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April 8, 2011

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 Certification. New York Mercantile Exchange, Inc. Submission # 11-120:
Notification Regarding the Listing of Six (6) Petroleum Futures Contracts for
Trading on the NYMEX Trading Floor and for Clearing through CME ClearPort**

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the listing of six (6) Euro-denominated, financially settled, petroleum futures contracts for trading on the NYMEX trading floor and for submission for clearing through CME ClearPort beginning at 6:00 p.m. on Sunday, April 17, 2011, for trade date Monday, April 18, 2011.

The specifications for the six Euro-denominated petroleum futures contracts are provided below for your convenience.

<u>Contract Title</u>	<u>Commodity Code</u>	<u>Rule Chapter</u>	<u>First Listed Month</u>	<u>Listing Period</u>
ICE Brent (Euro-Denominated) Calendar Swap Futures	IBE	1055	May 2011	Current year and next 8 consecutive calendar years.
ICE Gasoil (Euro-Denominated) Swap Futures	IGE	1056	May 2011	Current year and next 2 consecutive calendar years.
Mini 3.5% Fuel Oil (Platts) Barges FOB Rdam (Euro-Denominated) Swap Futures	MFT	1057	May 2011	Current year and next 4 consecutive calendar years.
Mini 1% Fuel Oil (Platts) Cargoes FOB NWE (Euro-Denominated) Swap Futures	MFE	1061	May 2011	Current year and next 4 consecutive calendar years.
Mini ULSD 10ppm (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures	MUL	1059	May 2011	36 consecutive months
Mini Gasoil 0.1 (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures	MGG	1060	May 2011	36 consecutive months

- **Contract Size:**
 IBE = 1,000 Barrels
 IGE = 1,000 Metric Tons
 MFT, MFE, MUL, MGG = 100 Metric Tons
- **Termination of Trading:** Trading shall cease on the last business day of the contract month.
- **Minimum Price Tick:** € 0.001
- **Value per Tick:**
 IBE, IGE = € 1.00
 MFT, MFE, MUL, and MGG = € 0.10
- **Final Settlement Price:** Minimum Settlement Tick = €0.001
- **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:**

Contract	CME ClearPort Rates		NY Trading Floor Rates		Cash Settlement Fee	
	Member	Non-Member	Member	Non-Member	Member	Non-Member
Mini 3.5% Fuel Oil (Platts) Barges FOB Rdam (Euro-Denominated) Swap Futures	Member	\$0.85	Member	\$0.85	Member	\$0.10
	Non-Member	\$1.35	Non-Member	\$1.35	Non-Member	\$0.10
			Blended Floor	\$1.10		
Mini 1% Fuel Oil (Platts) Cargoes FOB NEW (Euro-Denominated) Swap Futures	Member	\$0.85	Member	\$0.85	Member	\$0.10
	Non-Member	\$1.35	Non-Member	\$1.35	Non-Member	\$0.10
			Blended Floor	\$1.10		
Mini ULSD 10ppm (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures	Member	\$0.85	Member	\$0.85	Member	\$0.10
	Non-Member	\$1.35	Non-Member	\$1.35	Non-Member	\$0.10
			Blended Floor	\$1.10		
Mini Gasoil 0.1 (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures	Member	\$0.85	Member	\$0.85	Member	\$0.10
	Non-Member	\$1.35	Non-Member	\$1.35	Non-Member	\$0.10
			Blended Floor	\$1.10		
ICE Brent (Euro-Denominated) Calendar Swap Futures	Member	\$0.85	Member	\$0.85	Member	\$0.10
	Non-Member	\$1.35	Non-Member	\$1.35	Non-Member	\$0.10
			Blended Floor	\$1.10		
ICE Gasoil (Euro-Denominated) Swap Futures	Member	\$7.00	Member	\$7.00	Member	\$0.10
	Non-Member	\$9.00	Non-Member	\$9.00	Non-Member	\$0.10
			Blended Floor	\$8.00		

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

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rules 40.2 and 40.6, 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. This submission will be made effective on trade date April 18, 2011.

Should you have any questions concerning the above, please contact Daniel Brusstar at (212) 299-2604 or the undersigned at (212) 299-2207.

Sincerely,

/s/Felix Khalatnikov
Dir & Assoc General Counsel

Attachments: Contract terms and conditions
Cash Market Overview and Analysis of Deliverable Supply

Chapter 1055

ICE Brent (Euro-Denominated) Calendar Swap Futures

1055.01. SCOPE

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.

