

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 20-441

Organization: Chicago Mercantile Exchange Inc. ("CME")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 10/28/2020 Filing Description: Amendments to the Nikkei Stock Average Futures, Yen Denominated Nikkei Stock Average Futures, and Yen Denominated TOPIX Index Futures Contracts - Basis at Trade Index Close ("BTIC") Transactions Permitted until 3:00 p.m. Japan Time

**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:** Nikkei Stock Average Futures, Yen Denominated Nikkei Stock Average Futures and Yen Denominated TOPIX Index Futures

**Rule Numbers:** CME Chapter 352, 352B and 371

October 28, 2020

**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 40.6(a) Certification. Notification Regarding Amendments to the Nikkei Stock Average Futures, Yen Denominated Nikkei Stock Average Futures, and Yen Denominated TOPIX Index Futures Contracts - Basis at Trade Index Close (“BTIC”) Transactions Permitted until 3:00 p.m. Japan Time. CME Submission No. 20-441**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) amendments to the Nikkei Stock Average Futures, Yen Denominated Nikkei Stock Average Futures, and the Yen Denominated TOPIX Index Futures contracts (the “Contracts”) effective on Sunday, November 22, 2020 for trade date Monday, November 23, 2020, to eliminate the rule entitled “BTIC Orders Prohibited on the Day of Final Settlement Price Determination” of the Contracts (collectively, the “Rule Amendments”).

Contract Title	CME Globex Code	CME ClearPort / Clearing Code	BTIC Code	CME Rulebook Chapter
Nikkei Stock Average Futures	NKD	NK	NKT	352
Yen Denominated Nikkei Stock Average Futures	NIY	N1	NIT	352B
Yen Denominated TOPIX Index Futures	TPY	TPY	TPB	371

The Rule Amendments shall align the Exchange’s current practice that BTIC transactions are permitted until 3:00 p.m. Japan time on the last trade date of the Contracts.

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

**Availability of General Information:** The Exchange will release a Special Executive Report (“SER”) regarding the actions described herein. The SER will also be posted on the CME Group website.

**Daily Publication of Trading Information:** CME will continue to publish contract trading volumes, open interest levels, and price information daily on its website and through quote vendors for the Contracts.

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**Prevention of Market Disruption:** Trading in the Contracts will continue to be subject to the rules of the Exchange, which include prohibitions on manipulation, price distortion, and disruption to the cash settlement process.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the Rule Amendments comply 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](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A - Amendments to CME Chapters 352, 352B and 371 (blackline format)

**Exhibit A**  
**CME Rulebook**

(additions underscored; deletions ~~struck through~~)

**Chapter 352**  
**Nikkei Stock Average Futures**

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**35206. BASIS TRADE AT INDEX CLOSE (“BTIC”)**

Futures shall be eligible for BTIC transactions. All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

**35206.A. Price Assignment Procedure for BTIC Futures**

The futures price of a BTIC transaction shall be determined by the Exchange subsequent to the dissemination of the applicable closing value of the underlying Index.

**35206.B. BTIC Order Minimum Price Increment**

The minimum price increment shall be 0.1 Index point, equal to \$0.5 per contract, for any basis adjustment that is applied to the Index closing level to establish the futures price of a BTIC transaction.

**35206.C. [Reserved] ~~BTIC Orders Prohibited on the Day of Final Settlement Price Determination~~**

~~Except on the day of Final Settlement Price Determination for a contract, Orders for BTIC transactions may be initiated (i) at any time when futures are available for trading on CME Globex and (ii) during the CME Globex pre-open time period for futures.~~

**35206.D. Market Disruption Events**

In the event of disruption to the underlying securities market that precluded a valid calculation of the official closing value of the underlying index, all pending and executed BTIC transactions in futures shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion, and may include, without limitation, an unscheduled early closure for the day of the underlying securities market or a regulatory trading halt necessitating an early closure of the underlying securities market.

**Chapter 352B**  
**Yen Denominated Nikkei Stock Average Futures**

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**352B06 BASIS TRADE AT INDEX CLOSE (“BTIC”)**

Futures shall be eligible for BTIC transactions. All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

**352B06.A. Price Assignment Procedure for BTIC Futures**

The futures price of a BTIC transaction shall be determined by the Exchange subsequent to the dissemination of the applicable closing value of the underlying Index.

**352B06.B. BTIC Order Minimum Price Increment**

The minimum price increment shall be 0.1 Index point, equal to ¥50 per contract, for any basis adjustment that is applied to the Index closing level to establish the futures price of a BTIC transaction.

**352B06.C. [Reserved] ~~BTIC Orders Prohibited on the Day of Final Settlement Price Determination~~**

~~Except on the day of Final Settlement Price Determination for a contract, Orders for BTIC transactions may be initiated (i) at any time when futures are available for trading on CME Globex and (ii) during the CME Globex pre-open time period for futures.~~

**352B06.D. Market Disruption Events**

In the event of disruption to the underlying securities market that precluded a valid calculation of the official closing value of the underlying index, all pending and executed BTIC transactions in futures shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion, and may include, without limitation, an unscheduled early closure for the day of the underlying securities market or a regulatory trading halt necessitating an early closure of the underlying securities market.

**Chapter 371  
Yen Denominated TOPIX Index Futures**

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**37106. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

Futures shall be eligible for BTIC transactions. All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

**37106.A. [Reserved]**

**37106.B. Price Assignment Procedure for BTIC Futures**

The futures price of a BTIC transaction shall be determined by the Exchange no later than 3:45 p.m. Such price determination shall be deemed final.

**37106.C. BTIC Order Minimum Price Increment**

The minimum price increment shall be 0.1 Index points, equal to ¥500 per contract, for any basis adjustment that is applied to the Index closing level to establish the futures price of a BTIC transaction.

**37106.D. ~~[Reserved] BTIC Orders Prohibited on Last Day of Trading~~**

~~Orders for BTIC transactions may be initiated (i) at any time when futures are available for trading on CME Globex and (ii) during the CME Globex pre-open time period for futures.~~

**37106.E. Market Disruption Events**

In the event of disruption to the TSE, all pending and executed BTIC transactions in futures shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion, and may include, without limitation, an unscheduled early closure for the day of the TSE or a regulatory trading halt necessitating an early closure of the TSE.