CME Group

Special Executive Report

S-8409   **July 11, 2019**

**Reduction of the Minimum Price Fluctuation for Non-Consecutive Intra–Currency Spreads
and Change in the CME Globex Trade Matching Algorithm for Calendar Spread Transactions
in the Japanese Yen/U.S. Dollar (JPY/USD) and Euro/U.S. Dollar (EUR/USD) Futures Contracts**

Effective Sunday, August 11, 2019, for trade date Monday, August 12, 2019, Chicago Mercantile Exchange Inc. ("CME" or "Exchange") will amend the price increment rules of the Japanese Yen/U.S. Dollar ("JPY/USD") futures contract (Rulebook chapter: 253; Commodity Code: 6J) and the Euro/U.S. Dollar ("EUR/USD") futures contract (Rulebook chapter: 261; Commodity Code: 6E) (the "Contracts") to reduce the minimum price fluctuation of the Contracts' non-consecutive intra-currency spreads from one-half of one price point (in JPY/USD, $0.0000005 or $6.25 per contract; in EUR/USD, $0.00005 or $6.25 per contract) to two-tenths of one price point (in JPY/USD, $0.0000002 or $2.50 per contract; in EUR/USD, $0.00002 or $2.50 per contract) as noted below.

Chapter 253
Japanese Yen/U.S. Dollar (JPY/USD) Futures
(Additions are <u>underlined</u>; deletions are ~~struck through~~.)

25301.   TRADING SPECIFICATIONS

25301.C.   Price Increments
Minimum price fluctuations shall be in multiples of $.0000005 per Japanese yen, commonly referred to as one-half tick, which is equivalent to $6.25 per contract. Trades may also occur in multiples of $.0000001 per Japanese yen for Japanese yen/U.S. dollar futures consecutive calendar month intra-currency spreads (i.e., January to February, February to March, March to April, etc.) executed as simultaneous transactions pursuant to Rule 542. Trades may also occur in multiples of <u>$.0000002</u>~~$.0000005~~ per Japanese yen for all other Japanese yen/U.S. dollar futures intra-currency spreads executed as simultaneous transactions pursuant to Rule 542.

Chapter 261
Euro/U.S. Dollar (EUR/USD) Futures
(Additions are <u>underlined</u>; deletions are ~~struck through~~.)

26101.   TRADING SPECIFICATIONS

26101.C.   Price Increments
Minimum price fluctuations shall be in multiples of $.00005 per Euro, equivalent to $6.25 per contract. Trades may also occur in multiples of $.00001 per Euro for Euro/U.S. dollar futures consecutive calendar month intra-currency spreads (i.e., January to February, February to March, March to April, etc.) executed as simultaneous transactions pursuant to Rule 542. Trades may also occur in multiples of <u>$.00002</u>~~$.00005~~ per Euro for all other Euro/U.S. dollar futures intra-currency spreads executed as simultaneous transactions pursuant to Rule 542.

Also, effective Sunday, August 11, 2019, for trade date Monday, August 12, 2019, and pending all Commodity Futures Trading Commission ("CFTC") regulatory review periods, the Exchange will change the CME Globex trade matching algorithm for all calendar spread transactions of the Contracts (consecutive and non-consecutive month) from Pro-Rata ("C") to Split ("K") as noted below. No changes are being made to the CME Globex trading matching algorithm for outright trades of the Contracts.

CME Globex Matching Algorithm	Pro Rata	FIFO	Residual Allocation
Current	Currency Roll (Pro Rata)	100%	N/A	FIFO (No Leveling)
Modification	Configurable (Split FIFO/Pro Rata)	80%	20%	FIFO (No Leveling)

	CME Globex Symbol	Group Code	Strategy Type	Current CME Globex Matching Algorithm	Amended CME Globex Matching Algorithm Effective 8/12/19
JPY/USD Futures (Japanese Yen)	6J	6J	Outright	F	F
	6J-6J	6J	SD	C	K
EUR/USD Futures (Euro)	6E	6E	Outright	F	F
	6E-6E	6E	SD	C	K

Information regarding these changes to the Contracts can also be found in the related Globex Notice that the Exchange released today.

For more information regarding CME Globex trade matching algorithms, please click HERE.

The Contracts are listed for trading on CME Globex and for submission for clearing through CME ClearPort.

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