18-212

TO: Clearing Member Firms
Chief Financial Officers
Back Office Managers
Margin Managers

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Tuesday, May 29, 2018

To receive advanced notification of Performance Bond (margin) changes, through our free automated mailing list, go to

http://www.cmegroup.com/newsletter/web2lead/web2sf-old.html

and subscribe to the Performance Bond Rates Advisory Notice listserver.

As per the normal review of market volatility to ensure adequate collateral coverage, the Chicago Mercantile Exchange Inc., Clearing House Risk Management staff approved the performance bond requirements for the following products listed below.

The rates will be effective after the close of business on

Wednesday, May 30, 2018.

Current rates as of:

Tuesday, May 29, 2018.

In this current advisory there are changes to the Short Option Minimum and/or the Volatility Scan Range. Below are descriptions of what each change affects:

The Short Option Minimum (SOM) is a charge that is applied only to portfolios concentrated in short options that do not generate a minimum margin requirement level when margins are calculated using the normal 16 SPAN scenarios. The SOM charge per short calls or short puts is a percentage of the outright margin on one underlying futures contract.

The volatility scan range is the change in implied volatility that is used in each of SPAN’s 16 scenarios.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
CRUDE OIL - Outright Rates								
DUBAI CRUDE OIL CALENDAR FUT (DC)								
DC	Spec	Mnth4	Increase	USD	2,310	2,100	2,420	2,200
DC	Hedge/Member	Mnth4	Increase	USD	2,100	2,100	2,200	2,200
DC	Spec	Mnth5	Increase	USD	2,200	2,000	2,420	2,200
DC	Hedge/Member	Mnth5	Increase	USD	2,000	2,000	2,200	2,200
DC	Spec	Mnth6	Increase	USD	2,090	1,900	2,420	2,200
DC	Hedge/Member	Mnth6	Increase	USD	1,900	1,900	2,200	2,200
DC	Spec	Mnth7	Increase	USD	2,090	1,900	2,420	2,200
DC	Hedge/Member	Mnth7	Increase	USD	1,900	1,900	2,200	2,200
DC	Spec	Mnth8	Increase	USD	2,090	1,900	2,420	2,200
DC	Hedge/Member	Mnth8	Increase	USD	1,900	1,900	2,200	2,200
EUROPE DATED BRENT FUT (UB)								
UB	Spec	Mths 7+	Increase	USD	2,530	2,300	3,080	2,800
UB	Hedge/Member	Mths 7+	Increase	USD	2,300	2,300	2,800	2,800
UB	Spec	Mths 1 - 6	Increase	USD	2,750	2,500	3,080	2,800
UB	Hedge/Member	Mths 1 - 6	Increase	USD	2,500	2,500	2,800	2,800
MINI DATED BRENT (PLATTS) FINANCIAL (MDB)								
MDB	Spec	Mths 7+	Increase	USD	253	230	308	280
MDB	Hedge/Member	Mths 7+	Increase	USD	230	230	280	280
MDB	Spec	Mths 1 - 6	Increase	USD	275	250	308	280
MDB	Hedge/Member	Mths 1 - 6	Increase	USD	250	250	280	280
MINI DUBAI CRUDE OIL (PLATTS) FUT (DBL)								
DBL	Spec	Mnth4	Increase	USD	231	210	242	220
DBL	Hedge/Member	Mnth4	Increase	USD	210	210	220	220
DBL	Spec	Mnth5	Increase	USD	220	200	242	220
DBL	Hedge/Member	Mnth5	Increase	USD	200	200	220	220
DBL	Spec	Mnth6	Increase	USD	209	190	242	220
DBL	Hedge/Member	Mnth6	Increase	USD	190	190	220	220
DBL	Spec	Mnth7	Increase	USD	209	190	242	220
DBL	Hedge/Member	Mnth7	Increase	USD	190	190	220	220
DBL	Spec	Mnth8	Increase	USD	209	190	242	220
DBL	Hedge/Member	Mnth8	Increase	USD	190	190	220	220

