SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-69254; File No. SR-CME-2012-34)

March 28, 2013

Self-Regulatory Organizations; Chicago Mercantile Exchange Inc.; Notice of Withdrawal of Proposed Rule Change Related to the Liquidity Factor of CME's CDS Margin Methodology

On December 10, 2012, Chicago Mercantile Exchange Inc. ("CME") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934[1] and Rule 19b-4 thereunder,[2] a proposed rule change to make adjustments to the liquidity risk factor component of its credit default swap ("CDS") margin model. The proposed rule change would permit CME to use an index portfolio's market risk rather than its gross notional as the basis for determining the margins associated with the liquidity risk factor of CME's CDS margin methodology. Notice of the proposed rule change was published in the Federal Register on December 31, 2012.[3] The Commission did not receive comments on the proposal.

1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 Securities Exchange Act Release No. 68529 (Dec. 21, 2012), 77 FR 77160 (Dec. 31, 2012).

On February 14, 2013, the Commission extended the time period in which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change to March 31, 2013.[4] On March 28, 2013, CME withdrew the proposed rule change (SR-CME-2012-34).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[5]

Kevin M. O'Neill
Deputy Secretary

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4 Securities Exchange Act Release No. 68929 (Feb. 14, 2013), 78 FR 12127 (Feb. 21, 2013).

5 17 CFR 200.30-3(a)(12).