



RECEIVED
CFTC

MAR 08 2012 10:10

Sean M. Downey
Associate Director and Assistant General Counsel
Legal Department

March 8, 2012

OFFICE OF THE
SECRETARIAT

VIA E-MAIL

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Rule 40.2(a) Certification. Notification Regarding the Listing of Three (3) Petroleum Futures Contracts on CME ClearPort® and the NYMEX Trading Floor NYMEX Submission 12-068

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the listing of three (3) new petroleum swap futures contracts for trading on the NYMEX trading floor and for submission for clearing through CME ClearPort beginning on Sunday, March 11, 2012, for trade date Monday, March 12, 2012.

The contract specifications are as follows:

Contracts	Code	Rule Chapter	Listing Schedule	First Listed Contract	Contract Size	Prices and Fluctuations	Termination of Trading
Mini Gasoline Euro-bob Oxy (Argus) NWE Barges Swap Futures	MEO	1197	36 consecutive months	Apr-12	100 metric tons	Minimum price tick = \$0.001 Final settlement tick = \$0.001 Value per tick = \$0.10	Trading shall cease on the last business day of the contract month
Gasoline 10 ppm (Platts) FOB MED Crack Spread Swap Futures	GKS	1198	36 consecutive months	Apr-12	1,000 barrels	Minimum price tick = \$0.001 Final settlement tick = \$0.001 Value per tick = \$1.00	Trading shall cease on the last business day of the contract month
RBOB Gasoline vs. Euro-bob Oxy (Argus) NWE Barges Swap Futures	XER	1206	24 consecutive months	Apr-12	1,000 barrels	Minimum price tick = \$0.001 Final settlement tick = \$0.001 Value per tick = \$1.00	Trading shall cease on the last business day of the contract month

Mr. David Stawick
Page 2
March 8, 2012

The Exchange will allow the exchange for related position (EFRP) transactions to be submitted through CME ClearPort. EFRP transactions in these contracts will be governed by the provisions of Exchange Rule 538.

Trading and Clearing Hours:

CME ClearPort: Sunday – Friday 6:00 p.m. – 5:15 p.m. (5:00 p.m. – 4:15 p.m. Chicago Time/CT) with a 45-minute break each day beginning at 5:15 p.m. (4:15 p.m. CT).

Open Outcry: Monday – Friday 9:00 a.m. – 2:30 p.m. (8:00 a.m. – 1:30 p.m. CT).

Trading and Clearing Fees:

- RBOB Gasoline vs. Euro-bob Oxy (Argus) NWE Barges Swap futures and Gasoline 10 ppm (Platts) FOB MED Crack Spread Swap Futures

	Member Day	Member	Cross Division	Non-Member	IIP
Pit	n/a	\$0.85	\$1.05	\$1.25	
Globex	n/a	n/a	n/a	n/a	n/a
ClearPort		\$0.85		\$1.25	
Processing Fees					
	Member	Non-Member			
Cash Settlement	\$0.85	\$1.25			
Futures from E/A	n/a	n/a			
Additional Fees and Surcharges					
EFS Surcharge	n/a				
Block Surcharge	n/a				
Facilitation Desk Fee	\$0.20				

- Mini Gasoline Euro-bob Oxy (Argus) NWE Barges Swap Futures

	Member Day	Member	Cross Division	Non-Member	IIP
Pit	n/a	\$0.85	\$1.05	\$1.25	
Globex	n/a	n/a	n/a	n/a	n/a
ClearPort		\$0.85		\$1.25	
Processing Fees					
	Member	Non-Member			
Cash Settlement	\$0.10	\$0.10			
Futures from E/A	n/a	n/a			
Additional Fees and Surcharges					
EFS Surcharge	n/a				
Block Surcharge	n/a				
Facilitation Desk Fee	\$0.20				

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the proposed 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 NYMEX Rulebook in relation to the listing of the new contracts. These terms and conditions establish the all month/any one month accountability levels, expiration month position limit, diminishing balances, reportable level and aggregation allocation for the new contracts.

NYMEX business staff responsible for the new products and the NYMEX legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("Act"). During the review, NYMEX staff identified that the new products may have some bearing on the following Core Principles:

- Prevention of Market Disruption: Trading in these contracts will be subject to the NYMEX 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.
- Contracts not Readily Subject to Manipulation: The new contracts are not readily subject to manipulation due to the deep liquidity and robustness in the underlying cash market, which provides diverse participation and sufficient spot transactions to support the final settlement published by Argus, ICE, and Platts.
- 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 and Chapter 8 of the 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.
- Position Limitations or Accountability: The spot month position limits for the new products are set at conservative levels that are well below the 25% monthly deliverable supply threshold for each of the respective underlying markets. The levels are provided in greater detail in the analysis of deliverable supply section of this submission.
- Availability of General Information: The Exchange will publish information on the contracts' specification on its website, together with daily trading volume, open interest and price information.
- Daily Publication of Trading Information: Trading volume, open interest and price information will be published daily on the Exchange's website and via quote vendors.
- 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 new contracts are dually listed for clearing through the CME ClearPort platform and for open outcry trading on the NYMEX trading floor. The CME ClearPort platform provides a competitive, open and efficient mechanism for novating transactions that are competitively executed by brokers. In addition, the NYMEX trading floor is available as a venue to provide for competitive and open execution of transactions.

Mr. David Stawick
Page 4
March 8, 2012

- 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 these products.
- 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 these products 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.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2, the Exchange hereby certifies that the attached contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal. A description of the cash market for these new products is attached.

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 (312) 930-8167 or Sean.Downey@cmegroup.com.

Sincerely,

/s/Sean M. Downey
Associate Director and Assistant General Counsel

Attachments: Appendix A: Rule Chapters
Appendix B: Chapter 5 Table
Appendix C: Cash Market Overview and Analysis of Deliverable Supply

Chapter 1197

Mini Gasoline Euro-bob Oxy (Argus) NWE Barges Swap Futures

1197100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1197101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the mid-point of the high and low quotations from Argus Media for Gasoline Euro-bob Oxy NWE Barges for each business day that it is determined during the contract month.

1197102. TRADING SPECIFICATIONS

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

1197102.A. Trading Schedule

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

1197102.B. Trading Unit

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

1197102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton.

1197102.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures. Each position in the contract will be deemed equivalent to 0.10 of a Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures contract.

For purposes of position limits and position accountability levels, contracts shall diminish ratably as the contract month progresses toward month end.

In accordance with Rule 559, no person shall own or control positions in excess of 500 (Euro-bob Oxy (Argus) NWE Barges Swap futures) contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 3,500 (Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures) futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 2,500 (Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures) futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1197102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

1197103. 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.

1197104. DISCLAIMER

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

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

Chapter 1198
Gasoline 10 ppm (Platts) FOB MED Crack Spread Swap Futures

1198100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1198101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the mid-point between the high and low quotations from Platts European Marketscan for Premium Unleaded Gasoline (Prem Unl) 10ppm under the heading "Cargoes FOB Med Basis Italy" minus the ICE Brent Crude Oil Futures first nearby contract month settlement price for each business day during the contract month, except as set forth below.

The settlement price of the first nearby contract month for the ICE Brent Crude Oil Futures contract will be used except on the last day of trading for the expiring ICE Brent Crude Oil Futures contract when the settlement price of the second nearby ICE Brent Crude Oil Futures contract will be used.

For purposes of determining the Floating Price, the Platts Gasoline assessment price will be converted each day to U.S. dollars and cents per barrel, rounded to the nearest cent. The conversion factor will be 8.33 barrels per metric ton.

The Floating Price is calculated using the non-common pricing convention. In calculating the spread differential, the monthly average for each component leg of the spread shall be calculated by using all trading days in the month for each component leg of the spread, followed by the calculation of the spread differential between the two averages.

1198102. TRADING SPECIFICATIONS

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

1198102.A. Trading Schedule

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

1198102.B. Trading Unit

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

1198102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel.

1198102.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in Premium Unleaded Gasoline 10 ppm (Platts) FOB MED Swap futures and Brent Crude Oil Penultimate Financial futures. Each position in the contract will be deemed equivalent to 0.12 of a Premium Unleaded Gasoline 10 ppm (Platts) FOB MED Swap futures contract and equivalent to a single position in the Brent Crude Oil Penultimate Financial futures contract.

For purposes of position limits and position accountability levels, contracts shall diminish ratably as the contract month progresses toward month end.

In accordance with Rule 559, no person shall own or control positions in excess of 100 (Premium Unleaded Gasoline 10 ppm (Platts) FOB MED Swap futures)/2,000 (Brent Crude Oil Penultimate Financial futures) contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 1,500 (Premium Unleaded Gasoline 10 ppm (Platts) FOB MED Swap futures)/20,000 (Brent Crude Oil Penultimate Financial futures) futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 1,000 (Premium Unleaded Gasoline 10 ppm (Platts) FOB MED Swap futures)/20,000 (Brent Crude Oil Penultimate Financial futures) futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1198102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

1198103. 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.

1198104. DISCLAIMER

NEITHER NEW YORK MERCANTILE EXCHANGE, INC. ("NYMEX") ITS AFFILIATES NOR PLATTS, A DIVISION OF THE MCGRAW-HILL COMPANIES, INC. ("PLATTS") GUARANTEES THE ACCURACY NOR COMPLETENESS OF THE PLATTS PRICE ASSESSMENT OR ANY OF THE DATA INCLUDED THEREIN.

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

"Platts," is a trademark of The McGraw-Hill Companies, Inc. and has been licensed for use by New York Mercantile Exchange, Inc. Platts does not sponsor, endorse, sell or promote the contract and Platts makes no recommendations concerning the advisability of investing in the contract.

Chapter 1206
RBOB Gasoline vs. Euro-bob Oxy (Argus) NWE Barges Swap Futures

1206100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1206101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the RBOB Gasoline futures first nearby contract month settlement price minus the high and low quotations from Argus Media for Eurobob-Oxy NWE Barges for each business day during the contract month.

For purposes of determining the Floating Price, the Argus Euro-bob Oxy assessment price will be converted each day to U.S. dollars and cents per gallon, using the conversion factor of 8.33 barrels per metric ton, and 42 gallons per barrel.

The Floating Price is calculated using the non-common pricing convention. In calculating the spread differential, the monthly average for each component leg of the spread shall be calculated by using all trading days in the month for each component leg of the spread, followed by the calculation of the spread differential between the two averages.

1206102. TRADING SPECIFICATIONS

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

1206102.A. Trading Schedule

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

1206102.B. Trading Unit

The contract quantity shall be 1,000 barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

1206102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel.

1206102.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in RBOB Gasoline Last Day Financial futures and Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures. Each position in the contract will be deemed equivalent to a single position in the RBOB Gasoline Last Day Financial futures contract and equivalent to 0.12 of a Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures contract.

For purposes of position limits and position accountability levels, contracts shall diminish ratably as the contract month progresses toward month end.

In accordance with Rule 559, no person shall own or control positions in excess of 1,000 (RBOB Gasoline Last Day Financial futures)/500 (Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures) contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 7,000 (RBOB Gasoline Last Day Financial futures)/3,500 (Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures) futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 5,000 (RBOB Gasoline Last Day Financial futures)/2,500 (Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures) futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1206102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

1206103. 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.