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
CRUDE OIL SPREADS - Outright Rates								
ARGUS LLS VS. WTI (ARG) TRD M (E5)								
E5	Spec	Mnth 1	Increase	USD	715	650	935	850
E5	Hedge/Member	Mnth 1	Increase	USD	650	650	850	850
E5	Spec	Mnths 2-4	Increase	USD	715	650	935	850
E5	Hedge/Member	Mnths 2-4	Increase	USD	650	650	850	850
E5	Spec	Mnth 5+	Increase	USD	660	600	880	800
E5	Hedge/Member	Mnth 5+	Increase	USD	600	600	800	800
CANADIAN LIGHT SWEET OIL (CIL)								
CIL	Spec	Mnths 1-2	Increase	USD	1,540	1,400	1,980	1,800
CIL	Hedge/Member	Mnths 1-2	Increase	USD	1,400	1,400	1,800	1,800
CIL	Spec	Mnths 3-6	Increase	USD	1,540	1,400	1,980	1,800
CIL	Hedge/Member	Mnths 3-6	Increase	USD	1,400	1,400	1,800	1,800
CIL	Spec	Mnths 7+	Increase	USD	1,100	1,000	1,540	1,400
CIL	Hedge/Member	Mnths 7+	Increase	USD	1,000	1,000	1,400	1,400
LIGHT SWEET OIL NET ENERGY MONTHLY (LSW)								
LSW	Spec	Mnths 1-2	Increase	USD	1,540	1,400	1,980	1,800
LSW	Hedge/Member	Mnths 1-2	Increase	USD	1,400	1,400	1,800	1,800
LSW	Spec	Mnths 3-6	Increase	USD	1,540	1,400	1,980	1,800
LSW	Hedge/Member	Mnths 3-6	Increase	USD	1,400	1,400	1,800	1,800
MARS (ARGUS) V WTI FUT (YX)								
YX	Spec	Mnth 1	Increase	USD	715	650	798	725
YX	Hedge/Member	Mnth 1	Increase	USD	650	650	725	725
YX	Spec	Mnths 2-4	Increase	USD	633	575	715	650
YX	Hedge/Member	Mnths 2-4	Increase	USD	575	575	650	650
YX	Spec	Mnths 5+	Increase	USD	633	575	715	650
YX	Hedge/Member	Mnths 5+	Increase	USD	575	575	650	650
MARS (ARGUS) V WTI TRD MTH FUT (YV)								
YV	Spec	Mnth 1	Increase	USD	715	650	798	725
YV	Hedge/Member	Mnth 1	Increase	USD	650	650	725	725
YV	Spec	Mnths 2-4	Increase	USD	633	575	715	650
YV	Hedge/Member	Mnths 2-4	Increase	USD	575	575	650	650
YV	Spec	Mnths 5+	Increase	USD	633	575	715	650
YV	Hedge/Member	Mnths 5+	Increase	USD	575	575	650	650

