract Months

Trading may be conducted in the nearby Soybean futures options contract month and any succeeding months, provided however, that the Exchange may determine not to list a contract month. For options that are traded in months in which Soybean futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract. For ~~s~~Short ~~d~~Dated ~~e~~Options on ~~n~~New ~~e~~Crop futures, the underlying futures contract is the November futures contract that is nearest to the expiration of the option. **For South American Short-Dated New Crop Soybean Options, the underlying futures contract is the May futures contract that is nearest to the expiration of the option.**

Appendix B

Contract Specifications

Contract Title	<u>South American Short-Dated New Crop Soybean Options Contract</u>	
Contract Unit	One CBOT May Soybean futures contract of 5,000 bushels	
Minimum Price Fluctuation	1/8 of one cent per bushel (\$6.25 per contract)	
Trading and Clearing Hours	CME Globex:	Sunday – Friday, 7:00 p.m. – 7:45 a.m. CT and Monday – Friday, 8:30 a.m. – 1:20 p.m. CT
	Open Outcry:	Monday – Friday, 8:30 a.m. – 1:15 p.m. CT with Post session until 1:20 p.m. CT immediately following the close
	CME ClearPort:	Sunday – Friday, 5:00 p.m. – 4:15 p.m. CT with a 45-minute break each day beginning at 4:15 p.m. CT
Product Code	CME Globex: SRS CME ClearPort: SRS Open Outcry: SRS Clearing: SRS	
Listed Contracts	On the first trading day following the expiration of standard May option, the following 5 contract months will be listed: July (N), September (U), November (X), next January (F), and next March (H). Each of these options will exercise into the May futures contract that is nearest to the expiration of the option. A new listing cycle will begin on the first trading day following the expiration of the next standard May option.	
Termination Of Trading	Unexercised South American Short-Dated Soybean options shall expire at 7:00 p.m. on the last day of trading.	
Exchange Rulebook	CBOT 11A	
Strike Price Interval	Trading shall be conducted for put and call options with strike prices in integral multiples of ten (10) cents per bushel. More details on strike price intervals are outlined in Rule 11A01.E.	
Exercise Style	The buyer of a futures option may exercise the option on any business day prior to expiration by giving notice to the Clearing House by 6:00 p.m. Chicago time. Option exercise results in an underlying futures market position. Options in-the-money on the last day of trading are automatically exercised.	
First Listed Months	January 2016 and March 2016	
Settlement Method	Deliverable	
CME Globex Matching Algorithm	O – 100% Threshold Pro Rata	
Underlying	Soybean Futures	

Appendix C

Fee Schedule

	Account Owner	Execution Type	Platform	Exchange Fee
Individual Member				
	Individual Members	Member Trading Own Account	Open Auction	\$0.09
			Electronic	\$0.14
	Individual Delegates	Delegate Trading Own Account	Open Auction	\$0.24
			Electronic	\$0.29
Equity Members (Individual Equity members, Clearing Firms and Equity Firms)				
	Equity Members ¹	Member or Delegate	Open Auction	\$0.09
			Electronic	\$0.14
	Equity Members ¹	Non Member	Open Auction	\$0.09
			Electronic	\$0.45
	(Exception) Rule 106.S. Family of Funds Equity Member Firms	Member, Delegate or Non Member	Open Auction	\$0.09
			Electronic	\$0.45

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

	Account Owner	Platform	Exchange Fee
Trading Members (Individual Non-Equity Members and Non-Equity Member Firms)			
	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	Open Auction	\$0.20
		Electronic	\$0.75
	Individual Delegates (Other Member or Delegate executing the trade) & Rule 106.I. Affiliate Trading Member Firms	Open Auction	\$0.35
		Electronic	\$0.90
	Rule 106.S. Family of Funds Equity Member Firms	Open Auction	\$0.20
		Electronic	\$0.75
Electronic Corporate Member Firms			
	Electronic Corporate Members	Electronic	\$0.90