1055.02. FLOATING PRICE

(A) The Floating Price for each contract month is equal to the arithmetic average of the Brent Crude Oil (ICE) Futures 1st nearby contract settlement prices, except as set forth in Section (B) below, for each business day that it is determined during the contract month. The Floating Price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate.

(B) The settlement price of the 1st nearby contract month will be used except on the last day of trading for the expiring Brent Crude Oil (ICE) Futures contract when the settlement price of the 2nd nearby Brent Crude Oil (ICE) Futures contract will be used.

1055.03. CONTRACT QUANTITY AND VALUE

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.

1055.04. CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

1055.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in Euros and Euro cents per barrel. The minimum price fluctuation shall be €0.001 per barrel. There shall be no maximum price fluctuation.

1055.06. TERMINATION OF TRADING

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

1055.07. FINAL SETTLEMENT

Delivery 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.

The final settlement price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate. In the event where the ECB does not publish a reference rate for a relevant day, the first preceding published reference rate shall be used.

1055.08. EXCHANGE FOR RELATED POSITION

Any Exchange for Related Position (EFRP) transaction shall be governed by the provisions of Exchange Rule 538.

1055.09. DISCLAIMER

NYMEX AND ITS AFFILIATES MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE BRENT CRUDE OIL (ICE) FUTURES 1ST OR 2ND NEARBY CONTRACT SETTLEMENT PRICES, TRADING BASED ON THE BRENT CRUDE OIL (ICE) FUTURES 1ST OR 2ND NEARBY CONTRACT SETTLEMENT PRICES, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX AND ITS AFFILIATES 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 BRENT CRUDE OIL (ICE) FUTURES 1ST OR 2ND NEARBY CONTRACT SETTLEMENT PRICES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX OR ITS AFFILIATES 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 1056
ICE Gasoil (Euro-Denominated) Swap Futures

1056.01. SCOPE

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.

1056.02. FLOATING PRICE

The Floating Price for each contract month is equal to the arithmetic average of the ICE Gasoil first nearby contract month settlement price for each business day that it is determined during the contract month, except as noted in (B) below. The Floating Price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate.

(B) The settlement prices of the 1st nearby contract month will be used except on the last day of trading for the expiring ICE Gasoil Futures contracts when the settlement prices of the 2nd nearby ICE Gasoil Futures contracts will be used.

1056.03. CONTRACT QUANTITY AND VALUE

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

1056.04. CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

1056.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in Euros and Euro cents per metric ton. The minimum price fluctuation shall be €0.001 per metric ton. There shall be no maximum price fluctuation.

1056.06. TERMINATION OF TRADING

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

1056.07. FINAL SETTLEMENT

Delivery 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.

The final settlement price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate. In the event where the ECB does not publish a reference rate for a relevant day, the first preceding published reference rate shall be used.

1056.08. EXCHANGE FOR RELATED POSITION

Any Exchange for Related Position (EFRP) transaction shall be governed by the provisions of Exchange Rule 538.

1056.09. DISCLAIMER

NYMEX AND ITS AFFILIATES MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE ICE GASOIL FIRST OR SECOND NEARBY CONTRACT MONTH SETTLEMENT PRICES, TRADING BASED ON THE ICE GASOIL FIRST OR SECOND NEARBY CONTRACT MONTH SETTLEMENT PRICES, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX AND ITS AFFILIATES 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 ICE GASOIL FIRST OR SECOND NEARBY CONTRACT MONTH SETTLEMENT PRICES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX OR ITS AFFILIATES 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 1057

Mini 3.5% Fuel Oil (Platts) Barges FOB Rdam (Euro-Denominated) Swap Futures

1057.01. SCOPE

The provisions of these Rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

1057.02. FLOATING PRICE

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from Platts European Marketscan for 3.5% Fuel Oil under the heading "Barges FOB Rotterdam" assessment for each business day that it is determined during the contract month. The Floating Price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate.

1057.03. CONTRACT QUANTITY AND VALUE

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

1057.04. CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

1057.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in Euros and Euro cents per metric ton. The minimum price fluctuation shall be €0.001 per metric ton. There shall be no maximum price fluctuation.

1057.06. TERMINATION OF TRADING

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

1057.07. FINAL SETTLEMENT

Delivery 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.

The final settlement price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate. In the event where the ECB does not publish a reference rate for a relevant day, the first preceding published reference rate shall be used.

1057.08. EXCHANGE OF FUTURES FOR RELATED POSITION TRANSACTIONS

Any Exchange of Futures for Related Position (EFRP) transactions shall be governed by the provisions of Rule 538.