1206104. DISCLAIMER

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

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

NYMEX Rulebook Chapter 5 Position Limit Table
(Bold/underline indicates additions)

<u>Contract Name</u>	<u>Rule Chapter</u>	<u>Commodity Code</u>	<u>Diminishing Balances Contracts</u>	<u>All Month Accountability Level</u>	<u>Any One Month Accountability Level</u>	<u>Expiration Month Limit</u>	<u>Reporting Level</u>	<u>Aggregate Into (1)</u>	<u>Aggregate Into (2)</u>
				<u>Rule 560</u>	<u>Rule 560</u>	<u>Rule 559</u>	<u>Rule 561</u>		
<i>Petroleum</i>									
<i>Europe</i>									
<i>Northwest Europe</i>									
<u>Mini Gasoline Euro-bob Oxy (Argus) NWE Barges Swap Futures</u>	<u>1197</u>	<u>MEO</u>	*	<u>3,500</u>	<u>2,500</u>	<u>500</u>	<u>25</u>	<u>7H</u>	
<i>Mediterranean</i>									
<i>Genoa/Lavera</i>									
<u>Gasoline 10 ppm (Platts) FOB MED Crack Spread Swap Futures</u>	<u>1198</u>	<u>GKS</u>	*	<u>1,500/20,000</u>	<u>1,000/20,000</u>	<u>100/2,000</u>	<u>25</u>	<u>3G</u>	<u>BB</u>
<i>Petroleum</i>									
<i>USA</i>									
<i>New York Harbor</i>									
<u>RBOB Gasoline vs. Euro-bob Oxy (Argus) NWE Barges Swap Futures</u>	<u>1206</u>	<u>XER</u>	*	<u>7,000/3,500</u>	<u>5,000/2,500</u>	<u>1,000/500</u>	<u>25</u>	<u>27</u>	<u>7H</u>

CASH MARKET OVERVIEW

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is self-certifying the listing of three petroleum futures contracts for trading on the NYMEX trading floor and for clearing through CME ClearPort.

These new contracts are based on existing NYMEX futures contracts. The Mini Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures contract is based on the Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures contract (chapter 729, commodity code 7H).

The European Gasoline 10 ppm (Platts) FOB MED Crack Spread Swap futures contract is based on the differential between the Premium Unleaded Gasoline 10 ppm (Platts) FOB MED Swap futures (chapter 466, commodity code 3G) and the Brent Crude Oil Penultimate Financial futures (chapter 692, commodity code BB) contracts. The RBOB Gasoline vs. Euro-bob Oxy (Argus) NWE Barges Swap futures contract is based on the differential between the RBOB Gasoline futures (chapter 830, commodity code 27) and the Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures (chapter 729, commodity code 7H) contracts.

PRICE SOURCES

Argus Media ("Argus") is the price reporting service utilized for the final settlement for the new Mini Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures and one leg of the RBOB Gasoline vs. Euro-bob Oxy (Argus) NWE Barges Swap futures contracts. Argus is one of the major pricing services that are used in the over-the-counter ("OTC") market for pricing swap contracts, and the methodology utilized by Argus is well-known in the oil industry. Their pricing methodology¹ is derived from telephone surveys and electronic data collected from multiple market participants to determine market value. CME Group, parent company of NYMEX, ("CME Group") is party to a license agreement with Argus to utilize their pricing data.

Platts, a division of The McGraw-Hill Companies, Inc. ("Platts") is the price reporting service used for the final settlement for one leg of the Gasoline 10 ppm (Platts) FOB MED Crack Spread Swap futures. Platts is one of the major pricing services used in the OTC market for the pricing of swap contracts, and

¹ http://www.argusmedia.com/~media/Files/PDFs/Meth/argus_european_products.ashx

the methodology utilized by Platts is well-known in the oil industry. Their pricing methodology² is derived from telephone surveys and electronic data collected from multiple market participants to determine market value. Platts has a long-standing reputation in the industry for price benchmarks that are fair and not manipulated. NYMEX is a party to license agreements with Platts to utilize their pricing data.

ICE: The Exchange does not have an information sharing agreement with the IntercontinentalExchange ("ICE"). The ICE Brent Crude Oil Futures contract is the source of the settlement price for one leg of the Gasoline 10 ppm (Platts) FOB MED Crack Spread Swap futures contract. The ICE Brent Crude Oil Futures is regulated by the FSA. According to ICE, the average trading activity in the ICE Brent Futures contract represents more than 500,000 contracts traded per day. Based on our discussions with market participants, we believe that there are dozens of active participants in the ICE futures market and that their prices are determined competitively. Since the CFTC has reviewed the FSA regulatory structure and determined it to be comparable to that of the CFTC, the Exchange is assured in placing confidence in the disseminated settlement price for ICE Brent Crude Oil Futures contract.

The cash market overview contains a description of the following markets:

- I. New York Harbor Gasoline Market
- II. European Gasoline Market
- III. Brent Market

I. NEW YORK HARBOR GASOLINE MARKET

The U.S. gasoline market represents a large physical market, with total U.S. refinery capacity to produce 9.0 million to 9.5 million barrels per day of gasoline³. The market participation is diverse and includes many of the same commercial entities that are active in the Gulf Coast and New York Harbor markets. The delivery point for the RBOB Gasoline is New York Harbor.

Each grade of gasoline is categorized according to its octane rating: regular, midgrade, and premium. Regular gasoline has an octane rating of greater than, or equal to, 85 and less than 88;

² <http://www.platts.com/IM.Platts.Content/methodologyreferences/methodologyspecs/europeanoilproductspecs.pdf>

³ http://www.eia.gov/dnav/pet/pet_pnp_wprodrb_dcu_nus_w.htm.

midgrade gasoline, greater than, or equal to, 88 and, less than, or equal to, 90; and premium gasoline, greater than 90. Each of these grades' octane requirements may vary in altitude and also in various regions in the United States.

