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**By Electronic Mail**

September 27, 2010

Mr. David A. Stawick  
Office of the Secretariat  
Commodity Futures Trading Commission  
1155 21<sup>st</sup> Street, N.W.  
Washington, D.C. 20581

2010 SEP 28 PM 3 03  
OFFICE OF THE SECRETARIAT  
C.F.T.C.

**Re: NYSE Liffe U.S. Submission 2010-110 – Changes to Dynamic Price Limits and No Bust Ranges for MSCI Emerging Markets Mini Index Futures and MSCI EAFE Mini Index Futures**

Dear Mr. Stawick:

I am the Chief Regulatory Officer of NYSE Liffe US LLC (“NYSE Liffe US” or the “Exchange”). Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the “Act”), and U.S. Commodity Futures Trading Commission Regulations (the “Regulations”) Section 40.6, I enclose a Cover Sheet for NYSE Liffe US Submission 2010-110 and NYSE Liffe US Notice 18/2010 which announces changes to dynamic price limits and no bust ranges for MSCI Emerging Markets Mini Index Futures and MSCI EAFE Mini Index Futures.

NYSE Liffe US hereby certifies that Notice 18/2010 and the amended dynamic price limits and no bust ranges comply with the Commodity Exchange Act and regulations thereunder.

If you have any questions, please call me at (212) 656-4568.

Yours Truly,

Karl D. Cooper

Enclosures



## NYSE LIFFE U.S. NOTICE No. 18/2010

ISSUE DATE: September 27, 2010  
EFFECTIVE DATE: September 29, 2010

### NYSE Liffe U.S. – Changes to Dynamic Price Limits and No Bust Ranges for MSCI Emerging Markets Mini Index Futures and MSCI EAFE Mini Index Futures

#### Summary

This Notice informs Members that, for the MSCI Emerging Markets Mini Index Futures and MSCI EAFE Mini Index Futures Contracts, the Exchange is increasing the no bust range from fifteen (15) to thirty (30) ticks and is expanding the dynamic price limit to thirty (30) ticks during daytime hours and to 240 ticks during overnight hours.

#### 1. Introduction and Background

- 1.1 NYSE Liffe U.S. Notice No. 09/2008, issued on September 4, 2008, informed Members of the Error Trade Policy. In addition, NYSE Liffe U.S. Notice No. 19/2009, issued on August 28, 2009, set the dynamic price limit and no bust range for the MSCI Emerging Markets (“EM”) Mini Index Futures and MSCI EAFE Mini Index Futures Contracts (the “MSCI EM and EAFE Mini Index Futures”) at +/- 15 ticks.
- 1.2 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 and the mid-point between the bid and offer for the most actively traded front month and for the back Delivery Months with reference to spread relationships with the front Delivery 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.
- 1.3 The Error Trade Policy exists as a means for the Exchange to balance the adverse effects on market integrity of executing trades and publishing trade information inconsistent with prevailing market conditions while preserving legitimate expectations that executed transactions will not be cancelled. To facilitate this policy, the Exchange establishes a no bust price range for each contract. Trades falling inside

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NYSE Euronext's U.S. based Futures Market, NYSE Liffe U.S., is a U.S. Commodity Futures Trading Commission designated contract market.

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the no bust range are presumed to be reasonable trades and will stand. If a trade falls outside the no bust range, the Exchange has the discretion, based on its consideration of prevailing market conditions and other relevant factors, to either adjust the price of the trade or bust it in accordance with its Error Trade Policy.

- 1.4 With this notice, the Exchange is increasing the no bust range on the MSCI EM and EAFE Mini Index Futures from 15 to 30 ticks, effective the September 30, 2010 Trading Session.
- 1.5 The Exchange is also expanding its dynamic price limits on the MSCI EM and EAFE Mini Index Futures. The limits will be different for daytime and overnight trading hours. During New York daytime hours (which will begin no later than 9:45 A.M. and extend to 5:00 P.M. New York Time) the dynamic price limit will equal the no bust range of 30 ticks. During New York overnight hours (market open until no later than 9:45 A.M. New York Time), the dynamic price limit will be changed to 240 ticks. It should be noted that the Exchange may tighten the dynamic price limits from 240 ticks to 30 ticks before 9:45 A.M. New York time if, in the consideration of the Exchange, prevailing market conditions warrant such an action.
- 1.6 Please note that during overnight hours, orders submitted in the MSCI EM and EAFE Mini Index Futures that are within the dynamic price range will not be rejected by the system automatically, but will be subject to the Exchange's Error Trade Policy if executed outside of the no bust range of 30 ticks.
- 1.7 Members are reminded that a request for review of a trade pursuant to the Exchange's Error Trade Policy must be made within eight (8) minutes of the execution of the trade. Such requests can be made by contacting any of the numbers below.

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

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