



20 South Wacker Drive
Chicago, IL 60606-7499
www.cme.com

312/930.1000 tel
312/466.4410 fax

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July 11, 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) and 40.2 – Rule Certification for Standard Size U.S. Dollar / Chinese Renminbi Futures and E-micro U.S. Dollar / Chinese Renminbi Futures Contracts.
CME Submission 11-247.**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commission that, effective on Sunday, August 21, 2011, for the trade date of Monday, August 22, 2011, CME is launching on CME Globex[®] and CME ClearPort[®] new Standard-Sized U.S. Dollar / Chinese Renminbi (RMB or CNY) Futures priced in "interbank terms" of RMB per USD, but with implied RMB pays and collects converted to and banked daily in U.S. dollars. Also on this same date, CME is launching new one-tenth the size of standard E-micro USD / RMB (CNY) futures contracts. The current Chinese Renminbi / U.S. Dollar or RMB / USD Futures and Options on Futures contracts priced in "American" or "IMM" terms (reciprocal to interbank quotations) are unchanged and continue to be listed for trading.

Response to Customer Demand - CME is responding to current heightened interest in RMB products that is associated with the People's Bank of China's (PBC) recent decision to allow RMB deposits in Hong Kong (CNH). CME has received feedback from customers that they would like to see U.S. dollar / Chinese Renminbi (CNY) products priced in the interbank convention of RMB per USD. However, this pricing convention implies that the contract size is in U.S. dollars and profits and losses would accrue in RMB. Unfortunately, onshore RMB or CNY is not a fully convertible currency and uncertain supplies of RMB in Hong Kong (also known as offshore RMB or CNH) prevent CME at this time from having USD/RMB (CNY) contracts with daily pays and collects in RMB. Therefore, with the launch of these new products, CME Clearing will convert the daily implied RMB settlement variation into U.S. dollars at the People's Bank of China spot benchmark foreign exchange fixing price for that day. This benchmark rate is published daily on the Reuters SAEC page. This is the same rate used for final settlement for the exchange's current RMB/USD futures and options as well as over-the-counter (OTC) non-deliverable forward (NDF) transactions.

The current CME RMB/USD futures contract, quoted in USD per RMB was listed for trading in August 2006, but to date has been lightly traded. The key issues remain: (1) Asia-based market makers are less interested in making markets in reciprocal priced futures and options, and similarly (2) customers in Asia are not familiar with American-term quotations. There is, however, an increased interest in RMB recently both in Asia and throughout the world

(sparked by China's policy to internationalize the RMB by way of the evolving cash CNH market in Hong Kong). Therefore, CME plans to:

- Launch on Sunday, August 21st, standard-sized (USD 100,000) USD/RMB (CNY) futures, as well as E-micro (USD 10,000) USD/RMB (CNY) futures that are priced in the interbank standard quotation mechanism of RMB per USD, but with the daily implied RMB pays and collects converted into U.S. dollars and banked.
- Offer these cash settlement at termination, NDF-styled futures contracts with monthly expirations out 13 consecutive months for the Standard-Size futures, plus an additional 8 March, June, September and December quarterly cycle months for a maturity range of 3 years. The E-micro futures will have 12 consecutive contract months listed for trading.
- Extend CME's E-micro, 1/10-size, FX product suite to USD/RMB (CNY) futures. Allows ten long (short) E-micro USD/RMB (CNY) futures to be offset with one short (long) Standard Size USD/RMB (CNY) futures by the account controller, if held in the same account.

Quote Convention – CME currently offers futures on the RMB/USD rate quoted in “American terms” or USD per RMB. Daily pays and collects are banked in USD, consistent with the Non-Deliverable Forward (NDF) interbank markets. But the standard international convention is to quote this rate in “European terms” or in RMB per USD. Thus, CME will offer these futures contracts quoted in RMB per USD, e.g., 6.4830 RMB per 1 USD. Note that the current CME futures contract is quoted as the reciprocal of that amount or \approx USD 0.15425 per RMB. Daily pays and collects are calculated in RMB for the new contracts. However, these pays and collects are translated into USD terms by reference to the spot value of the RMB per USD as published by the Peoples Bank of China (PBC) and banked in USD on a daily basis. This rate is displayed on the Reuters SAEC page.¹

At termination, the monthly USD/RMB (CNY) futures contracts are further financially-settled or cash-settled by reference to the spot value of the RMB per USD as published by the Peoples Bank of China (PBC). This rate is displayed on the Reuters SAEC page. Like the daily pays and collects, the final pay or collect is translated into USD terms and banked as such. Subsequent to final cash settlement, the USD equivalent profit (loss) is received (paid) and collateral securing the position is released by the CME Clearing to market participants.

Trading Hours and Venues - Both of the new futures contracts will be traded on the CME Globex electronic trading system on Sundays through Fridays from 5:00 p.m. to 4:00 p.m. Central Time (CT) on the next day. Please note that on Friday the CME Globex platform closes at 4:00 p.m. and reopens Sunday at 5:00 p.m. CT. Also, trade entry for the new futures contracts will be available on CME ClearPort. These hours are Sundays through Fridays: 5:00 p.m. – 4:15 p.m. CT on the next day with a 45-minute break each day beginning at 4:15 p.m. CT.