1057.09. DISCLAIMER

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Chapter 1059
Mini ULSD 10ppm (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated)
Swap Futures

1059.01. SCOPE

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.

1059.02. FLOATING PRICE

The Floating Price for each contract month is equal to the arithmetic average of the mid-point between the high and low quotations from the Platts European Marketscan for ULSD10ppm under the heading "Cargoes CIF NWE Basis ARA" minus the first line ICE Gasoil Futures settlement price for each business day during the contract month (using Non-common pricing), except as noted in (A) below. The Floating Price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate.

(A) The settlement prices of the 1st nearby ICE Gasoil Futures contract month will be used except on the last day of trading for the expiring ICE Gasoil Futures contract when the settlement prices of the 2nd nearby ICE Gasoil Futures contract will be used.

1059.03. CONTRACT QUANTITY AND VALUE

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

1059.04. CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

1059.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in Euros and Euro cents per metric ton. The minimum price fluctuation shall be €0.001 per metric ton. There shall be no maximum price fluctuation.

1059.06. TERMINATION OF TRADING

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

1059.07. FINAL SETTLEMENT

Delivery 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.

The final settlement price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate. In the event where the ECB does not publish a reference rate for a relevant day, the first preceding published reference rate shall be used.

1059.08. EXCHANGE FOR RELATED POSITION

Any Exchange for Related Position (EFRP) transaction shall be governed by the provisions of Exchange Rule 538.

1059.09. DISCLAIMER

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Chapter 1060
Mini Gasoil 0.1 (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated)
Swap Futures

1060.01. SCOPE

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.

1060.02. FLOATING PRICE

The Floating Price for each contract month is equal to the arithmetic average of the mid-point between the high and low quotations from the Platts European Marketscan for Gasoil 0.1% under the heading "Cargoes CIF NWE Basis ARA" minus the first line ICE Gasoil Futures settlement price for each business day during the contract month (using Non-common pricing), except as noted in (A) below. The Floating Price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate.

(A) The settlement prices of the 1st nearby ICE Gasoil Futures contract month will be used except on the last day of trading for the expiring ICE Gasoil Futures contract when the settlement prices of the 2nd ICE Gasoil Futures nearby contract will be used.

1060.03. CONTRACT QUANTITY AND VALUE

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

1060.04. CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

1060.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in Euros and Euro cents per metric ton. The minimum price fluctuation shall be €0.001 per metric ton. There shall be no maximum price fluctuation.

1060.06. TERMINATION OF TRADING

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

1060.07. FINAL SETTLEMENT

Delivery 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.

The final settlement price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate. In the event where the ECB does not publish a reference rate for a relevant day, the first preceding published reference rate shall be used.

1060.08. EXCHANGE FOR RELATED POSITION

Any Exchange for Related Position (EFRP) transaction shall be governed by the provisions of Exchange Rule 538.

1060.09. DISCLAIMER

NYMEX AND ITS AFFILIATES MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE ICE GASOIL FIRST OR SECOND NEARBY CONTRACT MONTH SETTLEMENT PRICES, TRADING BASED ON THE ICE GASOIL FIRST OR SECOND NEARBY CONTRACT MONTH SETTLEMENT PRICES, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX AND ITS AFFILIATES 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 ICE GASOIL FIRST OR SECOND NEARBY CONTRACT MONTH SETTLEMENT PRICES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX OR ITS AFFILIATES HAVE ANY LIABILITY FOR ANY LOST

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Chapter 1061

Mini 1% Fuel Oil (Platts) Cargoes FOB NWE (Euro-Denominated) Swap Futures

1061.01. SCOPE

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.

1061.02. FLOATING PRICE

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from Platts European MarketScan for 1% Fuel Oil under the heading "Cargoes FOB NWE" assessment for each business day that it is determined during the contract month. The Floating Price shall be converted into Euros and Euro cents using the arithmetic average of the daily European Central Bank Euro/US Dollar foreign exchange reference rate.