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
WTI HOUSTON ARGUS V.WTI TRADE MONTH (HTT)								
HTT	Spec	Mnth1	Increase	USD	715	650	825	750
HTT	Hedge/Member	Mnth1	Increase	USD	650	650	750	750
HTT	Spec	Mnth 2	Increase	USD	550	500	660	600
HTT	Hedge/Member	Mnth 2	Increase	USD	500	500	600	600
HTT	Spec	Mnths 3-7	Increase	USD	495	450	633	575
HTT	Hedge/Member	Mnths 3-7	Increase	USD	450	450	575	575
HTT	Spec	Mths 8-19	Increase	USD	440	400	578	525
HTT	Hedge/Member	Mths 8-19	Increase	USD	400	400	525	525
HTT	Spec	Mnths 20+	New	USD			440	400
HTT	Hedge/Member	Mnths 20+	New	USD			400	400
WTI MIDLAND (ARG) VS. WTI TRADE MTH (WTT)								
WTT	Spec	Mnth 1	Increase	USD	2,420	2,200	2,640	2,400
WTT	Hedge/Member	Mnth 1	Increase	USD	2,200	2,200	2,400	2,400
WTT	Spec	Mnths 2-4	Increase	USD	2,420	2,200	2,640	2,400
WTT	Hedge/Member	Mnths 2-4	Increase	USD	2,200	2,200	2,400	2,400
WTT	Spec	Mnths 5-11	Increase	USD	2,145	1,950	2,420	2,200
WTT	Hedge/Member	Mnths 5-11	Increase	USD	1,950	1,950	2,200	2,200
WTI MIDLAND(ARGUS) VS WTI FINCL FUT (FF)								
FF	Spec	Mnth1	Increase	USD	2,393	2,175	2,640	2,400
FF	Hedge/Member	Mnth1	Increase	USD	2,175	2,175	2,400	2,400
FF	Spec	Mnths 2-3	Increase	USD	2,393	2,175	2,640	2,400
FF	Hedge/Member	Mnths 2-3	Increase	USD	2,175	2,175	2,400	2,400
FF	Spec	Mnths 4-7	Increase	USD	2,035	1,850	2,310	2,100
FF	Hedge/Member	Mnths 4-7	Increase	USD	1,850	1,850	2,100	2,100
FF	Spec	Mths 8+	Increase	USD	1,903	1,730	2,145	1,950
FF	Hedge/Member	Mths 8+	Increase	USD	1,730	1,730	1,950	1,950
WTS (ARGUS) V WTI TRD MTH FUT (FH)								
FH	Spec	Mnth 1	Increase	USD	2,970	2,700	3,410	3,100
FH	Hedge/Member	Mnth 1	Increase	USD	2,700	2,700	3,100	3,100
FH	Spec	Mnths 2-3	Increase	USD	2,970	2,700	3,410	3,100
FH	Hedge/Member	Mnths 2-3	Increase	USD	2,700	2,700	3,100	3,100
FH	Spec	Mnths 4-7	Increase	USD	2,970	2,700	3,410	3,100
FH	Hedge/Member	Mnths 4-7	Increase	USD	2,700	2,700	3,100	3,100
FH	Spec	Mnths 8+	Increase	USD	2,860	2,600	3,025	2,750
FH	Hedge/Member	Mnths 8+	Increase	USD	2,600	2,600	2,750	2,750

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
DME Products - Outright Rates								
DUBAI CRUDE OIL (PLATTS) (DCD)								
DCD	Spec	Mnths 4-8	Increase	USD	2,310	2,100	2,420	2,200
DCD	Hedge/Member	Mnths 4-8	Increase	USD	2,100	2,100	2,200	2,200
DCD	Spec	Mnths 9+	Increase	USD	2,200	2,000	2,420	2,200
DCD	Hedge/Member	Mnths 9+	Increase	USD	2,000	2,000	2,200	2,200
ELECTRICITY - Outright Rates								
ERCOT HSTN 345 KV HUB 5 MW PEAK FUT (I1)								
I1	Spec	Mnth 1	Increase	USD	1,540	1,400	1,870	1,700
I1	Hedge/Member	Mnth 1	Increase	USD	1,400	1,400	1,700	1,700
ERCOT NRTH 345 KV HUB 5 MW PEAK FUT (I5)								
I5	Spec	Mnth 1	Increase	USD	825	750	1,265	1,150
I5	Hedge/Member	Mnth 1	Increase	USD	750	750	1,150	1,150
I5	Spec	Mnth 2-3	Increase	USD	825	750	1,265	1,150
I5	Hedge/Member	Mnth 2-3	Increase	USD	750	750	1,150	1,150
I5	Spec	Mnths 4-11	Increase	USD	825	750	1,045	950
I5	Hedge/Member	Mnths 4-11	Increase	USD	750	750	950	950
I5	Spec	Mnths 12+	Increase	USD	440	400	660	600
I5	Hedge/Member	Mnths 12+	Increase	USD	400	400	600	600
EQUITY INDEX - Outright Rates								
S&P 500 QUARLY DIVIDEND INDEX FUT (SDI)								
SDI	Spec	Month 1	Increase	USD	204	185	259	235
SDI	Hedge/Member	Month 1	Increase	USD	185	185	235	235
NATURAL GAS - Outright Rates								
DUTCH TTF NATURAL GAS CAL MONTH FUT (TTF)								
TTF	Spec	Mnths 4-9	Increase	EUR	440	400	506	460
TTF	Hedge/Member	Mnths 4-9	Increase	EUR	400	400	460	460
DUTCH TTF NATURAL GAS FRONT MTH FUT (TTE)								
TTE	Spec	Mnth 1	Increase	USD	3,685	3,350	3,960	3,600
TTE	Hedge/Member	Mnth 1	Increase	USD	3,350	3,350	3,600	3,600
TTE	Spec	Mnths 2	Increase	USD	2,585	2,350	2,750	2,500
TTE	Hedge/Member	Mnths 2	Increase	USD	2,350	2,350	2,500	2,500
UK NBP NATURAL GAS FRONT MTH FUT (NBP)								
NBP	Spec	Mnths 3+	Increase	USD	2,750	2,500	2,915	2,650
NBP	Hedge/Member	Mnths 3+	Increase	USD	2,500	2,500	2,650	2,650

