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OFFICE OF THE
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May 10, 2011

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: Section 5c(c)(1), Part 40.6(a) – Rule Certification for the Reduction of the Block Trade Minimum Threshold in 1- and 3-Month EUR/USD Realized Volatility Futures. CME Submission 11-180.

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commission that, CME is reducing 1-Month and 3-Month EUR/USD Realized Volatility Futures contract block trade minimum threshold from 500 to 50 contracts, effective Sunday, May 15, 2011. Market activity to date has shown clearly that the 500 contract block trade threshold is too high and a lower 50 contract threshold would be more appropriate to market activity and more in line with other newly listed FX futures contracts. Therefore, CME self-certifies a lowering of the block trade minimum threshold from 500 to 50 contracts for the FX Realized Volatility Futures products. Implementation of this change will be effective Sunday, May 15, 2011.

To date we have seen a total of 231 contracts traded in the EUR/USD Realized Volatility Futures, with 130 contracts in the 1-month and 101 contracts in the 3-month contracts. All trades were done on CME Globex and all but four trades were done during Regular Trading Hours (RTH). The exchange has had correspondence with the CFTC recently regarding block trade minimum thresholds, and the CFTC is requesting that DCMs provide information in line with the proposed guidelines for block trades as set forth in the Dodd-Frank DCM Rulemaking ahead of these becoming finalized regulations.

CME Response Regarding the New Realized Volatility Futures Block Trade Minimums:

The guidelines suggested in the Commission staff correspondence do not apply well to our newly-listed (as of Feb. 6, 2011) 1- and 3-Month EUR/USD Realized Volatility Futures Contracts. The Realized Volatility futures have traded three months (i.e., equal to the CFTC 1-quarter standard) for a new contract, and total volume traded in the two futures products is less than five trades at the new 50 contract block trade minimum. Average daily volume to date is only 2.1 contracts for the 1-Month EUR/USD Realized Volatility Futures and 1.6 contracts for the 3-Month EUR/USD Realized Volatility Futures. Average daily open interest is 1.8 contracts for 1-Month EUR/USD Realized Volatility Futures and one contract for the 3-Month RV futures. There is no "centralized market data in a related futures contract" or no "same contract on another exchange." Neither "trading activity in

Mr. David Stawick
May 10, 2011
Page 3 of 6

the underlying cash market" nor "block sizes on comparable swap products" are available. None of these proposed measures are meaningful.

In the alternative, CME offers data on the depth of the book and typical bid/ask spreads on CME Globex for the new Realized Volatility Futures. The first chart, attached as Appendix 1, shows that for the March 2011 1-Month EUR/USD RV futures the maximum bid quantity (bars) goes from three to sometimes five levels deep and has been equal to or less than 15 contracts. Similarly, the maximum offer quantity (bars) is even lower, less than twelve contracts mostly for the entire book. The March 2011 1-Month EUR/USD RV futures bid/ask spreads (lines) range from less than 1 point for top of book during Regular Trading Hours (RTH) of 7 AM to 4 PM Central Time (CT) and widening to 2 and 2.3 points or no bid/ask spread during the rest of the 24-hour clock. Appendices 2 and 3, respectively, provide analogous data for the April 2011 and May 2011 1-Month EUR/USD RV futures. Appendix 2 displays the April 2011 1-Month EUR/USD RV futures, where the aggregate book at times is a little deeper (than March 2011) ranging from 10 to 34 contracts on the bid side and 5 to 19 contracts on the offer side. Also, the top of book bid/ask spread for the April 2011 contract was tighter (than March 2011) at one point or less during RTH and the preceding early morning hours. Appendix 3 provides the May 2011 1-Month EUR/USD RV futures, where much of the information is similar except book depth. In the May 2011 1-Month EUR/USD RV futures, bid quantities were generally higher from 1:00 AM CT through close of CME Globex at 4:00 PM CT (15 to 40 contracts) and offer quantities were also higher (9 to 27 contracts).