1061.03. CONTRACT QUANTITY AND VALUE

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

1061.04. CONTRACT MONTHS

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1061.06. TERMINATION OF TRADING

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CASH MARKET OVERVIEW

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2. ICE Gasoil (Euro-Denominated) Swap Futures
3. Mini 3.5% Fuel Oil (Platts) Barges FOB Rdam (Euro-Denominated) Swap Futures
4. Mini 1% Fuel Oil (Platts) Cargoes FOB NWE (Euro-Denominated) Swap Futures
5. Mini ULSD 10ppm (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures
6. Mini Gasoil 0.1 (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures

These new outright and spread futures contracts are based on existing NYMEX futures contracts and will be converted from Dollar-denominated pricing into Euro-denominated units. The ICE Brent (Euro-Denominated) Calendar Swap Futures contract is based on the Brent (ICE) Calendar Swap Futures, and the ICE Gasoil (Euro-Denominated) Swap Futures contract is based on the European Gasoil (ICE) Swap Futures contract. The Mini 3.5% Fuel Oil (Platts) Barges FOB Rdam (Euro-Denominated) Swap Futures contract is based on Mini European 3.5% Fuel Oil (Platts) Barges FOB Rdam Swap Futures contract, and the Mini 1% Fuel Oil (Platts) Cargoes FOB NWE (Euro-Denominated) Swap Futures contract is based on the Mini European 1% Fuel Oil (Platts) Cargoes FOB NWE Swap Futures contract.

Further, the Mini ULSD 10ppm (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures contract is based on the differential between the Mini ULSD 10ppm (Platts) Cargoes CIF NWE Swap Futures and the ICE Gasoil (Euro-Denominated) Swap Futures contracts. The Mini Gasoil 0.1 (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures contract is based on the differential between the Mini Gasoil 0.1 (Platts) Cargoes CIF NWE Swap Futures and the ICE Gasoil (Euro-Denominated) Swap Futures contracts.

PRICE SOURCES

Platts, a division of The McGraw-Hill Companies, Inc. ("Platts") is the price reporting service used for the final settlement of one leg for each of four new petroleum futures contracts. Platts is one of the major pricing services used in the over-the-counter (OTC) market for the pricing of swap contracts, and

the methodology utilized by Platts 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. 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 Gasoil Oil Futures contract is the source of the settlement prices for one outright contract and one leg of the following two new contracts: ICE Gasoil (Euro-Denominated) Swap Futures, Mini ULSD 10ppm (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures and the Mini Gasoil 0.1 (Platts) Cargoes CIF NWE vs. ICE Gasoil (Euro-Denominated) Swap Futures. The ICE Gasoil Futures contract is regulated by the U.K. Financial Services Authority ("FSA"). The ICE Brent Crude Oil Futures contract is the source of the settlement price for the ICE Brent (Euro-Denominated) Calendar Swap Futures. 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 380,000 contracts traded per day, and the ICE Gasoil Futures contract has average volume of 200,000 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 and ICE Gasoil Futures contracts.

Exchange Rate Source:

European Central Bank: The Exchange does not have an information sharing agreement with the European Central Bank (ECB). In the over-the-counter ("OTC") market, the ECB Euro/US Dollar Foreign Exchange Reference Rate is the standard exchange rate source that will be utilized for settling the various Euro-denominated swap futures contracts. The Exchange will utilize a price methodology that is also used in the OTC market, in which the daily product price (expressed in Dollars per barrel or metric ton) is converted into Euros per barrel or metric ton using the daily ECB Euro/US Dollar foreign exchange rate.

¹ <http://www.platts.com/IM.Platts.Content/methodologyreferences/methodologyspecs/europeanoilproductspecs.pdf>.

Table 1, below, reflects the monthly average Euro/U.S. dollar reference rate in U.S. dollars per Euro from the European Central Bank. Over the annual period of January 2008 to April 2011, rates varied from a high of \$1.576970 in July 2008 to a low of \$1.220850 in June 2010. According to the most recent data provided by the European Central Bank, the monthly average rate was at \$1.399917 for the month of March 2011.

Table 1: Selected Statistics for European Central Bank (ECB): Euro/U.S. Dollar Reference Rate²

ECB Euro/US Dollar Foreign Exchange Reference Rate				
Month	2008	2009	2010	2011
Jan	1.471791	1.323867	1.427210	1.335967
Feb	1.474838	1.278470	1.368570	1.364895
Mar	1.552653	1.304982	1.356852	1.399917
Apr	1.575050	1.319030	1.340570	
May	1.555700	1.365045	1.256533	
Jun	1.555276	1.401645	1.220850	
Jul	1.576970	1.408770	1.277000	
Aug	1.497538	1.426800	1.289418	
Sep	1.436950	1.456164	1.306700	
Oct	1.332209	1.481636	1.389781	
Nov	1.273215	1.491448	1.366095	
Dec	1.344943	1.461359	1.322013	

Based on our discussions with market participants, there are dozens of active participants that utilize ECB's reference rates as there is growing liquidity in the OTC market for Euro-denominated swaps for Brent, gasoil, and fuel oil markets.