Non Members			
	International Incentive Program (IIP) & International Volume Incentive Program (IVIP)	Electronic	\$1.00
	Asian Incentive Program (AIP); Central Bank Incentive Program (CBIP); Emerging Markets Bank Incentive Program (EMBIP); Latin American Fund Manager Incentive Program (FMIP) & Latin American Proprietary Trading Incentive Program (LAPTIP); Latin American Commercial Incentive Program (LACIP)	Electronic	\$1.39
	Non Members	Open Auction	\$0.65
		Electronic	\$1.89

Other CBOT Processing Fees	Rate
Ex-Pit Surcharges (EFP)	\$0.85
Ex-Pit Surcharges (EFR)	\$1.25
Fungibility & Directed Fungibility Surcharge (currently applies to Dow and Ag)	\$0.20
Exchange Fees for Non Trades	\$0.05/\$0.20/\$0.50
Brokerage Fees – with discretion	\$0.00/\$0.15
Brokerage Fees – without discretion	\$0.04/\$0.17
Clearing Fees ²	\$0.06
Position Adjustments /Position Transfers	\$0.10
Exercise/Assignment Surcharge	\$0.05
Future from Exercise and Assignment Surcharge	\$0.05

1 Clearing Fee - Contracts Cleared (including give-ups, OTC, EFPs, EFSs & EFRs, and Blocks)

Appendix D

**Position Limit, Position Accountability and Reportable Level Table and Header Notes
located in the Interpretations and Special Notices Section of
Chapter 5 of the CBOT Rulebook**

(Attached under separate cover)

Appendix E

CBOT Rule 588.H ("Globex Non-Reviewable Trading Ranges")

Instrument	Bid/Ask Reasonability	Non-Reviewable Range (NRR)
South American Short-Dated New Crop Soybean Options	The greater of the delta times the underlying futures' non-reviewable range or 20% of the fair value premium up to the underlying futures' non-reviewable range with a minimum reasonability of \$0.0005	20% of premium up to 1/4 of the underlying futures' non-reviewable range with a minimum of 1 tick

Appendix F

Cash Market Overview and Analysis of Deliverable Supply

Background:

Soybeans are the second largest crop produced in the United States. They are crushed to extract their oil and high protein meal. Soybean meal is primarily used as a feed ingredient for livestock, while soybean oil is primarily used in food processing. USDA estimates the 2013/14 U.S. soybean crop at 3.358 billion bushels, a 10.4 percent increase compared to 2012/13 due to mild Midwestern weather conditions during the summer of 2014.

Soybean Futures Delivery Capacity (Updated Annually):

The following territories are defined for delivery in CBOT Soybean futures:

- A. Chicago and Burns Harbor, Indiana Switching District - The Chicago Switching District will be that area geographically defined by Tariff ICC WTL 8020-Series and that portion of the Illinois Waterway at or above river mile 304 which includes the Calumet Sag Channel and the Chicago Sanitary & Ship Canal. Burns Harbor, Indiana Switching District will be that area geographically defined by the boundaries of Burns Waterway Harbor at Burns Harbor, Indiana which is owned and operated by the Indiana Port commission.
- B. Lockport-Seneca Shipping District - The Lockport-Seneca Shipping District will be that portion of the Illinois Waterway below river mile 304 at the junction of the Calumet Sag Channel and the Chicago Sanitary & Ship Canal and above river mile 244.6 at the Marseilles Lock and Dam.
- C. Ottawa-Chillicothe Shipping District - The Ottawa-Chillicothe Shipping District will be that portion of the Illinois Waterway below river mile 244.6 at the Marseilles Lock and Dam and at or above river mile 170 between Chillicothe and Peoria, IL.
- D. Peoria-Pekin Shipping District - The Peoria-Pekin Shipping District will be that portion of the Illinois Waterway below river mile 170 between Chillicothe and Peoria, IL and at or above river mile 151 at Peokin, IL.
- E. Havana-Grafton Shipping District - The Havana-Grafton Shipping District will be that portion of the Illinois Waterway below river mile 151 at Peokin, IL to river mile 0 at Grafton, IL.
- F. St. Louis-East St. Louis and Alton Switching Districts - The St. Louis-East St. Louis and Alton Switching Districts will be that portion of the upper Mississippi River below river mile 218 at Grafton, IL and above river mile 170 at Jefferson Barracks Bridge in south St. Louis, MO.