The fourth chart, attached as Appendix 4, illustrates analogous data to date for the June 2011 3-Month EUR/USD RV futures, where the depth of book is more variable (5 to 38 contracts) across the 1:00 AM CT to end of day time period (4:00 PM CT) on the bid side and 5 to 24 contracts on the offered side. The June 2011 3-Month contract bid/ask spread is comparable to the 1-Month examples, typically less than 1 point during European hours and RTH, but displays a formulaic wider 1.2 point bid/ask spread of low place-holding quantities during the preceding Asian hours.

Conclusions:

The available data support an even lower than 50-contract block trade minimum (such as ≤ 40 contracts). The CFTC guideline, that the block trade threshold should be at a level resulting in "a substantial price concession" if such sized order were executed on CME Globex, is met at 50 contracts, where the depth of book on either side is oftentimes less than 30 contracts. However, the exchange wanted to lower the threshold to a level that may attract block trades not yet allowed, given the current 500 contract minimum, but not dissuade use of CME Globex for normal transactions. The amended 50 contract level meets these criteria and is in line with other less liquid FX futures contract block trade minimums.

This change in the Realized Volatility futures contracts will be communicated to shareholder/members in CME Group Special Executive Report, S-5751, dated Wednesday, May 11, 2011. The exchange notes that this action neither violates nor is inconsistent with any provision of the Commodity Exchange Act or of the rules there under. There were no substantive opposing views to this proposal.

If you require any additional information, please do not hesitate to contact Mr. Steven Youngren at 312-930-4583 or via e-mail at Steve.Youngren@cmegroup.com or me at 212-299-2200.

Mr. David Stawick
May 10, 2011
Page 4 of 6

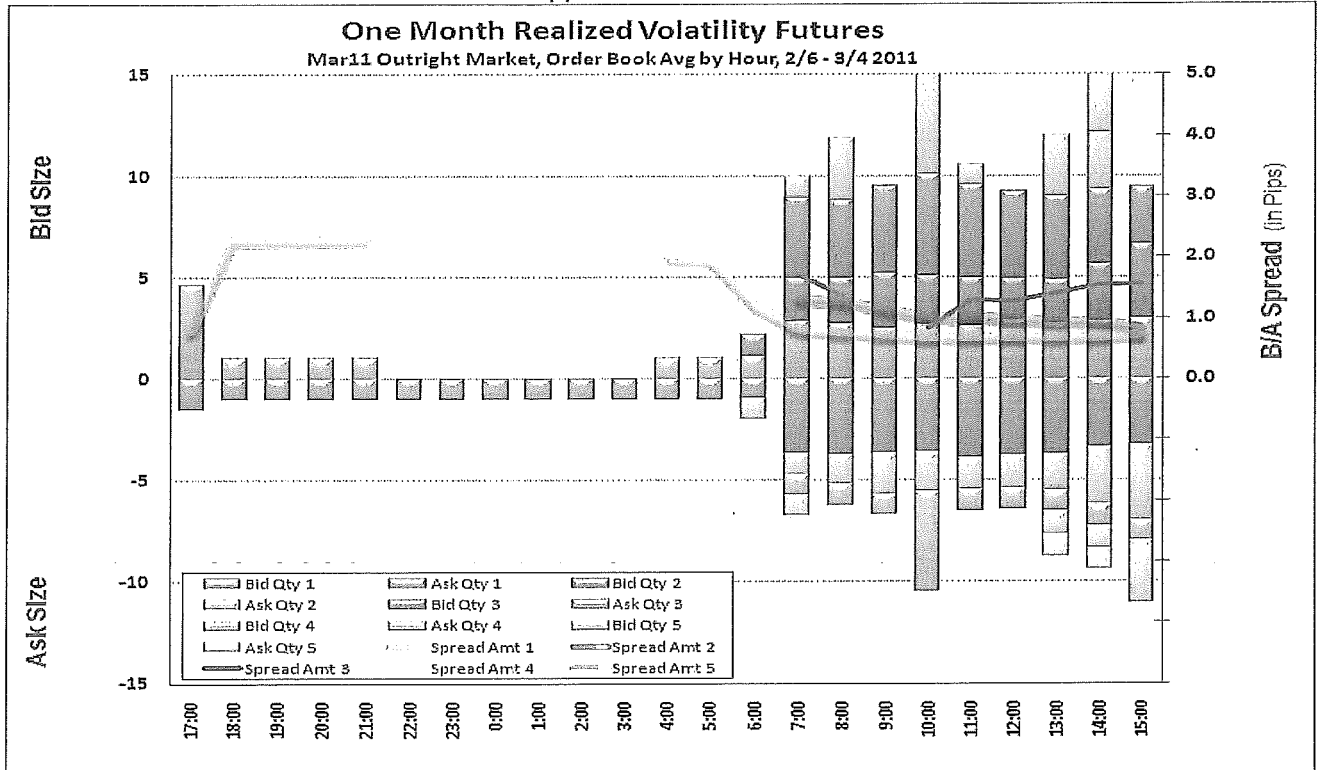
Please reference CME Submission 11-180 on all future correspondence regarding this notification.