In addition, there are two main formulations for gasoline: Reformulated gasoline and Conventional gasoline, as required by a complex regulatory network of Federal and State regulations. The U.S. Environmental Protection Agency ("EPA") administers the Clean Air Act ("CAA") requirements, and various State agencies regulate their own specific air rules. Under the CAA, the urban areas with the highest levels of smog pollution are required to use clean-burning "Reformulated Gasoline" with 10% ethanol. These urban areas include the entire Northeastern United States, California, Chicago, Atlanta, and Houston. These areas account for approximately 40% of U.S. gasoline demand. Further, there is a 10% ethanol blending requirement in Reformulated Gasoline, and the ethanol must be segregated from the gasoline at the wholesale level in the pipeline distribution system. In the wholesale market, the gasoline is shipped unfinished except for the 10% addition of ethanol, and is called Reformulated Blendstock for Oxygen Blending (RBOB). The 10% ethanol blending occurs at the last stage of the delivery process when the gasoline is loaded into the tanker truck for retail delivery.

Similarly, for the majority of the U.S., the EPA requires a "Conventional" gasoline, which accounts for 60% of U.S. gasoline demand, in areas that have less smog pollution. There are two types of conventional gasoline: regular gasoline blended with 10% ethanol, and regular gasoline without ethanol (also called "clear" gasoline). In the wholesale market, the ethanol-blended conventional gasoline is shipped unfinished, and is called Conventional Blendstock for Oxygen Blending (CBOB).

In the summertime, there is an additional EPA regulation for "Northern" and "Southern" grades of gasoline, because Southern states have higher temperatures that cause higher levels of smog pollution than in Northern states. Hence, the Northern half of the U.S. has a less-stringent Reid Vapor Pressure (RVP) requirement equivalent to 9.0 pounds per square inch (psi) maximum RVP for gasoline, while the Southern states have a maximum RVP level of 7.8 psi.

The Colonial Pipeline is the main pipeline that connects the Houston refineries to the Eastern U.S. market and serves as the benchmark for physical gasoline and refined products. The Gulf Coast

gasoline is priced at a differential to the NYMEX RBOB Gasoline Futures contract. Further specifications for the Colonial Pipeline are available at the following website:

<http://www.colpipe.com/pdfs/Sect%203%20Prod%20Spec%20June%201%202010%20update.pdf>

The Colonial Pipeline is the world's largest refined petroleum products pipeline system by volume. It consists of a 5,519-mile pipeline system that transports petroleum products mainly from the Gulf Coast region (Petroleum Administration for Defense District III or PADD III): Alabama, Mississippi, Louisiana, and Texas to marketing terminals in the Eastern and Southern U.S.⁴ There are currently 38 different grades of gasoline, including Reformulated Gasoline (RFG) and Conventional gasoline, with different seasonal vapor pressures for each grade.⁵ The batch sizes for product flowing through the pipeline vary from 75,000 to 3,000,000 barrels. The Colonial Pipeline is also connected directly with other pipeline systems in the Gulf Coast which transport petroleum products to the Mid-Continent and PADD II region.

In 2007, the Colonial pipeline delivered over 868 million barrels of fuel which translates to roughly 36.5 billion gallons during the year or approximately 2.4 million barrels per day.⁶ Ownership of the pipeline is comprised of five companies: Koch Capital Investments LLC, Chevron Midstream Investments, ConocoPhillips Pipe Line Company, Shell Pipeline Company LP, and IFM (US) Colonial Pipeline 2.⁷

Consumption, Production, Imports and Exports

Table 1 below reflects the consumption, production, import and export data within the PADD I region which encompasses the U.S. Eastern seaboard, as provided by the EIA. Over the annual period from 2008-2010, gasoline consumption averaged 3.2 million barrels per day, with approximately 39% of PADD I gasoline demand in Reformulated gasoline. Gasoline imports (including gasoline blending components) averaged more than 834,000 barrels per day from 2008-2010, mainly originating from Canada, France and The Netherlands.

⁴ Colonial Pipeline, http://www.colpipe.com/sv_main.asp

⁵ Colonial Pipeline, http://www.colpipe.com/ab_faq.asp

⁶ Colonial Pipeline, http://www.colpipe.com/ab_main.asp

⁷ Colonial Pipeline, http://www.colpipe.com/ab_oc.asp

Over the 2009-2011 period, PADD I refinery production of motor gasoline was 2.6 million barrels per day, which is equivalent to 78 million barrels per month.

Table 1. Key Statistics for Gasoline: United States East Coast (PADD I).⁸

(Thousand Barrels per Day)

Item and Region	2008	2009	2010	Average 2008-2010
Annual Consumption, Finished Motor Gasoline and Motor Gasoline Blend. Comp. PADD I	3,223	3,227	3,230	3,227
Annual Consumption, Reformulated Finished Motor Gasoline	1,289	1,245	1,258	1,264
Share, Reformulated Gasoline of Total Finished Motor Gasoline and Motor Gasoline Blending Components	40.0%	38.6%	38.9%	39.2%
Annual Exports, Finished Motor Gasoline and Motor Gasoline Blending Components	20	6	7	11
Annual Imports, Finished Motor Gasoline and Motor Gasoline Blending Components	933	808	760	834
Item and Region	2009	2010	2011	Average 2009-2011
Weekly Refiner and Blender Net Production, Finished Motor Gasoline	2,330	2,637	2,913	2,627

Inventories

Table 2 below provides monthly EIA data for PADD I inventories for "Total Motor Gasoline". Over the annual period of January 2009 to December 2011, PADD I stocks varied from a high of over 63 million barrels in February 2011 to a low of approximately 50 million barrels in April 2011. According to the most recent EIA data, gasoline inventory levels were at approximately 59 million barrels in December 2011.