Membership Access / New Product Access Program - Both the Standard Size U.S. Dollar / Chinese Renminbi (CNY) futures contracts and the E-micro U.S. Dollar / Chinese Renminbi (CNY) futures are allocated to the IMM Division. Also, according to CME Rule 194 – **NEW PRODUCT ACCESS PROGRAM**, the two new Chinese Renminbi futures contracts will

¹ Note that this process implies the possibility that the cumulative USD denominated pays and collects may not sum to zero even where trade is “scratched.” I.e., a customer may buy (sell) and subsequently sell (buy) a contract at the same price quoted in terms of RMB per USD. However, contingent upon the path taken by exchange rates while the trade is open, these USD denominated cash flows, in total, may diverge somewhat from zero.

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be included in the Exchange's "New Product Access Program." One effect of this provision is that IOM and GEM members trading these products on CME Globex will be charged lessee clearing fee rates rather than out-of-division rates for a limited time.

Initial Contract Months –

Standard Size USD/RMB (CNY) Futures

Futures: Sep. 2011, Oct. 2011, Nov. 2011, Dec. 2011, Jan. 2012, Feb. 2012, Mar. 2012, Apr. 2012, May 2012, Jun. 2012, Jul. 2012, Aug. 2012, Sep. 2012 consecutive contract months, plus Dec. 2012, Mar. 2013, Jun. 2013, Sep. 2013, Dec. 2013, Mar. 2014, Jun. 2014 and Sep. 2014 quarterlies

Futures Calendar Spreads (Month = M1 through 13):

M2 vs. M1:	October 2011 vs. September 2011
M3 vs. M1:	November 2011 vs. September 2011
M4 vs. M1:	December 2011 vs. September 2011
M7 vs. M1:	March 2012 vs. September 2011
M10 vs. M1:	June 2012 vs. September 2011
M13 vs. M1:	September 2012 vs. September 2011
M5 vs. M2:	January 2012 vs. October 2011
M6 vs. M3:	February 2012 vs. November 2011
M7 vs. M4:	March 2012 vs. December 2011
M8 vs. M5:	April 2012 vs. January 2012
M9 vs. M6:	May 2012 vs. February 2012
M10 vs. M7:	June 2012 vs. March 2012
M11 vs. M8:	July 2012 vs. April 2012
M12 vs. M9:	August 2012 vs. May 2012
M13 vs. M10:	September 2012 vs. June 2012

E-micro USD/RMB (CNY) Futures

Futures: Sep. 2011, Oct. 2011, Nov. 2011, Dec. 2011, Jan. 2012, Feb. 2012, Mar. 2012, Apr. 2012, May 2012, Jun. 2012, Jul. 2012, Aug. 2012 consecutive contract months

Futures Calendar Spreads (Month = M1 through 12):

M2 vs. M1:	October 2011 vs. September 2011
M3 vs. M1:	November 2011 vs. September 2011
M4 vs. M1:	December 2011 vs. September 2011
M7 vs. M1:	March 2012 vs. September 2011
M10 vs. M1:	June 2012 vs. September 2011
M5 vs. M2:	January 2012 vs. October 2011
M6 vs. M3:	February 2012 vs. November 2011
M7 vs. M4:	March 2012 vs. December 2011
M8 vs. M5:	April 2012 vs. January 2012
M9 vs. M6:	May 2012 vs. February 2012
M10 vs. M7:	June 2012 vs. March 2012
M11 vs. M8:	July 2012 vs. April 2012
M12 vs. M9:	August 2012 vs. May 2012

Listing Procedures for Adding New USD/RMB (CNY) Futures Contract Listings -

Standard Size USD/RMB (CNY) Futures: 13 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, etc.) plus 8 deferred March quarterly cycle contracts (Mar, Jun, Sep and Dec) will be listed for trading at all times. A new futures contract month, either the next consecutive calendar month or next March quarterly contract month not yet listed, will be added for trading on the business day following the termination of trading for the nearby analogous contract month.

E-micro USD/RMB (CNY) Futures: 12 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, etc.) will be listed for trading at all times. A new futures contract month not yet listed, will be added for trading on the business day following the termination of trading for the nearby analogous contract month. The first and second parts of the following table, respectively, illustrate the Standard Size and E-micro USD/RMB (CNY) futures contract month listing procedures.