Sincerely,

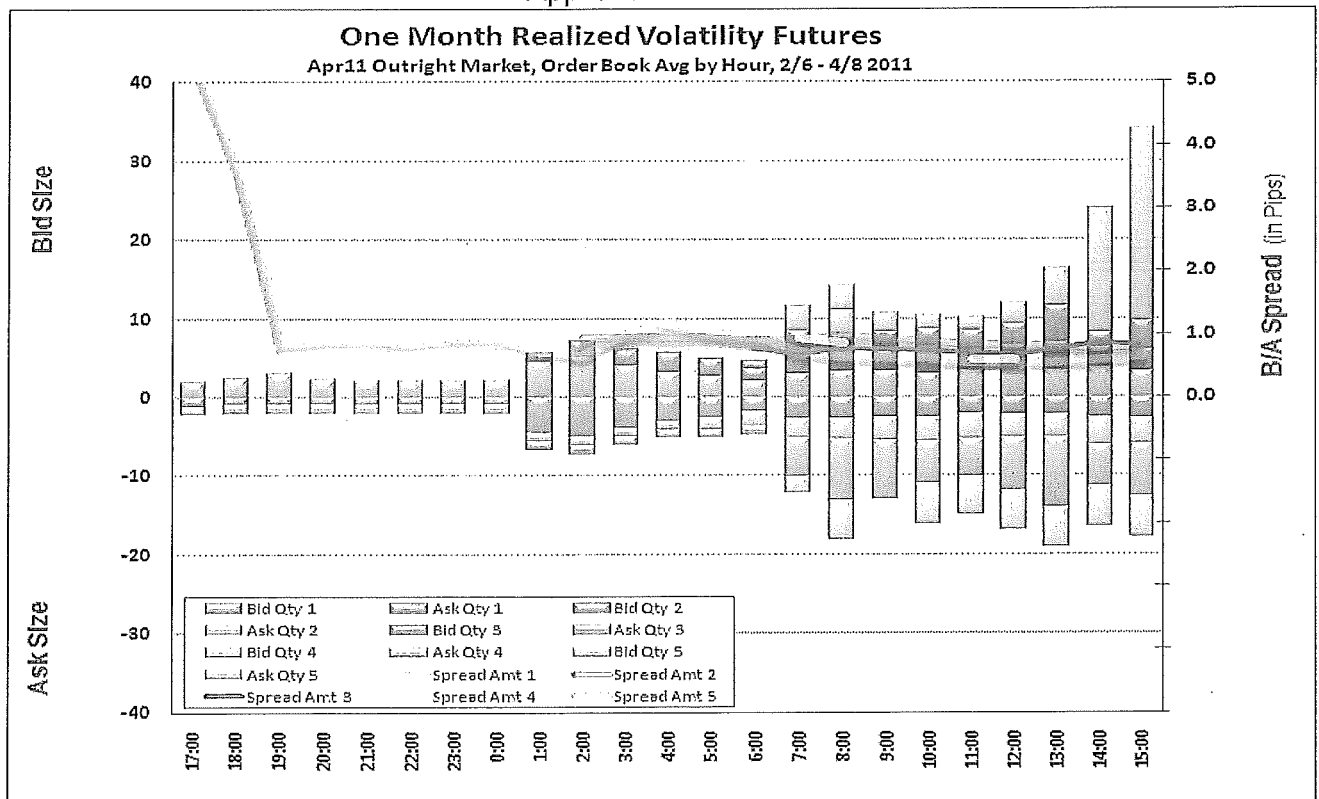
/s/ Christopher Bowen
Managing Director, Chief Regulatory Counsel