⁸ EIA Consumption Data, http://www.eia.gov/dnav/pet/pet_cons_psup_dc_r10_mbbldpd_a.htm (Please note that the header "Product Supplied" is a measure of Consumption and Sales in the particular region)
 EIA Export Data, http://www.eia.gov/dnav/pet/pet_move_exp_dc_R10-Z00_mbbldpd_a.htm
 EIA Import Data, http://www.eia.gov/dnav/pet/pet_move_imp_dc_R10-Z00_mbbldpd_a.htm
 EIA Production Data, http://www.eia.gov/dnav/pet/pet_pnp_wprodrb_dcu_r10_4.htm

Table 2. Gasoline: PADD I Inventories, Total Motor Gasoline.⁹

(Thousand Barrels)

	2009	2010	2011
January	61,943	59,920	60,646
February	56,716	61,561	63,352
March	58,069	56,641	54,966
April	56,545	58,413	50,474
May	55,842	61,339	54,191
June	57,150	59,879	55,146
July	57,511	61,151	54,480
August	55,928	63,140	55,178
September	59,524	55,332	56,390
October	58,115	52,380	52,175
November	60,051	52,859	58,353
December	61,681	52,739	59,106
Total	699,075	695,354	615,621

Cash Market

The estimated trading volume of gasoline in the U.S. cash market is approximately 3 million to 5 million barrels per day. The typical transaction size is 25,000 barrels, with hundreds of separate transactions occurring per day. The volume of spot transactions is more than half of all cash transactions, and the balance of trades are longer-term contracts. There is active trading in forward cash deals on the Colonial Pipeline (which links Houston with the New York Harbor market) and in the New York Harbor cash market. The bid/ask spreads are typically in increments of one-quarter cent, although this can tighten to one-tenth cent spreads when the cash market is active. There are approximately 50 to 60 participants in the Gulf Coast gasoline cash market. The Gulf Coast gasoline cash market is competitively traded. The cash market is actively quoted by dozens of cash brokers.

Over-the-Counter (OTC) Market

There is an active OTC gasoline swaps market, with daily trading volume of approximately 600,000 to 800,000 barrels per day. The typical OTC transaction size consists of 25,000 barrels, with 25 to 30 transactions traded daily in the OTC swaps market. The bid/ask spreads are typically in increments of 10 cents per barrel, which reflects robust liquidity in the OTC market.

⁹ EIA Inventory Data, <http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MGTSTP11&f=M>

Prices

Table 3 below provides the monthly average settlement prices in U.S. dollars and cents per gallon for the NYMEX RBOB Gasoline Futures contract for the period beginning January 2009 through February 2012. Over the annual period of 2009 to February 2012, RBOB gasoline prices varied from a high of over \$3.2679 per gallon in April 2011 to a low of \$1.1505 per gallon in January 2009. According to the most recent data, gasoline prices were at \$3.0097 per gallon in February 2012.

Table 3. Monthly Prices for NYMEX RBOB Gasoline Futures

(U.S. dollars and cents per gallon)

Year	Date	RBOB Gasoline Futures	Year	Date	RBOB Gasoline Futures
2009	Jan	1.1505	2011	Jan	2.4418
	Feb	1.1848		Feb	2.5524
	Mar	1.3886		Mar	2.9972
	Apr	1.4429		Apr	3.2679
	May	1.7361		May	3.0957
	Jun	1.9548		Jun	2.9507
	Jul	1.7979		Jul	3.0992
	Aug	2.0181		Aug	2.8698
	Sep	1.7587		Sep	2.7253
	Oct	1.9035		Oct	2.6812
	Nov	1.976		Nov	2.5834
	Dec	1.9332		Dec	2.5986
2010	Jan	2.0452	2012	Jan	2.7696
	Feb	1.9993		Feb	3.0097
	Mar	2.254			
	Apr	2.3185			
	May	2.1061			
	Jun	2.0806			
	Jul	2.0614			
	Aug	1.9944			
	Sep	1.9447			
	Oct	2.1097			
	Nov	2.1874			
	Dec	2.3581			

II. EUROPEAN GASOLINE MARKET

Description

Motor gasoline¹⁰, is a complex mixture of hydrocarbons that may or may not contain small quantities of hydrocarbons. In blended form, it is used in spark-ignition engines. Motor gasoline consists of conventional gasoline, all types of oxygenated gasoline, and reformulated gasoline. Each grade of gasoline is categorized according to its octane rating: regular, midgrade, and premium. Regular gasoline has an octane rating of greater than, or equal to, 85 and, less than, 88; midgrade gasoline, greater than, or equal to, 88 and, less than, or equal to, 90; and premium gasoline, greater than 90.

The European gasoline market represents a large physical market, and the Amsterdam-Rotterdam-Antwerp (ARA) region is the major European import hub for these transport fuels. The ARA is the largest gasoline market in Europe, with demand of over one million barrels per day. The Mediterranean region is also a major European refining hub with demand reach over 265,000 barrels per day.

The OTC gasoline swaps are liquid derivatives markets. The gasoline market in Europe utilizes the Euro-bob gasoline grade, which is an ethanol-blended grade of gasoline similar to RBOB in the U.S.

Consumption, Production, Imports and Exports

The gasoline market in Northwest Europe, specifically the ARA region, represents the largest hub in Europe for petroleum products, with extensive storage and refining capacity. The ARA market is a vibrant import and supply center for gasoline, with more than one million barrels per day of gasoline supplied by refineries in Belgium, The Netherlands, Germany, and France. The EIA provides gasoline production data for the ARA market in Table 4 below.