Std. Size USD / RMB (CNY) Futures Contract Listing Procedures			
	Contract Month	Termination Date (Cash Settlement Valuation Date)² (see footnote)	No Delivery Date
Initial Futures Months	September 2011	Tues. 9/20/11	NA
	October 2011	Tues. 10/18/11	NA
	November 2011	Tues. 11/15/11	NA
	December 2011	Tues. 12/20/11	NA
	January 2012	Tues. 1/17/12	NA
	February 2012	Tues. 2/14/12	NA
	March 2012	Tues. 3/20/12	NA
	April 2012	Tues. 4/17/12	NA
	May 2012	Tues. 5/15/12	NA
	June 2012	Tues. 6/19/12	NA
	July 2012	Tues. 7/17/12	NA
	August 2012	Tues. 8/14/12	NA
	September 2012	Tues. 9/18/12	NA
	December 2012	Tues. 12/18/12	NA
March 2013	Tues. 3/19/13**	NA	
June 2013	Tues. 6/18/13**	NA	
September 2013	Tues. 9/17/13**	NA	
December 2013	Tues. 12/17/13**	NA	
March 2014	Tues. 3/18/14**	NA	
June 2014	Tues. 6/17/14**	NA	
September 2014	Tues. 9/16/14**	NA	
New Monthly Futures Added for Trading on Wednesday, September 21, 2011, the Day Following Termination	October 2012	Tues. 10/16/12	NA

²Termination dates provided are relative to the Beijing/Shanghai time zone. Please note that relative to the Chicago time zone, CME RMB futures contract termination of trading dates are the preceding business day, usually Monday evening.

**Subject to change pending release of Chinese bank holidays in 2013 and 2014.

of Nearby Contract.			
New Monthly Futures Added for Trading on Wednesday, October 19, 2011, the Day Following Termination of Nearby Contract, Etc.	November 2012	Tues. 11/20/12	NA
New March Quarterly Futures Added for Trading on Wednesday, November 16, 2011, the Day Following Termination of Nearby Contract, Etc.	December 2014	Tues. 12/16/14**	NA
E-Micro USD / RMB (CNY) Futures Contract Listing Procedures			
	Contract Month	Termination Date (Cash Settlement Valuation Date)³ (see footnote)	No Delivery Date
Initial Futures Months	September 2011	Tues. 9/20/11	NA
	October 2011	Tues. 10/18/11	NA
	November 2011	Tues. 11/15/11	NA
	December 2011	Tues. 12/20/11	NA
	January 2012	Tues. 1/17/12	NA
	February 2012	Fri. 2/14/12	NA
	March 2012	Tues. 3/20/12	NA
	April 2012	Tues. 4/17/12	NA
	May 2012	Tues. 5/15/12	NA
	June 2012	Tues. 6/19/12	NA
	July 2012	Tues. 7/17/12	NA
	August 2012	Tues. 8/14/12	NA
New March Quarterly Futures Added for Trading on Wednesday, September 21, 2011, the Day Following Termination of Nearby Contract, Etc.	September 2012	Tues. 9/18/12	NA
New Monthly Futures Added for Trading on Wednesday, October 19, 2011, the Day Following Termination of Nearby Contract.	October 2012	Tues. 10/16/12	NA
New Monthly Futures Added for Trading on Wednesday, November 16, 2011, the Day Following Termination of Nearby Contract, Etc.	November 2012	Tues. 11/20/12	NA

³Termination dates provided are relative to the Beijing/Shanghai time zone. Please note that relative to the Chicago time zone, CME RMB futures contract termination of trading dates are the preceding business day, usually Monday evening.

Termination of Trading Schedule for New USD/RMB (CNY) Futures Same as Current RMB/USD Futures Contracts - The Standard Size and E-micro USD/RMB (CNY) futures contracts terminate trading at 9:00 a.m. Beijing time on the first Beijing business day immediately preceding the third Wednesday of the contract month. This time in Beijing usually corresponds to 7:00 p.m. Central Time (CT) in the winter and 8:00 p.m. CT in summer on the Monday evening before the third Wednesday of the contract month. Please note that these termination dates and times for the two new futures contracts occur approximately 15 minutes before the determination and publication of the spot rate used for final settlement. These are the same termination times and dates as the current RMB/USD futures contracts. At the time of launching CME's original RMB/USD futures and options contracts, the People's Bank of China (PBC) State Administration of Foreign Exchange (SAFE) confirmed the Exchange's understanding from an original document published only in Chinese that the following describes the PBC/ SAFE/ China Foreign Exchange Trade System (CFETS) daily-determined RMB vs. USD exchange rate calculations. These calculations are used for cash settlement at termination of (1) OTC non-deliverable forward (NDF) USD/CNY transactions, (2) existing CME Chinese Renminbi / U.S. Dollar (RMB/USD) futures contracts, and (3) the new Standard Size and E-micro USD/RMB (CNY) futures.

