



Special Executive Report

DATE: May 19, 2022

SER#: 8991

SUBJECT: Amendments to CME, CBOT, and NYMEX/COMEX Rule 589. (“Special Price Fluctuation Limits”) Regarding Behavior of Dynamic Price Fluctuation Limits During the Final Settlement Determination Period of an Expiring Futures Contract

Effective Sunday, June 5, 2022 for trade date Monday, June 6, 2022, pending all relevant CFTC regulatory review periods, Chicago Mercantile Exchange Inc. (“CME”), The Board of Trade of the City of Chicago, Inc. (“CBOT”), New York Mercantile Exchange, Inc. (“NYMEX”) and Commodity Exchange, Inc. (“COMEX”) (collectively, the “Exchanges”) will implement amendments to CME, CBOT, and NYMEX/COMEX Rule 589. (“Special Price Fluctuation Limits”) to codify the behavior of dynamic price fluctuations limits during the final settlement determination period of an expiring futures contract (collectively, the “Rule Amendments”).

Specifically, if there should be a triggering event during the final settlement determination period in an expiring futures contract, the Exchanges will implement a five (5) second temporary trading halt in the contract month.

By way of background, effective April 1, 2019, the Exchanges adopted rules in connection with the implementation of dynamic price fluctuation limits (see [SER 8351](#) dated March 15, 2019).

Dynamic price fluctuation limit functionality assigns a price limit variant which is calculated as a percentage of the prior trading day’s settlement price as determined by the Exchange (“dynamic variant”). During the trading day, the dynamic variant is utilized in continuously rolling 60-minute look-back periods to establish dynamic upper and lower price fluctuation limits. Trades, bids or offers on CME Globex at a price that exceeds the dynamic price fluctuation limits will trigger a two (2) minute trading halt. This methodology is intended to promote continuous price discovery with less market disruption. At that time, the Rule did not distinguish the operation of the dynamic price fluctuation limit functionality during an expiring contract’s final settlement determination period.

The Rule Amendments in blackline format may be viewed in [Submission 22-208](#).

Inquiries regarding the aforementioned may be directed to the CME Group Global Command Center at 312.456.2391. Questions regarding this Special Executive Report may be directed to the CME Global Command Center at +1.800.438.8616, in Europe at +44.800.898.013, in Asia at +65.6532.5010, or GCC@cmegroup.com.