According to the EIA data in Table 4 below, for the three-year period of 2007-2009, average annual consumption of gasoline for Belgium, France, Germany and The Netherlands was approximately 821,000 barrels per day. Further, for the same period, the average annual production of gasoline was 1,231,000 barrels per day. Total average annual exports for motor gasoline during the three-year period

¹⁰ <http://www.eia.doe.gov/glossary/index.cfm?id=M>.

of 2007-2009, set at around 721,000 barrels per day, more than doubled the total average annual imports of motor gasoline for the same period, which was approximately 279,000 barrels per day.

The gasoline market in Italy, specifically the MED region, represents a major refining and consumption hub in Europe. The EIA provides gasoline production data for the MED market in Table 4 below. During the 2007 to 2009 period, the total average annual production for motor gasoline was over 450,000 barrels per day supplied by refineries in Italy. This reflects that the MED market is a vibrant supply center for gasoline. The MED market is a regional demand center for European fuel motor gasoline. During the 2007 to 2009 period, the total average annual demand for gasoline in the MED area was more than 265,000 barrels per day.

According to the EIA, during the 2007 to 2009 period, the average annual motor gasoline imports were approximately 5,000 barrels per day while exports were over 200,000 barrels per day.

Table 4. Selected Statistics for Motor Gasoline: Europe¹¹
(Thousand Barrels per Day)

Item and Region	2007	2008	2009	Average 2007- 2009
Consumption, Motor Gasoline				
Belgium	32	34	26	31
France	225	206	199	210
Germany	493	480	473	482
Netherlands	97	100	99	99
Total Consumption	847	820	797	821
Production, Motor Gasoline				
Belgium	117	94	89	100
France	389	387	366	381
Germany	610	587	565	587
Netherlands	162	163	164	163
Total Production	1,278	1,231	1,184	1,231

¹¹ EIA Consumption Data, <http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=62&aid=2&cid=r3.&syid=2007&eyid=2009&unit=TBPD>, EIA Production Data, <http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=62&aid=1&cid=r3.&syid=2007&eyid=2009&unit=TBPD>, EIA Import Data, <http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=62&aid=3&cid=r3.&syid=2007&eyid=2009&unit=TBPD>, EIA Export Data, <http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=62&aid=4&cid=r3.&syid=2007&eyid=2009&unit=TBPD>

Item and Region	2007	2008	2009	Average 2007- 2009
Imports, Motor Gasoline				
Belgium	22	19	6	15
France	12	17	14	14
Germany	41	37	34	37
Netherlands	172	226	236	212
Total Imports	247	299	290	279
Exports, Motor Gasoline				
Belgium	107	86	74	89
France	147	183	148	159
Germany	126	133	126	128
Netherlands	298	358	377	344
Total Exports	678	760	725	721

Item and Region	2007	2008	2009	Average 2007- 2009
Consumption, Motor Gasoline				
Italy	288	263	248	266
Production, Motor Gasoline				
Italy	481	460	434	458
Imports, Motor Gasoline				
Italy	6	4	4	5
Exports, Motor Gasoline				
Italy	219	207	179	202

The EIA data currently provides data through to calendar year 2009. JODI, the Joint Organisations Data Initiative, publishes data for motor gasoline through to calendar year 2011. Selected JODI data for motor gasoline is shown below in Table 5.

According to the JODI data in Table 5 below, for the three-year period of 2009-2011, average annual consumption of gasoline for Belgium, France, Germany and The Netherlands was approximately 774,000 barrels per day. Further, for the same period, the average annual production of gasoline was 1,094,000 barrels per day. Total average annual exports for motor gasoline during the three-year period of 2009-2011, set at around 690,000 barrels per day, more than doubled the total average annual imports of motor gasoline for the same period, which was approximately 303,000 barrels per day.

Based on the JODI data provided in Table 5, the three-year period of 2009-2011, average annual consumption of gasoline for Italy was approximately 256,000 barrels per day. Further, for the same period, the average annual production of gasoline was 426,000 barrels per day. Total average annual exports for motor gasoline during the three-year period of 2009-2011 was at 193,000 barrels per day while total average annual imports of motor gasoline for the same period, was approximately 3,000 barrels per day.

Table 5. Selected Statistics for Motor Gasoline: Europe¹²

Item and Region	2009	2010	2011	Average 2009-2011
Consumption, Motor Gasoline				
Belgium	26	31	27	28
France	200	187	181	189
Germany	469	455	454	459
Netherlands	97	97	98	97
Total Consumption	791	770	760	774
Production, Motor Gasoline				
Belgium	89	83	71	81
France	367	318	305	330
Germany	560	499	502	520
Netherlands	166	174	151	164
Total Production	1,181	1,073	1,028	1,094
Imports, Motor Gasoline				
Belgium	6	8	19	11
France	16	20	15	17
Germany	35	48	43	42
Netherlands	237	218	246	233
Total Imports	293	294	323	303
Exports, Motor Gasoline				
Belgium	74	61	63	66
France	149	134	124	136
Germany	126	113	107	115
Netherlands	379	385	353	372
Total Exports	728	693	648	690

¹² JODI Consumption, Production, Import, and Export Data,
http://www.ioidb.org/wds/ReportFolders/reportFolders.aspx?sCS_referer=&sCS_ChosenLang=en

Item and Region	2009	2010	2011	Average 2009-2011
Consumption, Motor Gasoline				
Italy	269	256	243	256
Production, Motor Gasoline				
Italy	434	438	405	426
Imports, Motor Gasoline				
Italy	4	3	3	3
Exports, Motor Gasoline				
Italy	179	207	194	193

Market Activity

The Northwest European and MED gasoline market is priced in units of dollars per metric ton. The conversion factor is 8.3 barrels per metric ton. According to industry sources, the estimated trading volume of gasoline (converted to barrel equivalents) in the European cash market is approximately 500,000 to 700,000 barrels per day. The typical transaction size is around 35,000 to 40,000 barrels. The volume of spot transactions is typically more than half of all cash transactions. There is active trading in forward cash deals and in the OTC swaps market. The bid/ask spreads are typically in increments of 50 cents per metric ton (or around 0.10 cents per gallon equivalent), which reflects robust liquidity in the cash market.