MARKET OVERVIEW

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

- I. Brent Crude Oil Market
- II. European Gasoil Market
- III. European Fuel Oil Market

² <http://www.ecb.int/stats/exchange/eurofxref/html/index.en.html>

I. 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. According to Consilience Energy Advisory Group, an oil industry consulting firm based in London, the BFOE accounts for daily crude oil production of over 1.5 million 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.

Cash Market

The underlying Brent crude oil cash market is actively traded by dozens of commercial companies. The Brent spot market is known as Dated Brent, which refers to delivery of any of the BFOE grades within 7 to 21 days forward. The Dated Brent spot market assessment is used to price many grades of physical crude oil in the North Sea, Russia, and West Africa. There are hundreds of commercial and non-commercial participants actively trading in the Brent crude oil market, both in the underlying cash market and futures markets. There is an established futures market, under the regulation of the FSA, in Brent Crude Oil at ICE Futures Europe. The average daily trading volume through November 2007 for the Brent Crude Oil futures, listed on ICE Futures Europe, is approximately 240,000 contracts traded (each contract is 1,000 barrels in size). Further, the NYMEX Brent Crude Oil Last Day Futures contract is currently trading on the CME Globex[®] platform under CFTC regulatory authority and utilizes the settlement price of Brent Crude Oil futures listed on ICE Futures Europe.

Prices

Table 2, below, reflects the final settlement prices provided by the ICE in U.S. dollars and cents per barrel for the ICE Brent Crude Oil Calendar Swap Futures contract. Over the annual period from January 2008 to March 2011, ICE Brent Crude Oil prices varied from a high of \$134.56 in July 2008 to a low of \$43.05 in December 2008. According to the most recent data provided by the ICE, the monthly average price for Brent Crude Oil was at \$114.67 for the month of March 2011.

Table 2: Selected Statistics for ICE Brent Crude Oil: Prices³

ICE Brent Crude Oil				
Month	2008	2009	2010	2011
Jan	91.91	45.71	77.01	96.91
Feb	94.66	43.87	74.79	104.03
Mar	102.87	47.42	79.93	114.67
Apr	110.43	51.39	85.75	
May	124.68	58.59	77.00	
Jun	133.74	69.27	75.66	
Jul	134.56	65.75	75.36	
Aug	115.24	73.06	77.12	
Sep	100.79	68.15	78.42	
Oct	73.68	73.93	83.54	
Nov	54.75	77.58	86.16	
Dec	43.05	75.21	92.25	

OTC Brent Financial Market

Further, BFOE has active OTC physical and paper markets. The liquidity in the OTC Brent swaps market is robust, with an estimated average daily trading volume of 10 million to 20 million barrels. There are several OTC brokerage firms that are active in the Brent swaps markets, including PVM, Tullet Prebon, TFS, ICAP, Man Financial, Ginga Petroleum, and GFI Group. As discussed above, the OTC market participation is deep and diverse, and includes both cash market and OTC market players. The Brent cash market and OTC market participants include 50 to 70 commercial companies. A partial list of participants is as follows:

<u>Refiners</u>	<u>Traders/End Users</u>	<u>Brokers</u>	<u>Financial (Swaps)</u>
ConocoPhillips	Hess Energy Trading	GFI Starsupply	
Statoil	Vitol	PVM	Deutsche Bank
Shell	Glencore	Man Financial	Barclays
ExxonMobil	Total	ICAP	BankAmerica
BP	Northville	Aspen Oil	
Total	Cargill	Tullet Prebon	
AGIP (Italy)	Morgan Stanley	TFS	
Repsol	Goldman Sachs		
CEPSA	RWE Trading		
Chevron	Mabanaft		
OMV	Phibro		
Lukoil (Russia)	Arcadia		
	Mercuria		

³ ICE Brent Crude Oil Prices, Intercontinental Exchange, Inc.

II. EUROPEAN GASOIL MARKET

Description

Gasoil is incorporated into the “middle distillate” fuel segment which encompasses gasoil (also known as heating oil), Ultra-low sulfur diesel (ULSD) and jet fuel. Gasoil is used mainly for space heating and electric power generation, and ULSD is used as a diesel fuel for the transportation sector. The main trading hub for the European gasoil market is the Amsterdam-Rotterdam-Antwerp (ARA) region, where extensive storage capacity and refining infrastructure exists. The ARA market is a vibrant import and supply center for petroleum products, and encompasses the geographic area of The Netherlands, Germany, and France. The U.S. Department of Energy’s Energy Information Agency (“EIA”) compiles demand and supply data on the European market from the International Energy Agency under the *International Energy Annual* publication, as detailed below.