People's Bank of China Announcement No. 1, 2006, Regarding Further Improving Interbank Spot Foreign Exchange Market (excerpts)

- 1) Beginning on January 4, 2006, People's Bank of China authorizes the China Foreign Exchange Trade System (CFETS) to post, on each trading day at 9:15 a.m., the day's mid-market rate of the Renminbi vs. US Dollar, the Euro, Japanese Yen, and Hong Kong Dollar, to serve as the mid-rate of the spot foreign exchange trading in the inter-bank market on that day (for both OTC and brokered transactions.)
- 2) Following the introduction of OTC trading, the determination of the mid-rate of RMB vs. USD shall be modified from the last closing price of brokered transactions to the following: prior to the opening of trading in the inter-bank foreign exchange market, CFETS shall poll all market makers in the inter-bank foreign exchange market for a spot price of RMB vs. USD. After discarding the highest and the lowest rate, the weighted average of the remaining rates shall be deemed the mid-market rate, with the weights determined by CFETS based on the respondent's trading volume as well as other pertinent factors.
- 3) The mid-market rate for RMB vs. the Euro, Japanese Yen and the Hong Kong Dollar shall be determined by CFETS based on the mid-market rate of RMB vs. USD for the day and the 9:00 a.m. exchange rate of the Euro, Japanese Yen and the Hong Kong Dollar vs. the USD in the international foreign exchange market.

Based upon this information, the Exchange set the futures contract termination of trading to "9:00 a.m. Beijing time on the first Beijing business day preceding" (usually Tuesday) the third Wednesday of the contract month to align the termination of trading to precede by 15 minutes the time of issuance of the settlement rate at 9:15 a.m. by the People's Bank of China (Reuters SAEC page displays the rate at about this time).⁴ Please note that the PBC RMB rates published at 9:15 a.m. Beijing time represent theoretical settlement in two business days. The two tables preceding this section provide termination of trading dates for new Standard Size and E-micro USD/RMB (CNY) futures contracts assuming the Beijing, China time zone.

⁴ Please note that in terms of Chicago times, the termination of trading times are either 7:00 p.m. CST in winter or 8:00 p.m. CDT on Monday evening in Chicago, which is 9:00 a.m. Beijing time on Tuesday, the first Beijing business day preceding third Wednesday. The PBC RMB rates are published 15 minutes later at 7:15 p.m. CST or 8:15 p.m. CDT, which is 9:15 a.m. Beijing time.

Cash Settlement Procedures at Termination - Cash settlements of the futures contracts are based on the same rates utilized by the over-the-counter (OTC) non-deliverable forward (NDF) foreign exchange market. As noted above, the People's Bank of China (PBC) has authorized the China Foreign Exchange Trade System (CFETS) to calculate daily the volume-weighted, mid-market rate of Chinese Renminbi vs. U.S. Dollar, the Euro, Japanese Yen, and Hong Kong Dollar, to serve as the mid-rate of the spot foreign exchange trading in the inter-bank market on that day (for both OTC and brokered transactions.) These rates are released and published on the Reuters page "SAEC" at approximately 9:15 a.m. Beijing time (7:15 p.m. Central Standard Time in winter and 8:15 p.m. Central Daylight Time in summer). The rates that are the final settlement basis for the current CME RMB versus the U.S. dollar, Euro and Japanese yen contracts, respectively, appear on the Reuters "SAEC" page to the right of the symbols "USDCNY=", "EURCNY=" and "JPYCNY="." The SAEC RMB per USD rate is also the final settlement rate for the new CME Standard Size and E-micro USD/RMB (CNY) futures contracts. The SAEC published rates represent the number of Chinese renminbi per unit of foreign currency, except for "JPYCNY=", where it is number of RMB per 100 Japanese yen. The SAEC RMB rates versus other currencies represent spot market value in two business days from the trade date as conducted on the China Foreign Exchange Trading System (CFETS), the electronic interbank foreign exchange trading system in China.

On the business day following the termination of trading day, CME Clearing will mark all open positions in the two new Standard Size and E-micro USD/RMB (CNY) futures to the SAEC RMB per USD rate published on the termination date. CME Clearing calculates one last mark to market in notional RMB from the previous day's settlement price and converts the difference into U.S. dollars by dividing by the Final Settlement Price (SAEC RMB rate). These U.S. dollar differences are then banked for all market participants with open positions at termination. Also, CME Clearing will mark all open positions in the current RMB/USD, RMB/EUR and RMB/JPY futures contracts to the reciprocals of the appropriate SAEC published rates, rounded according to provisions in the individual contract chapters (i.e., Final Settlement Prices). These final mark to market debits or credits to the Final Settlement Prices are already valued in U.S. dollars due to the reciprocal pricing for these three contracts.

Reportable Position Levels and Underlying Cash Instrument for a USD / RMB (CNY) Futures EFRP - For purposes of Rule 817 – REPORTS OF LARGE POSITIONS, the minimum level at which positions must be reported to the Exchange is 25 contracts for the new Standard Size USD/RMB (CNY) futures contracts and 250 contracts for the new E-micro USD/RMB (CNY) futures contracts.

Execution of exchange of futures for physicals (EFP) will be subject to the same guidelines and documentation requirements currently governing these transactions in the current RMB/USD futures and other Exchange FX futures contracts. Transitory EFP's in the Standard Size and E-micro USD/RMB (CNY) futures should comply with the requirements for these transactions as spelled out in Market Regulation Advisory Notice, RA1006-5, Exchange for Related Positions. Please see the following link for further detail: <http://www.cmegroup.com/rulebook/files/RA1006-5.pdf>.

