

May 24, 2012

VIA E-MAIL

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

**RE: Regulation 40.6(a) Self-Certification: Trading Hours for CBOT Grain and Oilseed Products
CBOT Submission 12-157**

Dear Mr. Stawick:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") pursuant to Commodity Futures Trading Commission ("Commission") Regulation 40.6(a) hereby self-certifies the extension of open floor trading hours for CBOT Grain and Oilseed futures and options contracts on major United States Department of Agriculture ("USDA") Crop Report days. The Exchange requests that these changes become effective June 12, 2012 when USDA issues their monthly **World Agricultural Supply and Demand Estimates (WASDE)** and their **Crop Production** reports.

Specifically, the open of floor trading hours for CBOT Corn, Soybeans, Wheat, Soybean Meal, Soybean Oil, Oats, and Rough Rice futures and options will be changed from 9:30 a.m. CT to 7:20 a.m. CT on mornings of major USDA Crop Reports.

The major USDA reports that shall affect this early opening are:

- **WASDE**
- **Crop Production**
- **Prospective Plantings**
- **Acreage**

The following dates will be affected for the remainder of 2012:

- **June 12 (WASDE, Crop Production)**
- **June 29 (Acreage)**
- **July 11 (WASDE, Crop Production)**
- **August 10 (WASDE)**
- **September 12 (WASDE, Crop Production)**
- **October 11 (WASDE, Crop Production)**
- **November 9 (WASDE, Crop Production)**
- **December 11 (WASDE, Crop Production)**

CBOT business staff responsible for extending floor trading hours during USDA Crop Reports and the CBOT legal department collectively reviewed the designated contract market core principles ("Core Principles"). During the review, CBOT staff identified the following Core Principles as potentially being impacted; Monitoring of Trading, Compliance with Rules, Execution of Transactions, Protection of Market Participants and Recordkeeping.

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Extended open-auction trading hours will not impact the Exchange's ability to perform its trade practice and market surveillance obligations under the Commodity Exchange Act ("CEA") and the Exchange's market regulation staff will continue to monitor all market participants that trade during the extended hours to prevent manipulative trading and market abuse. Additional floor trading hours do not impact the Exchange's order execution, which will continue in the same manner as standard morning hours. Chapter 4 of the Exchange Rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. These rules continue to apply during the additional trading hours. Trading that occurs during the additional hours will continue to be subject to the Exchange's record retention policies which comply with the CEA.

The Exchange has discussed these proposed changes with its members and other market participants and considered the substantive opposing views expressed during those conversations. A list of the substantive opposing views that were considered by the Exchange when making the hours change are set out below:

- Industry participants continue to express concern about the potential disparate impact on market participants if USDA reports are released while the market is open. Many of these participants, however, believe if electronic markets will be open during reports, then the floor should be open as well. This support is particularly acute among customers that trade options. Typically 70 to 80 percent of grain and oilseed options currently trade on the floor, and many option traders are concerned about option liquidity during USDA Crop Reports if the floor is not open during the reports. The Exchange notes that agricultural products traded on other designated contract markets will be available for trading when USDA reports are released. Consequently, the Exchange has decided that it is fair and reasonable to have trading during the times that USDA reports are released, and that all venues, floor and electronic should be available to market participants.
- Market participants have expressed concerns that trade during USDA reports will add to market volatility. Again, if other markets are open during USDA reports, having all venues and all liquidity available during the reports will allow the market to absorb market events more effectively.

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>.

If you require any additional information regarding this action, please contact me at 212-299-2200 and reference CBOT Submission 12-157 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel