



## Special Executive Report

**DATE:** October 21, 2020  
**SER#:** 8666  
**SUBJECT:** Reduction of the Minimum Price Increments of the Monthly and Weekly Options on the Russian Ruble/U.S. Dollar (RUB/USD) Futures and Options on the South African Rand/U.S. Dollar (ZAR/USD) Futures

Effective Sunday, November 22, 2020 for trade date Monday, November 23, 2020, and pending all relevant Commodity Futures Trading Commission (“CFTC”) regulatory review periods, Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) will amend the Price Increment rule of the Monthly and Weekly Options on Russian Ruble/U.S. Dollar (RUB/USD) Futures and Options on the South African Rand/U.S. Dollar (ZAR/USD) Futures (the “Contracts”) to reduce the minimum price increment of the Contracts (collectively, the “Rule Amendments”) as noted in the table below.

Contract Title	Clearing/CME ClearPort/Open Outcry Code	CME Globex Code	Current Minimum Price Increment	Reduced Minimum Price Increment
RUB/USD Monthly Options	RU/RU/UO	6R	0.000005 per Russian ruble = \$12.50	0.000002 per Russian ruble = \$5.00
RUB/USD Weekly Options	RU1-5	6R1-6R5		
ZAR/USD Monthly Options	RA/RA/RO	RO	0.000025 per South African rand increment = \$12.50	0.00001 per South African rand increment = \$5.00
ZAR/USD Weekly Options	1N-5N	1N-5N		

The Rule Amendments more closely align the Contracts with the over-the-counter (OTC) Russian ruble and South African rand option markets.

The Exchange currently lists the Contracts for trading on the CME trading floor<sup>1</sup> and the CME Globex electronic trading platform and for submission for clearing only on CME ClearPort.

Exhibit 1 provides the Rule Amendments in blackline format.

The CFTC will be notified of the Rule Amendments during the week of November 30, 2020, via the weekly notification procedures set forth in Part 40 of the CFTC Regulations.

Please direct questions regarding this notice to:

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<sup>1</sup> CME Group closed its Chicago trading floor as of the close of business Friday, March 13, 2020, as a precaution to reduce large gatherings that can contribute to the spread of coronavirus in line with the advice of medical professionals. Updates can be found at: <https://www.cmegroup.com/company/information.html>

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**Exhibit 1**  
**CME Rulebook**  
(additions underscored; deletions ~~everstruck~~)

**Chapter 260A**  
**Options on Russian Ruble/U.S. Dollar (RUB/USD) Futures**

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**260A01. OPTIONS CHARACTERISTICS**

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**260A01.C. Price Increments**

The price of an option shall be quoted in U.S. dollars per Russian ruble. ~~Each \$0.000005 per Russian ruble (one-half point) shall represent \$12.50.~~ The minimum price increment shall be \$0.000002 per Russian ruble and represent \$5.00 (contract size of RUB2,500,000\*\$0.000002). For example, a quote of .0003052 represents an option price of \$755.00 (2,500,000\*0.000302). ~~The minimum fluctuation shall be one-half point (also known as one-half tick). A trade may also occur at a full price of \$0.000001 (\$2.50, also known as cabinet price), whether or not it results in the liquidation of positions for both parties to the trade.~~

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**Chapter 259A**  
**Options on South African Rand/U.S. Dollar (ZAR/USD) Futures**

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**259A01. OPTIONS CHARACTERISTICS**

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**259A01.C. Price Increments**

The price of an option shall be quoted in U.S. dollars per South African rand. Each ~~\$0.000025~~ \$0.00001 per South African rand (~~two and one-half points~~) shall represent ~~\$12.50~~ \$5.00. For example, a quote of .000875 represents an option price of \$435.00 (87.50 points x \$5.00 per point). The minimum fluctuation shall be ~~two and one-half points (also known as one tick).~~ A trade may also occur at a price of ~~\$0.000125~~ \$0.000005 (~~\$6.25~~ \$2.50, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

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