Block Trading - Block trading is allowed in the Standard Size USD/RMB futures contracts at a minimum threshold of 50 contracts. Block trading of E-micro USD/RMB futures is not allowed.

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CME Globex Error Trade Policy -The standard CME Globex error trade policy for CME foreign exchange futures will apply to the two new USD/RMB futures. This includes a no bust range of "40 ticks or less" which is currently applicable for all foreign currency futures.

CME Globex Price Bands - As with our existing currency contracts, there are no price limits for CME Globex trading of CME FX futures and options contracts. However, for CME Globex trading, automated price banding prevents execution of orders at prices falling outside of 60 ticks for outright trades and 5 ticks for spread trades from the last sale, best bid or best offer. Price banding prevents the entry of limit orders more than a pre-determined amount above the last price in the case of bids and more than the same pre-determined amount below the last price in the case of offers. The band "shadows" the currency futures price as it reacts to new transaction prices, higher bids and lower offers. The CME Globex bands minimize inadvertent price entries into CME Globex.

Contract Specifications Summary & CME Rulebook Contract Terms Appendices - A contract terms factsheet and two CME Rulebook chapters for the new products follow, respectively, as Appendices 1 through 3. Then, Appendix 4 contains appropriate amendments to the CME Rulebook Chapter 5 Interpretations section, which highlights the Position Accountability & Position Limits and Reportable Levels table. Appendix 5 is the amendment to CME Rule 855 - OFFSETTING DIFFERENT SIZED FUTURES POSITIONS to allow the account controller within the same account to offset 10 long (short) E-micro USD/RMB (CNY) futures with 1 short (long) Standard Size USD/RMB (CNY) futures contract.

Notification of the launch of Standard Size USD/RMB (CNY) futures & options on futures contracts, and the E-micro USD/RMB (CNY) futures will be communicated to shareholder/members in CME Group Special Executive Report, S-5816, dated Monday, July 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. Alternatively, you may contact me at 312-930-8167. Please reference CME Submission 11-247 on all future correspondence regarding this notification.

Sincerely,

/s/ Sean Downey
Associate Director and Assistant General Counsel

Appendix 1

Standard and E-micro USD/RMB (CNY) Futures

	Standard USD/RMB (CNY) Futures	E-micro USD/RMB (CNY) Futures
Contract Size	<u>"Standard" Futures</u> based on 100,000 USD (\approx RMB 648,300);	<u>E-micro Futures</u> based on 10,000 USD (\approx RMB 64,830)
Tick Size	<u>"Standard" Contract:</u> Outrights quoted in 0.0010 RMB per USD = 100 RMB (\approx USD \$15.42) per contract; calendar spreads quoted in 0.0005 RMB per USD = 50 RMB (\approx USD \$7.71) per contract	<u>E-micro Contract:</u> Outrights quoted in 0.0010 RMB per USD = 10 RMB (\approx USD \$1.54) per contract
RMB-Denominated	Daily pays and collects calculated in RMB but translated into USD by reference to daily PBC fixing rate, and banked in USD*	
CME Globex® Trading Hours	<u>Sundays through Fridays:</u> 5:00 p.m.-4:00 p.m. (Central Time, CT) the next day. On Friday CME Globex® platform closes at 4:00 p.m. and reopens Sunday at 5:00 p.m.	
CME ClearPort® Trading Hours	<u>Sundays through Fridays:</u> 5:00 p.m. – 4:15 p.m. CT) the next day with a 45-minute break each day beginning at 4:15 p.m. CT	
Months	<u>Standard:</u> 13 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec) plus 8 March quarterly months (3-year maturity range)	<u>E-micro:</u> 12 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec)
Last Trading Day	Trading ceases at 9:00 am Beijing time on 1 st Beijing business day immediately preceding 3 rd Wednesday of contract month	
NDF-Style Cash Settlement	Final Settlement Price (FSP) at "Chinese renminbi per U.S. dollar" fixing rate published by PBC at 9:15 am Beijing time on Reuters SAEC page opposite "USDCNY="	
Position Limits / Position Accountability	<p>USD/RMB (CNY) futures & options converted to notional equivalents of 6,000 CME full-sized RMB/USD futures & options contracts (=6 billion RMB) for Position Accountability trigger level; and no more than 2,000 full-sized RMB/USD futures & options contracts (=2 billion RMB) for Position Limit in the spot month on or after the day one week prior to the termination of trading day.**</p> <p>Positions for the same account holder will be aggregated across standard-sized and E-micros futures and options with 10 E-micros equaling 1 standard-sized contract.</p> <p>**For example, if the appropriate RMB per USD rate is 6.4830 RMB per USD ("prior day's Regular Trading Hours settlement"), then one 100,000 USD standard futures contract would count as 648,300 RMB against the PA trigger level of 6 billion RMB. Similarly, one 10,000 USD E-micro futures contract would count as 64,830 RMB against the 2 billion RMB Spot</p>	

