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**By Electronic Mail**  
August 29, 2013

Ms. Melissa Jurgens  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, D.C. 20581

**Re: NYSE Liffe US Submission 2013-115 – Notice Announcing the  
Modification of the Dynamic Price Limits for 100 oz. Gold Futures and  
Mini-Sized Gold Futures (collectively “Gold Futures”).**

Dear Ms. Jurgens:

I am a Senior Vice President of NYSE Liffe US LLC (“NYSE Liffe US” or the “Exchange”). Pursuant to Section 5c(c) of the Commodity Exchange Act, as amended (the “Act”), and U.S. Commodity Futures Trading Commission (the “Commission”) Regulations (the “Regulations”) Section 40.6(a), I enclose a Cover Sheet for NYSE Liffe US Submission 2013-115 and NYSE Liffe US Notice 19/2013 which announces that the Exchange is modifying the dynamic price limits for the 100 oz. and mini-sized Gold futures contracts (collectively “Gold Futures”) from \$2.00 to \$4.00 during U.S. trading hours effective with the September 13, 2013 Trading Session.

NYSE Liffe US hereby certifies that: (i) Notice 19/2013 and the modification described therein comply with the Act and the Regulations thereunder and (ii) a notice and copy of this submission is being concurrently posted on the Exchange’s web site. Additionally, a concise explanation and analysis of Notice 19/2013 and its compliance with applicable provisions of the Act, including Core Principles and the Commission’s regulations thereunder, is attached. No substantive opposing views were expressed by members or others with respect to the modification of the dynamic price limits for Gold Futures.

If you have any questions, please call me at (212) 656-4300.

Yours Truly,

A handwritten signature in black ink that reads "Karl D. Cooper".

Karl D. Cooper  
Enclosures

**Designated Contract Market Core Principles Implicated by  
NYSE Liffe US Submission 2013-115**

<b>CORE PRINCIPLE</b>	<b>ANALYSIS</b>
<i>Core Principle 4: Monitoring of Trading</i>	The Precious Metals Futures are subject to the existing trade practice and market surveillance policies and procedures of the Exchange. As stated above, the Exchange has real-time surveillance capabilities involving both human interaction as well as technological tools. Furthermore, the Exchange staff, in coordination with the National Futures Association, has the capacity to detect and respond to manipulation and price distortions in the markets. Specifically, the Exchange employs anti-price cascading functionality that tends to prevent price cascades from occurring. Additionally, the Exchange monitors the trading activities of large position holders, particularly during market close. Finally, the Exchange has the ability to provide accurate and complete trade reconstruction.



## NYSE LIFFE US NOTICE No. 19/2013

ISSUE DATE: August 29, 2013  
EFFECTIVE DATE: September 13, 2013

### **Modification of the Dynamic Price Limits for 100 oz. and Mini-sized Gold Futures (collectively, “Gold Futures”).**

#### **Summary**

This Notice informs Members and market participants that NYSE Life US is modifying the dynamic price limits for its most actively traded front month Gold Futures from \$2.00 to \$4.00 during the US trading hours of 8am to 5pm NY. The dynamic price limits for its most actively traded front month Gold futures will remain \$2.00 outside of US trading hours. The remaining months’ futures contracts’ dynamic price limits will be double the most actively traded front month’s dynamic price limits in all sessions.

#### **1. Introduction and Background**

- 1.1 All incoming orders are subject to dynamic price limit levels. These are put in place to prevent the execution of orders with manifest pricing errors. For futures contracts, dynamic price limits are calculated from a base level which itself is calculated from a combination of the last trade, best bid or best offer, or the mid-point between the best bid and best offer for the most actively traded front month. Dynamic price limits are monitored throughout the entire trading day, including pre-open, and may be adjusted by NYSE Liffe US Market Operations officials to reflect current market conditions.
- 1.2 [NYSE Liffe US Notice 17/2009](#), effective June 29, 2009 tightened the dynamic price limits in 100 oz. and mini-sized Gold futures from \$4.00 to \$2.00 in the front month and from \$2.00 to \$1.00 for all strategies that contained the front month.

#### **2. Change to dynamic price limits in Precious Metals Futures**

- 2.1 In light of market conditions, NYSE Liffe US is widening the dynamic price limits in the most actively traded front month Gold Futures to \$4.00 during the U.S. trading hours of 8am to 5pm NY. The dynamic price limits for its’ most actively traded front month Gold futures will remain \$2.00 outside of US trading hours. The remaining months’ futures contracts’ dynamic price limits will be double the most active month’s dynamic price limits in all sessions. The dynamic price limits for strategies

will remain \$1.00 for the most actively traded front month and \$2 for the remaining months.

Members who have questions or seek additional information in respect of this Notice should contact:

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