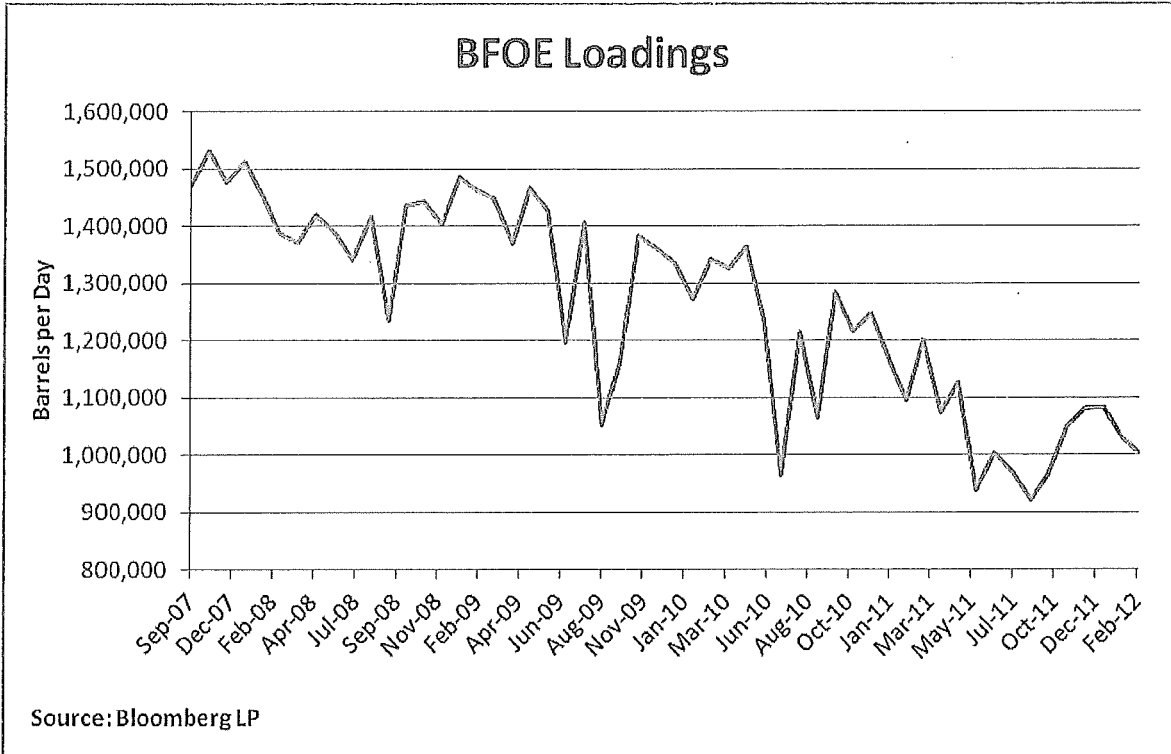
III. BRENT CRUDE OIL MARKET

Production

The Brent market is comprised of four North Sea crude oil grades: Brent, Forties, Oseberg, and Ekofisk ("BFOE" or "Brent"). The standard cargo size in the BFOE market is 600,000 barrels. These four North Sea grades are segregated blends delivered at different locations in the North Sea, and each can be substituted by the seller in the 21-Day BFOE cash market. Bloomberg LP ("Bloomberg") provides details of the loading programs for the four grades that amalgamate the Brent market. According to data

published by Bloomberg¹³, daily crude oil production for these four grades has been declining over the past few years, as shown in Chart 1.

Chart 1: Monthly combined loadings of Brent, Forties, Oseberg, Ekofisk crude grades



According to Bloomberg, for the twelve months ending February 2012, planned production for the four BFOE fields combined averaged 1.02 million barrels per day.

The four BFOE fields lie in the North Sea. Brent and Forties are in the UK sector, whilst Ekofisk and Oseberg are in the Norwegian sector. The EIA publishes data for crude oil production at a country level. The country levels below encompass more than the four BFOE fields. However, they are indicative of the amount of oil production from the region that is traded with reference to the Dated Brent price benchmark. Production data is shown below in Table 6.

¹³ See various news reports at www.bloomberg.com, for example <http://www.bloomberg.com/news/2011-08-10/north-sea-ekofisk-crude-oil-loadings-at-14-cargoes-in-september.html>, although consolidated loading data requires a subscription to access.

Table 6: Crude Oil Production (Barrels per Day)

	2006	2007	2008	2009	2010
Norway	2,786.4	2,564.8	2,463.5	2,350.2	2,133.5
UK	84.6	80.6	80.7	79.4	74.4
UK (Offshore)	1,602.1	1,601.8	1,502.9	1,422.1	1,318.7

Source: Energy Information Administration¹⁴

Prices

Year	Month	ICE Brent Crude Oil Futures (US Dollars and Cents per Barrel)
2009	Jan	45.71
	Feb	43.87
	Mar	47.42
	Apr	51.39
	May	58.59
	Jun	69.27
	Jul	65.75
	Aug	73.06
	Sep	68.15
	Oct	73.93
	Nov	77.58
	Dec	75.21
2010	Jan	77.01
	Feb	74.79
	Mar	79.93
	Apr	85.75
	May	77.00
	Jun	75.66
	Jul	75.36
	Aug	77.12
	Sep	78.42
	Oct	83.54
	Nov	86.16
	Dec	92.25
2011	Jan	96.91
	Feb	104.03
	Mar	114.67
	Apr	123.09
	May	114.52

¹⁴ See: <http://www.eia.gov/cfapps/ipdbproject/IEDIndex3.cfm?tid=5&pid=53&aid=1>

	Jun	113.90
	Jul	116.75
	Aug	109.93
	Sep	109.91
	Oct	108.79
	Nov	110.49
	Dec	107.72
2012	Jan	111.45
	Feb	119.06

Market Participants

Brent crude oil has active over-the-counter ("OTC") physical and paper markets. The liquidity in the cash and OTC swaps market is robust. The OTC market participation is deep and diverse, and includes both cash market and OTC market players. The Brent cash and OTC market participants include many commercial companies, refiners, end users, brokers and financial institutions with over 50 participants.