	Position Limit.
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Continued from page 10	Standard USD/RMB (CNY)Futures	E-micro USD/RMB (CNY) Futures
Offset of Std vs. E-micro USD/RMB (CNY)Futures (Fungibility)	10 long (short) E-micro USD/RMB (CNY) futures may be offset with 1 short (long) Standard Size USD/RMB (CNY) futures, if held in the same account and authorized by the account controller	
CME Globex Error Trade Policy	40 ticks or less "no bust range"	
CME Globex Price Banding⁵	60 ticks for outright trades, 5 ticks for spread trades	
Block Trade Minimum Threshold	<u>Standard</u> : 50 contracts	<u>E-micro</u> : Not applicable
EFRP Eligibility	Yes	
Reportable Positions	<u>Standard</u> : 25 contracts	<u>E-micro</u> : 250 contracts
CME Globex Codes	<u>Standard</u> : CNY	<u>E-micro</u> : MCY

⁵ For CME Globex trading, automated price banding prevents execution of orders at prices falling outside of 60 ticks for outright trades and 5 ticks for spread trades from the last sale, best bid or best offer. Price banding prevents the entry of limit orders more than a pre-determined amount above the last price in the case of bids and more than the same pre-determined amount below the last price in the case of offers. The band "shadows" the currency futures price as it reacts to new transaction prices, higher bids and lower offers.

Appendix 2

Chapter 270J
U.S. Dollar/Chinese Renminbi (USD/RMB or CNY) Futures with U.S. Dollar Banking

270J00. SCOPE OF CHAPTER

This chapter is limited in application to futures trading in U.S. dollar versus the Chinese renminbi.⁶ The procedures for trading, clearing, delivery, settlement and any other matters not specifically contained herein shall be governed by the rules of the Exchange.

270J01. FUTURES CALL

270J01.A. Trading Schedule

Futures contracts shall be scheduled for trading and delivery during such hours and in such months as may be determined by the Board of Directors.

270J01.B. Trading Unit

The unit of trading shall be 100,000 U.S. dollars.

270J01.C. Price Increments

Minimum price fluctuations shall be in multiples of 0.0010 Chinese renminbi per U.S. dollar, equivalent to 100 RMB per contract, where the implied RMB pays and collects are converted into U.S. dollars at that day's "Chinese renminbi per U.S. dollar" fixing (or "midpoint") rate published by the People's Bank of China (PBC) and representing spot trading of Chinese renminbi per U.S. dollar.⁷ Trades may also occur in multiples of 0.0005 Chinese renminbi per U.S. dollar, commonly referred to as one-half tick (50 RMB/contract converted to USDs daily) for U.S. dollar/Chinese renminbi futures intra-currency spreads executed as simultaneous transactions on CME Globex[®] pursuant to Rule 542.F.

270J.01.D. Position Limits and Position Accountability

1. Authority - Position Limits and Position Accountability may be applicable, as defined by Rule 560, and as per the following.
2. Aggregation - For purposes of this Rule, where applicable:
 - futures,
 - options on futures,
 - E-mini futures,
 - E-micro futures,
 - cleared only spot, forward and swaps (combinations of spot and forwards or two maturity forwards),
 - cleared only options on spot and forwards; and
 - in addition, where applicable, the analogous reciprocal versions of the aforementioned contracts for the respective foreign exchange pairs,

shall be aggregated with all products utilizing that foreign exchange (FX) pair regardless of quoting conventions. The baseline for this aggregation shall be the denomination of the underlying full-size CME futures contract. Contract equivalents shall be determined through the conversion of the notional value (or contract size times the number of contracts in standardized products) to the CME base currency using the prior day's Regular Trading Hours (RTH) settlement, and dividing the

⁶ The Chinese renminbi ("RMB" or "people's currency") is denominated in the unit "yuan" (also known by symbol "CNY").

⁷ Note that this process implies the possibility that the cumulative USD denominated pays and collects may not sum to zero even where trade is "scratched." *i.e.*, a customer may buy (sell) and subsequently sell (buy) a contract at the same price quoted in terms of RMB per USD. However, contingent upon the path taken by exchange rates while the trade is open, these USD denominated cash flows, in total, may diverge somewhat from zero.

result by the contract size or notional of the full-size CME futures contract.

3. Contract Equivalent - For purposes of this Rule, a contract shall be deemed to be the equivalent of 100,000 U.S. dollars in notional value, converted into RMB at the appropriate RMB per USD exchange rate as determined by the exchange.
4. Position Accountability - A person owning or controlling more than the aggregated equivalent of 6,000 CME full-size contracts as determined in Chapter 270, or 6,000,000,000 Chinese RMB in notional value, net long or net short, shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information if applicable.
5. Spot Position Limit - A participant shall not own or control more than the aggregated equivalent of 2,000 CME full-size contracts as determined in Chapter 270, or 2,000,000,000 Chinese RMB in notional value, net long or short, in the spot month on or after the day one week prior to the termination of trading day.
6. Exemptions - The foregoing position limits shall not apply to bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange, and shall not apply to other positions exempted pursuant to Rule 559.
7. Reserved

270J01.G. Termination of Trading

Futures trading shall terminate at 9:00 a.m. Beijing time (7:00 p.m. Central Standard Time or 8:00 p.m. Central Daylight Time) on the first Beijing business day immediately preceding the third Wednesday of the contract month. If the foregoing date for termination is an Exchange holiday, futures trading shall terminate on the next preceding common Beijing and Exchange business day.

