

Product Submission by ForecastEx LLC – Pursuant to 17 C.F.R. §§ 40.2

December 24, 2024
SUBMITTED VIA CFTC PORTAL
Secretary of the Commission
Office of the Secretariat
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: ForecastEx LLC – CFTC Regulation 40.2(a) Notification Regarding the Initial Listing of “Industrial Production Forecast Contract”

Dear Mr. Kirkpatrick,

Pursuant to Section 5c(c) of the Commodity Exchange Act and Section 40.2(a) of the regulations of the Commodity Futures Trading Commission, ForecastEx LLC (“ForecastEx” or the “Exchange”) hereby notifies the Commission that it is self-certifying the “Industrial Production Forecast Market”. ForecastEx will list a Forecast Market corresponding to each release of Industrial Production by the Federal Reserve.

The submission includes:

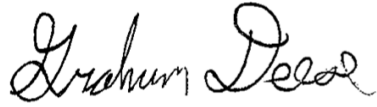
A concise explanation, analysis and background of the Contract;

- Certification;
- Appendix A with the Contract’s Terms and Conditions;
- Confidential Appendices with further information; and
- A request for FOIA confidential treatment.

The Exchange certifies that this submission (other than those appendices for which confidential treatment has been requested) has been concurrently posted on the Exchange’s website.

Any questions regarding this filing, as well as any notices pursuant to Commission Regulation 40.2, should be directed to the attention of the undersigned at gdeese@forecastex.com or 630-743-9013.

Respectfully submitted,

A handwritten signature in black ink that reads "Graham Deese". The signature is written in a cursive style with a large initial 'G' and 'D'.

Graham Deese
ForecastEx Chief Regulatory Officer

Encl. (Appendix A)

cc: David Downey, ForecastEx Chief Executive Officer
Andrew Naughton, ForecastEx Chief Financial Officer

Attachments:

Appendix A - Contract Terms and Conditions

Appendix B (Confidential) – Explanation and Analysis of the Product

Appendix C (Confidential) – Certification that Contracts are not Readily Susceptible to Manipulation

Appendix A – Contract Terms and Conditions

Event Question: Will Year-over-year US Industrial Production exceed [#.#%] in [month] [year]?

Product Code: USIP

Instructions: Industrial Production is published monthly by the Federal Reserve around the 15th. A schedule of release dates is available: [here](#) and the data is released at 8:15 AM CT.

Underlying: The Underlying is year-over-year US Industrial Production as published by the Federal Reserve and can be accessed: [here](#). The most recent report can be found by clicking on the link provided. After clicking on the link, the most recent data can be found in the table labeled “Industrial Production and Capacity Utilization: Summary”. On the left side of the table find “total index” and follow that row all the way to the right with the heading “percent change”. Then, specifically look for the column labelled month, year to month, year to find the year over year change. Links are provided for informational purposes only and the source agency may decide to publish the data at a different location at any time.

Source Agency: Federal Reserve

Minimum Tick: The Minimum Tick size for the referred Contract shall be \$0.01

Listing Cycle: ForecastEx will list eight expirations of Industrial Production at any given time which will go out to a maximum of 24 months. ForecastEx will list the next three calendar month releases. After the third monthly contract, ForecastEx will list the three monthly releases corresponding to the end of each quarter (The March, June, September, and December Industrial Production data releases). Finally, ForecastEx will list the two monthly contracts corresponding with the next June and December releases that follow the third quarterly release.

Thresholds: For each contract expiration, five thresholds will initially be listed and additional thresholds will be listed at ForecastEx’s discretion.

Position Accountability: The position accountability level is 250,000 Forecast Positions in any one Forecast Market.

Last Trading Time: 11:59:59 PM CT on the trading day preceding Resolution Time.

Payout Criteria: The Settlement Value of each Industrial Production Contract is \$1.00 or \$0 depending on the Outcome of the Event Question. If the Outcome of the Event Question is “Yes”, then holders of the “Yes” Position will be entitled to receive the Settlement Value of \$1.00 per contract and holders of the “No” Position will receive \$0.00. If the Outcome of the Event Question is “No”, then holders of the “No” Position will be entitled to receive the Settlement Value of \$1.00 per contract and holders of the “Yes” Position will receive \$0.00.

Resolution Time: 8:15 AM CT when the Federal Reserve publishes Industrial Production.

Changes in Resolution Time: The Resolution Time of a Contract is dependent on the time that the Federal Reserve releases Industrial Production data. There are circumstances where ForecastEx may change the Resolution Time of a Contract.

1. **Delay by Source Agency:** In the event that the release of Industrial Production is delayed by the Federal Reserve, for instance in a government shutdown, ForecastEx will delay the Resolution Time of the Contract until such time as the Federal Reserve releases Industrial Production data. In this case, ForecastEx would release a public notice to its website informing Market Participants that the Resolution of the Contract has been delayed and release a second notice to its website informing Market Participants when the contract ultimately resolves.
2. **Contracts with no currently scheduled release date:** The Federal Reserve generally publishes the release dates for Industrial Production data up through the end of the current calendar year. ForecastEx will list multiple Industrial Production contracts that have Resolution dates beyond the currently published schedule of releases. For these contracts, ForecastEx will approximate the Resolution Time based on the anticipated release schedule from the Federal Reserve. Once the Federal Reserve has published the release schedule, ForecastEx will update the Resolution Times of the contract if necessary and publish a public notice to its website informing Market Participants of the revised Resolution Time.

Expiration Time: Same as Resolution time.

Settlement Time: Settlement for Resolved US Industrial Production Contracts will occur after Resolution Time at 1:00 PM CT that same Business Day in accordance with ForecastEx Rule 603(b)(3).