



Special Executive Report

DATE: November 28, 2022
SER#: 9096
SUBJECT: **Basis Trade at Index Close (BTIC) Transactions Eligibility for the Euro/U.S. Dollar (EUR/USD) Futures Contract**
Initial Listing of the BTIC+ on Euro/U.S. Dollar (EUR/USD) Futures Contract

Effective Sunday, February 5, 2023 for trade date Monday, February 6, 2023, and pending all relevant Commodity Futures Trading Commission (“CFTC”) regulatory review periods, Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) will: (1) enable Basis Trade on Index Close (“BTIC”) transactions for the Euro/U.S. Dollar (EUR/USD) Futures contract (Chapter 261; Code: 6E; BTIC Code: 6EB); (the “Existing EUR/USD Futures Contract”); and (2) initially list the BTIC+ on Euro/U.S. Dollar (EUR/USD) Futures contract (Chapter 261B; Code: 6EP) (the “New BTIC+ EUR/USD Futures Contract”) for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission for clearing via CME ClearPort.

In order to accommodate enabling BTIC on the Existing EUR/USD Futures Contract, effective January 22, 2023 for trade date January 23, 2023, and pending all relevant CFTC regulatory review periods, CME will expand the decimal point locator on the price format for the Existing EUR/USD Futures Contract from 5 decimal points to 6 decimal points. The CME ClearPort minimum price increment for Euro/U.S. Dollar (EUR/USD) Futures will be amended from 0.00001 to 0.000010 and the CME Globex minimum price increment will change from 0.00005 to 0.000050.

BTIC transactions in the Existing EUR/USD Futures Contract will be eligible for the nearby quarterly (i.e., March, June, September, December) contract month against the daily WM Refinitiv EUR/USD Closing Spot Rate, which is calculated at 4:00 p.m. London time. Following the publication of the current day’s Closing Spot Rate, BTIC transactions will be made available against the next Exchange Business Day’s value. Salient features of this transaction type can be found in Exhibit A. Regulatory guidance regarding BTIC transactions may be viewed [here](#).

Attachments: Exhibit A – Existing EURO/USD Futures Contract
BTIC Eligibility for Euro/U.S. Dollar (EUR/USD) Futures Contract

- Relevant Specifications
- Amendments to Rulebook Chapter 261

Exhibit B – New BTIC+ EUR/USD Futures Contract
BTIC+ on Euro/U.S. Dollar (EUR/USD) Futures Contract

- Contract Specifications

Exhibit C – Exchange Fees Applicable to Existing EURO/USD Futures and
New BTIC+ EUR/USD Futures Contract

Please refer questions on this subject to:

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Exhibit A

(Existing EURO/USD Futures Contract)
BTIC Eligibility for Euro/U.S. Dollar (EUR/USD) Futures Contract

Trading and Clearing Hours	<p>CME Globex Pre-Open:</p> <ul style="list-style-type: none"> • Sunday 4:00 p.m. – 5:00 p.m. Central Time (CT) • Monday - Friday 4:15 p.m. – 4:30 p.m. London Time (10:15 a.m./11:15 a.m. CT – 10:30 a.m./11:30 a.m. CT) • Monday – Thursday 4:45 p.m. – 5:00 p.m. (CT) <p>CME Globex:</p> <ul style="list-style-type: none"> • Sunday - Friday 5:00 p.m. - 4:00 p.m. CT • Trading halt from 3:40 p.m. London time (9:40 a.m./10:40 a.m. CT) to 4:30 p.m. London Time (10:30 a.m./11:30 a.m. CT) • Daily maintenance period from 4:00 p.m. to 5:00 p.m. CT <p>CME ClearPort:</p> <ul style="list-style-type: none"> • Sunday - Friday 5:00 p.m. – 5:45 p.m. CT • No reporting Monday - Friday from 9:40 a.m. to 11:30 a.m. CT). • No reporting Monday - Thursday from 5:45 p.m. to 6:00 p.m. CT
Minimum Price Fluctuation	<p>CME Globex: 0.000005 per Euro increment = 0.625</p> <p>CME ClearPort: 0.000001 per Euro increment = 0.125</p>
Commodity Code	<p>CME Globex: 6EB CME ClearPort: 6EB</p>
CME Globex Matching Algorithm	F - FIFO
Block Minimum Threshold	150 contracts – subject to a 15 minute reporting window

CME Rulebook
 (additions underscored)

Chapter 261
Euro/U.S. Dollar (EUR/USD) Futures

26103. [Reserved]

26104. [Reserved]

26105. [Reserved]

26106. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

In respect of BTIC transactions in Euro/U.S. Dollar (EUR/USD) Futures contracts, the reference index shall be the WM/Refinitiv London 4:00 p.m. Closing Spot Rate for EUR/USD (the "Index").