Facilities approved for delivery on Soybean futures are limited in the number of shipping certificates that they may issue to an amount not to exceed 20 times their total daily rate of loading barges, or in the case of the Chicago and Burns Harbor delivery territory, their registered storage capacity. As of March 2015, firms regular for delivery on CBOT Soybean futures had approved capacity to issue 17,636 shipping certificates or 88.18 million bushels of soybeans.

Below are the facilities regular for delivery on Soybeans futures in March 2015 along with the maximum number of shipping certificates they may issue, with each shipping certificate equivalent to 5,000 bushels:

Firm	Location	Maximum Certificates Deliverable
Cargill, Inc.	Burns Harbor, IN	1094
Chicago & Illinois River Marketing, LLC	Chicago, IL	2462
Cargill, Inc.	Morris, IL	440
Elburn Cooperative Co.	Morris, IL	220
ADM Grain Company	Morris-E, IL	220
Cargill, Inc.	Seneca, IL	440
ADM Grain Company	Ottawa-N, IL	440
Cargill, Inc.	Ottawa, IL	440
ADM Grain Company	Ottawa-S, IL	220
Maplehurst Farms, Inc.	Ottawa, IL	220
Zen-Noh Grain Corporation	Utica, IL	220
Consolidated Grain and Barge Co.	Utica, IL	220
ADM Grain Company	La Salle, IL	220
Zen-Noh Grain Corporation	Peru, IL	220
Consolidated Grain and Barge Co.	Peru, IL	220
ADM Grain Company	Spring Valley, IL	440
Cargill, Inc.	Spring Valley, IL	440
ADM Grain Company	Hennepin, IL	440
Cargill, Inc.	Hennepin, IL	440
Zen-Noh Grain Corp.	Hennepin, IL	220
Consolidated Grain and Barge Co.	Hennepin, IL	220
ADM Grain Company	Henry, IL	220
ADM Grain Company	Lacon, IL	220
Cargill, Inc.	Lacon, IL	440
ADM Grain Company	Creve Coeur, IL	440
Bunge North America	Ottawa, IL	220
ADM Grain Company	Ottawa, IL	220
Cargill, Inc.	Havana-N, IL	440
Cargill, Inc.	Havana-S, IL	440
ADM Grain Company	Havana-N, IL	220
ADM Grain Company	Havana-S, IL	440
Cargill, Inc.	Beardstown, IL	440
ADM Grain Company	Beardstown, IL	220

Cargill, Inc.	Meredosia, IL	440
ADM Grain Company	Naples, IL	220
Zen-Noh Grain Corp.	Naples, IL	220
Consolidated Grain and Barge Co.	Naples, IL	220
Cargill, Inc.	Florence, IL	440
CHS, Inc.	Beardstown, IL	220
CHS, Inc.	Havana, IL	220
CHS, Inc.	St. Louis, MO	220
ADM Grain Company	St. Louis, MO	880
Cargill, Inc.	E. St. Louis, IL	440
Consolidated Grain & Barge Co.	Cahokia, IL	220
Bunge North America	Fairmont City, IL	440

Soybean Futures Deliverable Supply Procedures and Estimate (Updated Annually):

Each Tuesday the Registrar's Office publishes soybeans meeting deliverable grades that are in-store as of the previous Friday at all regular delivery facilities. The USDA-AMS publishes a weekly Grain Transportation Report (GTR) that covers developments affecting the transport of grain, both in the domestic and international marketplace (<http://www.ams.usda.gov/AMSV1.0/gtr>). This weekly publication reports on the latest volume and price data for barges, railroads, trucks, and ocean vessels involved in the transport of grain. Included in this report is the amount of soybeans shipped through Lock 27¹ on the Mississippi River, which is a measure of soybeans that flow through the Illinois River delivery territory for Soybean futures.

Deliverable supply is estimated as the stocks of grain in regular facilities on the Friday prior to First Notice Day plus the amount to soybeans that pass through Lock 27 on the Mississippi River during the four weeks prior to First Notice Day. Mississippi River Lock 27 soybean movements capture down-bound soybeans that have traveled along the Illinois River and by the Illinois River delivery facilities and the down-bound soybeans that have traveled along the Mississippi River and by the St. Louis, East St. Louis, and Alton delivery territory facilities. This is likely a very conservative estimate of deliverable supply because it does not count the significant amount of soybeans that are likely near the delivery facilities and could easily be placed into delivery position very quickly.