270J01.H. Contract Modifications

Specifications shall be fixed as of the first day of trading of a contract, except that all deliveries must conform to government regulations in force at the time of delivery. If any national or international government agency or body issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules and all open and new contracts shall be subject to such government orders.

270J02. SETTLEMENT PROCEDURES

270J02.A. [Reserved]

270J02.B. Cash Settlement

The Final Settlement Price shall be the "Chinese renminbi per U.S. dollar" fixing (or "midpoint") rate published by the People's Bank of China (PBC) and representing spot trading of Chinese renminbi per U.S. dollar on the futures contract termination of trading day. Normally, this fixing rate is published at 9:15 a.m. Beijing time (7:15 p.m. CST or 8:15 p.m. CDT) on each Beijing business day for foreign exchange trading. The fixing rate may be found on the Reuters SAEC page opposite symbol "USDCNY=". The Final Settlement Price calculation shall be rounded to four (4) decimal places. Open positions on the business day following the termination of trading day will be marked to market to the Final Settlement Price. For example, a SAEC published rate of 8.0245 Chinese renminbi per U.S. dollar becomes the Final Settlement Price.

However, in the event that the Exchange President determines that the Clearing House is not able to determine a Final Settlement Price pursuant to the preceding section, then Rule 270J03 and Rule 701 shall apply to determine the Final Settlement Price.

270J03. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701.- ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

Appendix 3

Chapter 343J
E-Micro U.S. Dollar/Chinese Renminbi (USD/RMB or CNY) Futures with U.S. Dollar Banking

343J00. SCOPE OF CHAPTER

This chapter is limited in application to futures trading in E-micro U.S. dollar versus the Chinese renminbi.⁸ The procedures for trading, clearing, delivery, settlement and any other matters not specifically contained herein shall be governed by the rules of the Exchange.

343J01. FUTURES CALL

343J01.A. Trading Schedule

Futures contracts shall be scheduled for trading and delivery during such hours and in such months as may be determined by the Board of Directors.

343J01.B. Trading Unit

The unit of trading shall be 10,000 U.S. dollars.

343J01.C. Price Increments

Minimum price fluctuations shall be in multiples of 0.0010 Chinese renminbi per U.S. dollar, equivalent to 10 RMB per contract, where the implied RMB pays and collects are converted into U.S. dollars at that day's "Chinese renminbi per U.S. dollar" fixing (or "midpoint") rate published by the People's Bank of China (PBC) and representing spot trading of Chinese renminbi per U.S. dollar.⁹

343J.01.D. Position Limits and Position Accountability

1. Authority - Position Limits and Position Accountability may be applicable, as defined by Rule 560, and as per the following.
2. Aggregation - For purposes of this Rule, where applicable:
 - futures,
 - options on futures,
 - E-mini futures,
 - E-micro futures,
 - cleared only spot, forward and swaps (combinations of spot and forwards or two maturity forwards),
 - cleared only options on spot and forwards; and
 - in addition, where applicable, the analogous reciprocal versions of the aforementioned contracts for the respective foreign exchange pairs,

shall be aggregated with all products utilizing that foreign exchange (FX) pair regardless of quoting conventions. The baseline for this aggregation shall be the denomination of the underlying full-size CME futures contract. Contract equivalents shall be determined through the conversion of the notional value (or contract size times the number of contracts in standardized products) to the CME base currency using the prior day's Regular Trading Hours (RTH) settlement, and dividing the result by the contract size or notional of the full-size CME futures contract.

⁸ The Chinese renminbi ("RMB" or "people's currency") is denominated in the unit "yuan" (also known by symbol "CNY").

⁹ Note that this process implies the possibility that the cumulative USD denominated pays and collects may not sum to zero even where trade is "scratched." *i.e.*, a customer may buy (sell) and subsequently sell (buy) a contract at the same price quoted in terms of RMB per USD. However, contingent upon the path taken by exchange rates while the trade is open, these USD denominated cash flows, in total, may diverge somewhat from zero.

3. Contract Equivalent - For purposes of this Rule, a contract shall be deemed to be the equivalent of 10,000 U.S. dollars in notional value or 1/10th the size of a full-size contract, converted into RMB at the appropriate RMB per USD exchange rate as determined by the exchange.
4. Position Accountability - A person owning or controlling more than the aggregated equivalent of 6,000 CME full-size contracts as determined in Chapter 270, or 6,000,000,000 Chinese RMB in notional value, net long or net short, shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information if applicable.
5. Spot Position Limit - A participant shall not own or control more than the aggregated equivalent of 2,000 CME full-size contracts as determined in Chapter 270, or 2,000,000,000 Chinese RMB in notional value, net long or short, in the spot month on or after the day one week prior to the termination of trading day.
6. Exemptions - The foregoing position limits shall not apply to bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange, and shall not apply to other positions exempted pursuant to Rule 559.
7. Reserved

343J01.G. Termination of Trading

Futures trading shall terminate at 9:00 a.m. Beijing time (7:00 p.m. Central Standard Time or 8:00 p.m. Central Daylight Time) on the first Beijing business day immediately preceding the third Wednesday of the contract month. If the foregoing date for termination is an Exchange holiday, futures trading shall terminate on the next preceding common Beijing and Exchange business day.