26106.A. Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a BTIC or BTIC block trade executed on a given Trading Day on or before the commencement of the assessment period of the Index, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. For a BTIC or BTIC block trade executed on a given Trading Day after the commencement of the assessment period of the Index, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

26106.B. Price Assignment Procedures

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

26106.C. Minimum Price Increments

Bids and offers shall be quoted in U.S. dollars per Euro. For trades executed on CME Globex electronic trading platform, minimum price fluctuations shall be in multiples of \$0.000005 per Euro, equivalent to \$0.625 per contract. For transactions submitted through CME ClearPort, the minimum price fluctuation shall be \$0.000001 per Euro. For avoidance of doubt, a BTIC transaction may trade at positive or negative values, or at a value of zero, in accordance with Rules 524.B.

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 261

The WM/Refinitiv Closing Spot Rates are provided by Refinitiv. Refinitiv shall not be liable for any errors in or delays in providing or making available the WM/Refinitiv Spot Rates, nor for any actions taken in reliance on the same. The Closing Spot Rates cannot be used, reproduced, distributed, redistributed, licensed or disclosed in any way without a written agreement with Refinitiv.

Exhibit B

(New BTIC+ EUR/USD Futures Contract)

BTIC+ on Euro/U.S. Dollar (EUR/USD) Futures Contract

Contract Size	125,000 Euro
Price Quotation	US Dollars and cents per Euro increment
Trading and Clearing Hours	<p>CME Globex Pre-Open:</p> <ul style="list-style-type: none"> • Sunday 4:00 p.m. – 5:00 p.m. Central Time (CT) • Monday – Thursday 4:45 p.m. – 5:00 p.m. CT <p>CME Globex:</p> <ul style="list-style-type: none"> • Sunday - Friday 5:00 p.m. - 4:00 p.m. CT • Daily maintenance period from 4:00 p.m. to 5:00 p.m. CT <p>CME ClearPort:</p> <ul style="list-style-type: none"> • Sunday - Friday 5:00 p.m. – 5:45 p.m. CT • No reporting Monday - Thursday from 5:45 p.m. to 6:00 p.m. CT
Minimum Price Fluctuation	<p>CME Globex: 0.000005 per Euro increment = 0.625</p> <p>CME ClearPort: 0.000001 per Euro increment = 0.125</p>
Commodity Code	<p>CME Globex: 6EP</p> <p>CME ClearPort: 6EP</p>
Termination of Trading	The last day of trading is the Exchange Business Day prior to the contract date
CME Globex Matching Algorithm	F – FIFO
Listing Schedule	Nearest 'end-of-month' reference date. Underlying futures reference is nearest quarterly contract of Euro/U.S. Dollar (EUR/USD) Futures contract.
Initial Listing Schedule	February 2023 contract month
Block Minimum Threshold	150 contracts – subject to a 15-minute reporting window
Settlement Method	Physical delivery of a BTIC transaction in the underlying EUR/USD Futures for the last Exchange Business Day of the contract month.
Underlying Contract	Euro/U.S. Dollar (EUR/USD) Futures

Exhibit C

**Exchange Fees
BTIC Eligibility for Euro/U.S. Dollar (EUR/USD) Futures Contract and
BTIC+ on Euro/U.S. Dollar (EUR/USD) Futures Contract**

Membership Type	Venue/Transaction Type	Fee
Individual Members Clearing Members Rule 106.J Equity Member Firms & Rule 106.J Qualified Subsidiaries Rule 106.I Members & Rule 106.I Qualified Affiliates Rule 106.S Member Approved Funds	CME Globex BTIC	\$0.65
	Block BTIC	\$1.07
Rule 106.D Lessees Rule 106.F Employees	CME Globex BTIC	\$0.68
	Block BTIC	\$1.27
Rule 106.R Electronic Corporate Members (For other than CME Globex - Non-Member rates apply)	CME Globex BTIC	\$0.70
	Block BTIC	\$1.60
Rule 106.H and 106.N Firms	CME Globex BTIC	\$0.70
	Block BTIC	\$1.45
International Incentive Program (IIP) Participants International Volume Incentive Program (IVIP) Participants Central Bank Incentive Program (CBIP) Participants Latin American Fund Manager Incentive Program (FMIP) Participants	CME Globex BTIC	\$1.60
	Block BTIC	\$1.60
CTA/Hedge Fund Incentive Program Participants	CME Globex BTIC	\$1.60
	Block BTIC	\$1.60
Members Trading Outside of Division (For other than CME Globex During ETH - Non-Member rates apply)	CME Globex BTIC	\$1.60
	Block BTIC	\$1.60
Non-Members	CME Globex BTIC	\$1.60
	Block BTIC	\$1.60

Processing Fees	Fee
Position Adjustment/Position Transfer	\$0.10
Give-Up Surcharge	\$0.05
Facilitation Fee	\$0.40