¹ http://marinas.com/view/lock/103_Chain_of_Rocks_Lock_27_Granite_City_IL_United_States

Futures Contract Expiration	Soybean Movement through Lock 27 on the MS River during the 4 Weeks Prior to FND (1M Bushels)	Stocks of Soybeans in Regular Facilities on the Friday prior to FND (1M Bushels)	Total Stocks (1M Bushels)
Jan-14	35.38	6.64	42.02
Jan-13	42.07	2.71	44.78
Jan-12	30.17	8.05	38.22
JAN AVG	35.87	5.80	41.67
Mar-14	13.35	5.31	18.66
Mar-13	12.99	1.45	14.44
Mar-12	19.14	6.10	25.24
MAR AVG	15.16	4.29	19.45
May-14	11.60	3.33	14.93
May-13	5.13	1.47	6.60
May-12	23.04	7.69	30.73
MAY AVG	13.26	4.16	17.42
Jul-14	9.64	2.00	11.64
Jul-13	6.88	1.39	8.27
Jul-12	19.11	6.81	25.92
JUL AVG	11.88	3.40	15.28
Aug-14	6.60	1.74	8.34
Aug-13	9.42	1.36	10.78
Aug-12	25.76	2.42	28.18
AUG AVG	13.93	1.84	15.77
Sep-14	6.96	1.06	8.02
Sep-13	7.06	1.12	8.18
Sep-12	27.59	1.05	28.64
SEP AVG	13.87	1.08	14.95
Nov-14	28.36	4.97	33.33
Nov-13	23.64	5.50	29.14
Nov-12	32.15	4.93	37.08
NOV AVG	28.05	5.13	33.18

AVG ALL DELV MONTHS	18.86	3.67	22.53
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As the table above shows, estimated deliverable supply for all delivery months over the past three calendar years has been 22.53 million bushels or 4,506 contract equivalents. The delivery month with the largest estimated deliverable supply is the January expiration with average delivery stocks of 41.67 million bushels (8,334 contract equivalents) and the delivery month with the smallest estimated deliverable supply is the September expiration with average delivery stocks of 14.95 million bushels (2,990 contract equivalents).

Unfortunately there is no readily available data on soybeans under long-term contracts or agreements that could not be delivered on futures and should not be counted in deliverable supply estimates. To get a sense of the extent soybeans are under long-term agreements and not deliverable, the Exchange reached out to the soybean regular delivery firms ADM, Cargill, Nidera, and CHS. Feedback from these firms indicates generally zero (0) percent of soybeans in their facilities are under long-term agreement and could not be delivered against Soybean futures. One firm indicated generally zero percent under long-term agreement but at the very most five percent during some limited time frames. Given this feedback and the conservative nature of the estimate, the Exchange does not believe soybean stocks under long-term agreements significantly affect deliverable supply.

Twenty-five percent of the average estimated deliverable supply (4,506 contracts) is 1,126 contracts and 25 percent of the smallest estimated monthly deliverable supply (2,990 contracts) is 747 contracts. The spot-month position limit in Soybean futures is 600 contracts.

The expiration of the South American Short-Dated New Crop Soybean Options will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding the corresponding option month and the underlying futures contract is the May futures contract that is nearest to the expiration of the options, which is a deferred contract. Therefore these options expire before the day on which the spot month position limit begins to apply. This significantly reduces the risk of price manipulation in the market for the underlying futures.

Based on the analysis above, we recommend the position limits for the South American Short-Dated New Crop Soybean Options be aggregated with underlying Soybean futures and standard/serial/weekly/calendar spread options for a net long or net short futures-equivalent position and be consistent with the current position limits for Soybean:

Single Month Limit: 15,000; All Month Combined Limit: 15,000. There is no spot month limit as these options expire before spot month limit applies to the underlying futures contracts.

We also recommend the minimum reporting level for the South American Short-Dated New Crop Soybean Options as 150, which is also consistent with current reporting level for Soybean standard/serial/weekly/calendar spread options.