343J01.H. Contract Modifications

Specifications shall be fixed as of the first day of trading of a contract, except that all deliveries must conform to government regulations in force at the time of delivery. If any national or international government agency or body issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules and all open and new contracts shall be subject to such government orders.

343J02. SETTLEMENT PROCEDURES

343J02.A. [Reserved]

343J02.B. Cash Settlement

The Final Settlement Price shall be the "Chinese renminbi per U.S. dollar" fixing (or "midpoint") rate published by the People's Bank of China (PBC) and representing spot trading of Chinese renminbi per U.S. dollar on the futures contract termination of trading day. Normally, this fixing rate is published at 9:15 a.m. Beijing time (7:15 p.m. CST or 8:15 p.m. CDT) on each Beijing business day for foreign exchange trading. The fixing rate may be found on the Reuters SAEC page opposite symbol "USDCNY=". The Final Settlement Price calculation shall be rounded to four (4) decimal places. Open positions on the business day following the termination of trading day will be marked to market to the Final Settlement Price. For example, a SAEC published rate of 8.0245 Chinese renminbi per U.S. dollar becomes the Final Settlement Price.

However, in the event that the Exchange President determines that the Clearing House is not able to determine a Final Settlement Price pursuant to the preceding section, then Rule 343J03 and Rule 701 shall apply to determine the Final Settlement Price.

343J03. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701.- ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

Appendix 4.
5.C. POSITION LIMIT AND REPORTABLE LEVEL TABLE
POSITION LIMIT, POSITION ACCOUNTABILITY AND REPORTABLE LEVEL TABLE

CONTRACT NAME	OPTIONS	FIRST SCALE-DOWN SPOT MONTH	SECOND SCALE-DOWN SPOT MONTH	SPOT MONTH	SINGLE MONTH	ALL MONTHS COMBINED	POSITION ACCOUNT-ABILITY	REPORT-ABLE FUT LEVEL	REPORT-ABLE OPT LEVEL
CME Foreign Exchange									
U.S. Dollar /Chilean Peso (Cleared OTC Equivalents)****				20,000			6,000	NA	
<u>USD/RMB (CNY)</u> (Aggregate into RMB/USD)				2,000 & (A)			6,000 & (A)	25	
Chinese Renminbi(RMB)/Euro FX	Y			2,000			6,000	25	25
Chinese Renminbi(RMB)/Japanese Yen	Y			2,000			6,000	25	25
Chinese Renminbi(RMB)US Dollar	Y			2,000			6,000	25	25
...									
E-micro FX (each currency pair)							(A)	250	

****For purposes of Position Accountability and Position Limits, notional value in the cleared only product will be converted to contract units, whereby, notional 100,000 U.S. dollars will equal one contract equivalent. Spot month position limits will be calculated based upon contract equivalents expiring within the ensuing 5 business days.

(A) Full-size IMM Futures Equivalents: Futures, options on futures, e-mini futures and e-micro futures shall be aggregated to the standard full-sized CME Group FX contract regardless of quoting convention. Products that are denominated in a base currency differing from that of the full-sized contract will be converted into common terms using the prior day's settlement, and the resulting notional value translated into full-sized contract equivalents.

Appendix 5

Amendments to CME Rule 855

Rule 855. OFFSETTING DIFFERENT SIZED FUTURES POSITIONS

With the consent of the account controller, a clearing member may offset and liquidate long E-Mini or E-Micro futures positions against short regular futures positions, or short E-Mini or E-Micro futures positions against long regular futures positions, held in the same account in the following ratios of E-Mini or E-Micro to regular futures contracts:

- E-Mini S&P 500 to regular S&P 500: 5:1
- E-Mini Nasdaq 100 Index to regular Nasdaq 100 Index: 5:1
- E-Mini S&P Midcap 400 to regular S&P Midcap 400: 5:1
- E-Mini Currency to regular Currency: 2:1
- E-Mini S&P CNX Nifty Index Futures to E-micro S&P CNX Nifty Index Futures: 5:1
- E-Micro GBP/USD, EUR/USD, AUD/USD, CAD/USD, JPY/USD, CHF/USD, USD/RMB or CNY to regular Currency 10:1

The clearing member shall notify the Clearing House of offsetting positions by submitting reports to the Clearing House in such form and manner as the Clearing House shall specify. The positions shall be offset at the previous day's settlement price.

Mr. David Stawick
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The positions being offset shall be transferred to a CME holding account. Long and short positions in the same contract and contract month held in the holding account shall be netted, thus reducing the number of open positions in such contract.