Consumption, Production, Imports and Exports

The EIA provides key data on consumption, refinery production, imports, and exports for the “middle distillate fuel oil” segment, which includes gasoil, ULSD, and jet fuel. According to the EIA data in Table 3, below, the total average annual consumption of middle distillate fuel for 2007 through 2009 was approximately 2,294,000 barrels per day, while average annual refinery production was 2,161,000 barrels per day for the same period. Total average imports for 2007, 2008 and 2009 were at 841,000 barrels per day, which was higher than total average exports of 758,000 barrels per day for the same period.

Table 3. Selected Statistics for Middle Distillate Fuel Oil: Europe

(Thousand Barrels per Day)

Item and Region	2007	2008	2009	Average 2007-2009
Consumption, Middle Distillate Fuel Oil ⁴				
France	981	991	972	981
Germany	997	1,134	1,059	1,117
Netherlands	193	193	197	196
Total Consumption	2,171	2,318	2,229	2,294

⁴ EIA Consumption Data, <http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=65&aid=2&cid=r3.&syid=2007&eyid=2009&unit=TBDP>

Table 4. Selected Statistics for Middle Distillate Fuel Oil: Prices

ICE Gasoil Futures				
Month	2008	2009	2010	2011
Jan	808.057	453.929	626.413	802.369
Feb	853.262	399.663	602.325	872.813
Mar	957.438	406.795	660.511	970.076
Apr	1028.455	436.5	712	
May	1192.568	475.143	652.214	
Jun	1230.917	562.489	652.795	
Jul	1225.25	530.674	639.511	
Aug	1036.31	595.119	652.068	
Sep	940.852	556.989	668.477	
Oct	729.283	606.136	714.667	
Nov	582.675	621.94	726.784	
Dec	446.477	608.25	766.946	

Market Activity

In the OTC market, European gasoil swaps typically trade both as outright contracts and as a spread to the ICE Gasoil settlement price. The ICE Gasoil Futures contract, which is the benchmark for pricing European distillate fuels, is physically delivered in the Amsterdam, Rotterdam, Antwerp (ARA) area in Northern Europe, and is the source of the settlement prices for the various ICE Gasoil swap futures contracts.

In the European OTC market, there is robust liquidity in the Euro-denominated gasoil market, where the gasoil is priced in units of dollars per metric ton, and converted into Euros per metric ton using the ECB foreign exchange rate. According to industry sources, the estimated trading volume of Euro-denominated gasoil in the ARA cash market is growing, and is approximately equivalent to 200,000 to 250,000 barrels per day. The typical transaction size is approximately 25,000 barrels. The volume of spot transactions is typically more than half of all cash transactions. There is also increased trading in forward cash deals and in the OTC swaps market. The bid/ask spreads are typically in increments of 50 Euro cents per metric ton (or around 0.10 Euro cents per gallon equivalent), which reflects adequate liquidity in the cash market.

Further, there is an active OTC swaps market with dozens of market participants that utilize Euro-denominated Gasoil swaps to hedge their fuel price risk. The market participants (listed below) typically are active in both the cash market and the OTC swaps market.

Market Participants

The market participation in the European gasoil market is diverse. The European cash market and OTC market participants include 25 to 30 commercial companies. A partial listing is as follows:

<u>Refiners</u>	<u>Traders/End Users</u>	<u>Brokers</u>	<u>Financial (Swaps)</u>
Shell	Hess Energy Trading	GFI Starsupply	Citibank
AGIP (Italy)	Vitol	PVM	Deutsche Bank
ConocoPhillips	Glencore	Man Financial	Barclays
ExxonMobil	Arcadia	ICAP	JPMorgan Chase
BP	Northville	Aspen Oil	
Total	Cargill		
OMV Refining	Morgan Stanley		
Repsol	Goldman Sachs		
CEPSA	RWE Trading		
Netherlands Refining	Mabanaft		
Statoil	Trafigura		
PetroPlus Refining	Phibro		
	Mercuria		

III. EUROPEAN FUEL OIL MARKET OVERVIEW

Description

Fuel oil⁸, also called residual fuel oil, is a liquid petroleum product less volatile than gasoline and used as an energy source. Fuel oil is generally used in the production of electric power, space heating, vessel bunkering, and various industrial purposes.