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
				REFINED PRODUCTS - Outright Rates				
EUROPE 3.5% FUEL OIL RDAM CALFUT (UV)								
UV	Spec	Mnths 2-6	Increase	USD	13,200	12,000	13,750	12,500
UV	Hedge/Member	Mnths 2-6	Increase	USD	12,000	12,000	12,500	12,500
UV	Spec	Mnths 7-10	Increase	USD	12,650	11,500	13,200	12,000
UV	Hedge/Member	Mnths 7-10	Increase	USD	11,500	11,500	12,000	12,000
EUROPE NAPHTHA CALFUT (UN)								
UN	Spec	Mths 2-6	Increase	USD	20,350	18,500	21,120	19,200
UN	Hedge/Member	Mths 2-6	Increase	USD	18,500	18,500	19,200	19,200
UN	Spec	Mnths 7+	Increase	USD	19,800	18,000	20,350	18,500
UN	Hedge/Member	Mnths 7+	Increase	USD	18,000	18,000	18,500	18,500
MIN EURO NPHTHA CIF NWE FUT (MNC)								
MNC	Spec	Mths 2-6	Increase	USD	2,035	1,850	2,112	1,920
MNC	Hedge/Member	Mths 2-6	Increase	USD	1,850	1,850	1,920	1,920
MNC	Spec	Mnths 7+	Increase	USD	1,980	1,800	2,035	1,850
MNC	Hedge/Member	Mnths 7+	Increase	USD	1,800	1,800	1,850	1,850
MINI EURO 3.5% FUEL OIL FOB RDM FUT (0D)								
0D	Spec	Mnths 2-6	Increase	USD	1,320	1,200	1,375	1,250
0D	Hedge/Member	Mnths 2-6	Increase	USD	1,200	1,200	1,250	1,250
0D	Spec	Mnths 7-10	Increase	USD	1,265	1,150	1,320	1,200
0D	Hedge/Member	Mnths 7-10	Increase	USD	1,150	1,150	1,200	1,200

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
CRUDE OIL SPREADS - Intra Spreads								
ARGUS LLS VS. WTI (ARGUS) TRADE MONTH SWAP FUTURES - All Months (ARGUS LLS VS. WTI (ARG) TRD M)								
E5	Spec		Increase	USD	550	500	770	700
E5	Hedge/Member		Increase	USD	500	500	700	700
Light Sweet Oil (Net Energy) Monthly Index Futures - All Months (LIGHT SWEET OIL NET ENERGY MONTHLY)								
LSW	Spec		Increase	USD	935	850	1,375	1,250
LSW	Hedge/Member		Increase	USD	850	850	1,250	1,250
Mars (Argus) vs. WTI Spread Calendar Swap - All Months (MARS (ARGUS) V WTI FUT)								
YX	Spec		Increase	USD	550	500	660	600
YX	Hedge/Member		Increase	USD	500	500	600	600
Mars (Argus) vs. WTI Spread Trade Month Swap - All Months (MARS (ARGUS) V WTI TRD MTH FUT)								
YV	Spec		Increase	USD	550	500	660	600
YV	Hedge/Member		Increase	USD	500	500	600	600
WTS (Argus) vs. WTI Spread Calendar Swap - All Months (WTI MIDLAND(ARGUS) VS WTI FINCL FUT)								
FF	Spec		Increase	USD	1,375	1,250	1,870	1,700
FF	Hedge/Member		Increase	USD	1,250	1,250	1,700	1,700
WTS (Argus) vs. WTI Spread Trade Month Swap - All Months (WTS (ARGUS) V WTI TRD MTH FUT)								
FH	Spec		Increase	USD	1,870	1,700	2,310	2,100
FH	Hedge/Member		Increase	USD	1,700	1,700	2,100	2,100
ELECTRICITY - Intra Spreads								
German Power Baseload Calendar month futures - Months 10+ vs 10+ (GERMAN POWER BASELOAD CAL MONTH FUT)								
DEB	Spec		Increase	EUR	605	550	770	700
DEB	Hedge/Member		Increase	EUR	550	550	700	700