ANALYSIS OF DELIVERABLE SUPPLY

In its analysis of deliverable supply, the Exchange concentrated on data for New York Harbor (PADD I) refinery production for gasoline, which is the main production and trading center for the North East. The Exchange also focused on data for the ARA region in Europe, which is a vibrant production and import hub up the area.

At this time, the Exchange is not including stocks data in its analysis of deliverable supply. Stocks data tend to vary and, at least upon launch of products, we would rather not condition recommended position limits based on stock data. Further, the Exchange has determined not to adjust the deliverable supply estimate based on the spot availability of the gasoline because spot market liquidity is not restrictive and tends to vary depending on the market fundamentals of demand and supply. The typical term agreement in the cash market allows flexibility for re-trading of the contracted quantity in the spot market, so the term agreements do not restrict the potential deliverable supply. Also, the spot trading is not restricted in that it could increase if the market demand increases. Therefore, we believe that it is not necessary to adjust the deliverable supply estimate on the basis of the spot trading, because this does not restrict the deliverable supply, and spot trading volume can expand to allow for more supply to flow if needed in the spot market.

RBOB Gasoline vs. Euro-bob Oxy (Argus) NWE Barges Swap Futures

With regards to the RBOB gasoline leg of the spread contract, the Exchange has set the position limit at 1,000 contracts, with aggregation into the underlying swap futures contract. Based on the refinery production data for PADD I, we have estimated the total gasoline supply in the New York Harbor region during the 2009-2011 period was approximately 2.6 million barrels per day, which is equivalent to 78 million barrels per month or 78,000 contract equivalents (contract size: 1,000 barrels). Thus, the spot month position limit of 1,000 contract units, which is equivalent to one million barrels, is approximately 1.3% of the 78,000 contract equivalents of monthly supply.

With regards to the Euro-bob Oxy NWE Barges leg of the spread, the Exchange has set the position limit at 500 contracts of 1,000 barrel contract size, equivalent to 500,000 thousand barrels, with aggregation into the underlying swap futures contract. Based on the refinery production data provided by

JODI in the ARA region (encompassing Belgium, France, Germany and The Netherlands), we have estimated the total gasoline supply in the ARA region during the 2009-2011 period was approximately 1.1 million barrels per day, or 33 million barrels per month, which is equivalent to 33,000 contract equivalents (contract size: 1,000 barrels). Thus, the spot month position limit of 500 contract units, which is equivalent to 500,000 barrels, is approximately 1.5% of the 33,000 contract equivalents of monthly supply.

Mini Gasoline Euro-bob Oxy (Argus) NWE Barges Swap Futures

The Exchange has set the position limit at 500 lots of the larger size contract, into which this mini contract aggregates. The spot month position limit for the new mini contract will have the same spot position limit as, and aggregate into, the Exchange's existing Gasoline Euro-bob Oxy (Argus) NWE Barges Swap futures contract. Based on the JODI refinery production data in the ARA region (encompassing Belgium, France, Germany and The Netherlands), we have estimated the total gasoline supply in the ARA region during the period 2009-2011 was approximately 1.1 million barrels per day, or 33 million barrels per month, which is equivalent to 4 million metric tons (contract size for the underlying contract is 10 x 100 or 1,000 metric tons). This is equivalent to 4,000 contract equivalents for the underlying contract size of 1,000 metric tons. Thus, the spot month position limit of 500 contract units, which is equivalent to 4.2 million barrels, is approximately 12% of the 4,000 contract equivalents of monthly supply.

Gasoline 10 ppm (Platts) FOB MED Crack Spread Swap Futures

With regard to the Gasoline 10 ppm FOB MED leg of the spread, the Exchange has set the position limit at 100 contracts, which will aggregate into the underlying contract, which is equivalent to 100,000 metric tons. Based on the refinery production data provided by the JODI (Table 5 above), the total motor gasoline production in the MED market was approximately 425,000 barrels per day, which is equivalent to 51,000 metric tons per day, or 1.5 million metric tons per month. This is equal to 1,500 contract equivalents for the underlying contract size of 1,000 metric tons. Thus, the existing spot month position limits of 100 contract units for the underlying European Premium Unleaded Gasoline 10 ppm

(Platts) FOB MED Swap Futures contract of 1,000 metric ton size is approximately 7% of the 1,500 contract equivalents of monthly supply.

With regard to the Brent Crude Oil market representing the second leg of the spread contract, in its analysis of deliverable supply, the Exchange concentrated on production data for Brent-related (BFOE) crude oil. To be conservative, the Exchange has set the position limits at 2,000 contracts, with aggregation into the Exchange's existing underlying Brent Crude Oil Penultimate Financial futures contract. The production of Brent crude oil is approximately 1.02 million barrels per day, which is equivalent to 30 million barrels per month or 30,000 contract equivalents (contract size: 1,000 barrels). Thus, the spot month position limits of 1,000 contract units, which is equivalent to one million barrels, is less than 7% of the 30,000 contract equivalents of monthly supply.