Consumption, Production, Imports and Exports

The European fuel oil market in Amsterdam-Rotterdam-Antwerp (ARA) represents the largest hub in Europe for petroleum products, with extensive storage capacity and refining capacity. According to the EIA, during the 2007 to 2009 period, the total average annual imports for residual fuel oil was over 605,000 barrels per day of fuel oil supplied by refineries in The Netherlands, Germany, and France. This reflects an ARA market that is a vibrant import and supply center for residual fuel oil. The ARA market is the main supply center for European fuel oil, which includes 1.5% fuel oil, 1.0% fuel oil, and 3.5% fuel oil.

⁸<http://www.eia.doe.gov/tools/glossary/index.cfm?id=F>.

During the 2007 to 2009 period, the total average annual demand for fuel oil in the ARA metropolitan area, which includes The Netherlands, Germany and Northern France, was more than 516,000 barrels per day.

According to the EIA, during the 2007 to 2009 period, the average annual fuel oil imports for The Netherlands were approximately 445,000 barrels per day. In addition, the EIA data in Table 5, below, reflects local refinery average annual production of fuel oil in The Netherlands at around 157,000 barrels per day during the 2007 to 2009 period.

Data from Table 5 below demonstrates that total average annual consumption of fuel oil for France, Germany and Netherlands from 2007 to 2009 period was around 516,000 barrels per day. Total average annual production of fuel oil for these countries during the same period was greater than consumption, at approximately 556,000 barrels per day. Total average imports of fuel oil were around 605,000 barrels per day, slightly above the total average exports which were around 530,000 barrels per day during the 2007 to 2009 average annual period for France, Germany and Netherlands.

Table 5. Selected Statistics for Fuel Oil: Europe

(Thousand Barrels per Day)

Item and Region	2007	2008	2009	Average 2007-2009
Consumption, Fuel Oil⁹				
France	113	104	98	105
Germany	163	159	149	157
Netherlands	269	257	235	254
Total Consumption	545	520	482	516
Production, Fuel Oil¹⁰				
France	202	201	168	190
Germany	242	212	172	209
Netherlands	168	152	150	157
Total Production	612	565	490	556

⁹ EIA Consumption Data,
<http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=66&aid=2&cid=r3.&syid=2007&eyid=2009&unit=TBPD>

¹⁰ EIA Production Data,
<http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=66&aid=1&cid=r3.&syid=2007&eyid=2009&unit=TBPD>

Item and Region	2007	2008	2009	Average 2007-2009
Imports, Fuel Oil¹¹				
France	97	108	121	109
Germany	46	54	54	51
Netherlands	435	426	475	445
Total Imports	578	588	650	605
Exports, Fuel Oil¹²				
France	135	130	101	122
Germany	95	78	58	77
Netherlands	318	296	379	331
Total Exports	548	504	538	530

Market Activity

In the European OTC market, liquidity in Euro-denominated fuel oil market is growing, whereby fuel oil is priced in units of dollars per metric ton then converted into Euros per metric ton using the ECB foreign exchange rate. According to industry sources, the estimated trading volume of Euro-denominated fuel oil in the ARA cash market is growing, and is approximately equivalent to 150,000 to 200,000 barrels per day. The typical transaction size is approximately 25,000 barrels. The volume of spot transactions is typically more than half of all cash transactions. There is also increased trading in forward cash deals and in the OTC swaps market. The bid/ask spreads are typically in increments of 50 Euro cents per metric ton (or around 0.10 Euro cents per gallon equivalent), which reflects adequate liquidity in the cash market.

¹¹ EIA Import Data,
<http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=66&aid=3&cid=r3.&syid=2007&eyid=2009&unit=TBD>

¹² EIA Export Data,
<http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=66&aid=4&cid=r3.&syid=2007&eyid=2009&unit=TBD>

Market Participants

The market participation in Euro-denominated fuel oil market is diverse and includes many of the same commercial entities that are active in the New York Harbor market. The European cash market and OTC market participants number 25 to 30 commercial companies. A partial listing is as follows:

Refiners

Shell
Total
OMV Refining
ExxonMobil
BP
Total
ConocoPhillips
Repsol
CEPSA
Netherlands Refining
PetroPlus Refining
Statoil

Traders/End Users

Sempra
Vitol
Glencore
Trafigura
Noble Energy
Cargill
Morgan Stanley
Goldman Sachs
Koch Petroleum
Mabanaft
RWE Trading
Arcadia
Mercuria

Brokers

GFI Starsupply
PVM
Man Financial
ICAP
Aspen Oil
GFI Spectron
TFS
Amerex

Financial (Swaps)

Citibank
Deutsche Bank
Barclays

ANALYSIS OF DELIVERABLE SUPPLY

The spot month position limits for the six new Euro-denominated petroleum contracts will be aggregated with the existing position limits for their respective underlying U.S. Dollar-denominated futures contracts.