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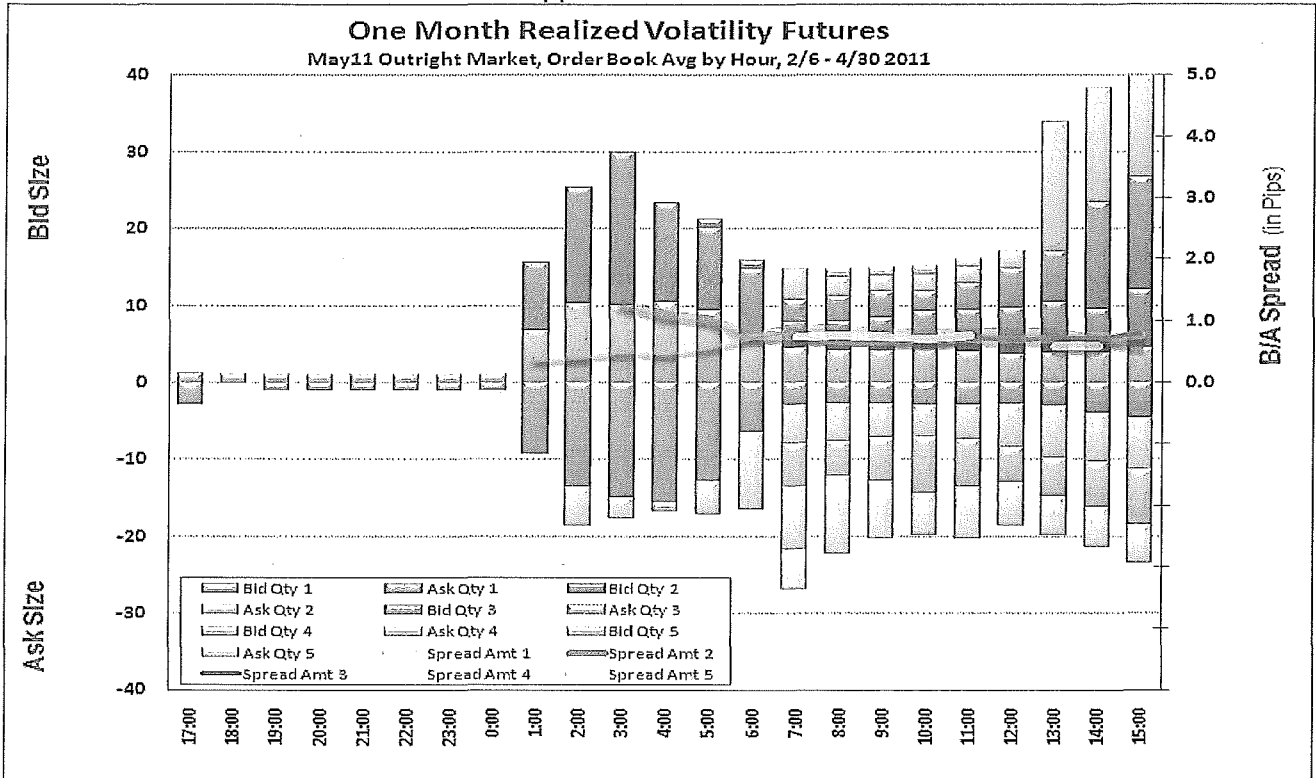
Appendix 1



Appendix 2



Appendix 3



Appendix 4