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
CRUDE OIL - Inter-commodity Spread Rates						
CHICAGO ETHANOL (PLATTS) SWAP FUTURES (NY-CU - CME) vs DUBAI CRUDE OIL (PLATTS) CALENDAR SWAP FUTURES (NY-DC - CME)						
Spread Credit Rate	Decrease	+1:-1	50%	50%	45%	45%
LIGHT SWEET CRUDE OIL FUTURES (NY-CL, CS, WS) vs MONT BELVIEU ETHANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-C0 - CME)						
Spread Credit Rate	Decrease	+1:-1	15%	15%	0%	0%
DME Products - Inter-commodity Spread Rates						
SINGAPORE FUEL OIL 380 CST (PLATTS) SWAP FUTURES (NY-SE - CME) vs OMAN CRUDE OIL (NY-OQ - CME)						
Spread Credit Rate	Decrease	+5:-33	84%	84%	79%	79%
ETHANOL - Inter-commodity Spread Rates						
CHICAGO ETHANOL (PLATTS) SWAP FUTURES (NY-CU - CME) vs DUBAI CRUDE OIL (PLATTS) CALENDAR SWAP FUTURES (NY-DC - CME)						
Spread Credit Rate	Decrease	+1:-1	50%	50%	45%	45%
NEW YORK HARBOR NO. 2 HEATING OIL FUTURES (NY-HO - CME) vs ETHANOL (EH - CME)						
Spread Credit Rate	Decrease	+1:-1	45%	45%	40%	40%
NATURAL GAS - Inter-commodity Spread Rates						
DUTCH TTF NATURAL GAS (USD/MMBTU) (ICIS HEREN) FRONT MONTH FUTURES (NY-TTE - CME) vs LNG JAPAN/KOREA MARKER (PLATTS) SWAP FUTURES (NY-JKM - CME)						
Spread Credit Rate	Decrease	+1:-1	35%	35%	25%	25%
NGL/PETROCHEMICALS - Inter-commodity Spread Rates						
LIGHT SWEET CRUDE OIL FUTURES (NY-CL, CS, WS) vs MONT BELVIEU ETHANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-C0 - CME)						
Spread Credit Rate	Decrease	+1:-1	15%	15%	0%	0%
MONT BELVIEU ETHANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-C0 - CME) vs MONT BELVIEU NATURAL GASOLINE 5 DECIMALS (OPIS) SWAP FUTURES (NY-7Q - CME)						
Spread Credit Rate	Decrease	+1:-1	15%	15%	0%	0%
MONT BELVIEU NATURAL GASOLINE 5 DECIMALS (OPIS) SWAP FUTURES (NY-7Q - CME) vs MONT BELVIEU ETHANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-C0 - CME)						
Spread Credit Rate	Decrease	+1:-1	15%	15%	0%	0%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
REFINED PRODUCTS - Inter-commodity Spread Rates						
NEW YORK HARBOR NO. 2 HEATING OIL FUTURES (NY-HO - CME) vs ETHANOL (EH - CME)						
Spread Credit Rate	Decrease	+1:-1	45%	45%	40%	40%
SINGAPORE FUEL OIL 380 CST (PLATTS) SWAP FUTURES (NY-SE - CME) vs EUROPEAN NAPHTHA (PLATTS) CALENDAR SWAP FUTURES (NY-UN - CME)						
Spread Credit Rate	Decrease	+1:-1	70%	70%	65%	65%
SINGAPORE FUEL OIL 380 CST (PLATTS) SWAP FUTURES (NY-SE - CME) vs OMAN CRUDE OIL (NY-OQ - CME)						
Spread Credit Rate	Decrease	+5:-33	84%	84%	79%	79%