Please note that, at this time, with regard to Brent Crude Oil, European Fuel Oil and European Gasoil markets, 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 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 spot trading activity as it 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.

With regard to the Brent Crude Oil market, 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 U.S. Dollar-denominated Brent futures contract. The production of Brent crude oil is approximately 1.5 million barrels per day, which is equivalent to 45 million barrels per month or 45,000 contract equivalents (contract size: 1,000 barrels). Thus, the spot month position limits of 2,000 contract units, which is equivalent to two million barrels, is less than 5% of the 45,000 contract equivalents of monthly supply.

For the two new Euro-denominated Mini-Gasoil spread swap futures contracts, the Exchange has set the spot position limits conservatively based on the refinery production for gasoil in the ARA region, which is the main production center for the European market. The spot month position limits for these new Euro-denominated mini-gasoil contracts will be aggregated with the existing position limits for their respective underlying futures contracts. There are two new gasoil spread contracts which are priced as

differentials to the ICE Gasoil Contract. For the leg of the spread that is based on the European Gasoil 0.1 and ULSD (Platts) swap futures contracts, the Exchange has set the position limits at 150 contracts with contract size of 1,000 metric tons, which is equivalent to 1.1 million barrels. The two new Euro-denominated spread contracts will have the same spot month position limits as, and aggregate into, the Exchange's existing, U.S. Dollar-denominated European Gasoil 0.1% and ULSD swap futures contracts. Based on the refinery production data provided by the EIA (Table 3 above), the total middle distillate (also called gasoil) supply in the European market was approximately 2.1 million barrels per day, which is equivalent to almost 300,000 metric tons per day, or 8.5 million metric tons per month (contract size for the underlying contract is 10 x 100 or 1,000 metric tons). This is equivalent to 8,500 contract equivalents for the underlying contract size of 1,000 metric tons. Thus, the existing spot month position limits of 150 contract units for the underlying European Gasoil 0.1 and ULSD Contracts (of 1,000 metric ton contract size) is approximately 2% of the 8,500 contract equivalents of monthly supply.

For the new Euro-denominated ICE Gasoil swap futures contract, the Exchange has set the spot position limit conservatively based on the refinery production for gasoil in the ARA region, which is the main production center for the European market. The spot month position limit for the new Euro-denominated ICE Gasoil swap futures contract will aggregate into the existing position limit of their underlying U.S. Dollar-denominated ICE Gasoil swap futures contract. Based on the refinery production data provided by the EIA (Table 3 above), the total middle distillate (also called gasoil) supply in the European market was approximately 2.1 million barrels per day, which is equivalent to almost 300,000 metric tons per day, or 8.5 million metric tons per month (contract size for the underlying contract is 1,000 metric tons). This is equivalent to 8,500 contract equivalents for the underlying contract size of 1,000 metric tons. Thus, the existing spot month position limits of 1,000 contract units for the underlying European ICE Gasoil Swap Futures Contract is approximately 12% of the 8,500 contract equivalents of monthly supply.

With regard to the European Fuel Oil market, in its analysis of deliverable supply, the Exchange concentrated on data for the European refinery production for residual fuel oil, which is the main production center for the European market. The spot month position limits for the two new Euro-denominated Mini Fuel Oil contracts will aggregate into their U.S. Dollar-denominated counterparts listed

on the Exchange. For the two new Euro-denominated Mini Fuel Oil futures contracts, the Exchange has set the position limits at 150 contracts, which aggregate into the underlying contracts (contract size is 1,000 metric tons), which is equivalent to 950,000 barrels. Based on the refinery production data provided by the EIA (Table 5 above), the total residual fuel production in the European market was approximately 550,000 barrels per day, which is equivalent to 85,000 metric tons per day, or 2,550 contract equivalents for the underlying contract size of 1,000 metric tons. Thus, the existing spot month position limits of 150 contract units for the underlying European Fuel Oil contracts of 1,000 metric ton size is approximately 6% of the 2,550 contract equivalents of monthly supply.