

**UPDATED AND CORRECTED – JANUARY 10, 2012**

**IMPORTANT MEMORANDUM**

TO: Clearing Member Firms  
Chief Financial Officers  
Back Office Managers

FROM: CME Clearing

SUBJECT: HOLIDAY SCHEDULE-MARTIN LUTHER KING JR. DAY, MONDAY, JANUARY 16, 2012

**For updated trading schedules during the holiday, please refer to the links below.**

CME Group Trading Floor: <http://www.cmegroup.com/tools-information/holiday-calendar/files/2012floorholidaycard.pdf>

CME Globex: <http://www.cmegroup.com/tools-information/holiday-calendar/files/2012-martin-luther-king.pdf>

NYMEX Trading Floor: [http://www.cmegroup.com/tools-information/holiday-calendar/files/New York Floor Holiday Calendar 2012.pdf](http://www.cmegroup.com/tools-information/holiday-calendar/files/New_York_Floor_Holiday_Calendar_2012.pdf)

NYMEX ClearPort: [http://www.cmegroup.com/tools-information/holiday-calendar/files/CME Clearport 2012 Holiday Calendar.pdf](http://www.cmegroup.com/tools-information/holiday-calendar/files/CME_Clearport_2012_Holiday_Calendar.pdf)

This coming Monday, January 16, 2012 is Martin Luther King, Jr. Day, a US federal holiday. As such, it is quite typical of CME Clearing's processing for most US federal holidays going forward:

**An 'Exchange holiday':**

- The Chicago and New York trading floors are closed.
- CME Globex will open normally on Sunday at 5pm Chicago, but will close at 10:30am Monday, and then re-open at 5pm Monday. Trades done on CME Globex from 5pm Sunday to 10:30am Monday will clear as of business day **Tuesday January 17**.
- CME ClearPort will be open as normal. CDS and OTC FX trades will clear as of business day Monday, and trades in other ClearPort products will clear as of business day Tuesday.

**Clearing processing for Interest-Rate Swaps:**

Trades may be cleared according to their normal schedule for interest-rate swaps. USD-denominated rate swaps will be brought into **Tuesday's** clearing cycle for the first time, while rate swap trades denominated in EUR, GBP and CAD will be brought into **Monday's** clearing cycle. Because it's a USD banking holiday on Monday, the USD-denominated price alignment interest calculated at end-of-day this Friday will cover **four** calendar days. On Monday USD price alignment interest will be zero.

### **Clearing processing for Credit-Default Swaps:**

Trades may similarly be cleared according to their normal schedule for CME's USD-denominated credit default swaps, but these will be brought into **Tuesday's** clearing cycle. There is no price submission for CDS on Monday. Exactly as with USD-denominated rate swaps, price alignment interest calculated at end-of-day Friday will cover four calendar days, and PAI on Monday will be zero.

**Clearing processing for OTC FX Products:** Trades may be cleared in any CME OTC FX product on Monday, for Monday's clearing business date.

### **Inter-Exchange Processing with the Singapore Exchange (SGX):**

Inter-exchange processing pursuant to the Mutual Offset Agreement with the Singapore Exchange (SGX) will be normal on Monday January 16. There will be both "A.M." and "P.M." inter-exchange processing cycles, on their normal schedules. The CME side of inter-exchange transfers cleared on the Monday, however, will be brought into **Tuesday's** clearing cycle.

The deadline to submit trades to the A.M. inter-exchange processing cycle on Monday will be its normal time of 7:00am Chicago time.

### **Monday January 16: A clearing business day (but somewhat special):**

- There will be no intraday settlement cycle on Monday January 16.
- Settlement price files and SPAN files **will** be published at end-of-day on Monday, but settlement prices for all products except OTC FX will be identical to their values as of Friday.
- There **will** be an end-of-day settlement cycle on Monday.
- Because there will be no new trades and no new prices for normal Exchange products on the Monday, there will be no settlement variation or option premium requirements for these products generated on the Monday. Performance bond requirements for normal Exchange products on Monday may be slightly different from Friday's values due to the passage of time.
- There will be no new settlement variation requirements on the Monday for USD-denominated credit default swaps and performance bond requirements for these positions will not change from their Friday values.
- There will be no new settlement variation requirements on the Monday for USD-denominated interest-rate swaps, but there **will** be new variation requirements for interest-rate swaps denominated in currencies other than USD, in particular for EUR, GBP and CAD. And performance bond requirements for the combined portfolio **will** be updated on Monday.
- CME Clearing is not open on Monday January 16 for deposits or withdrawals of collateral. Haircut percentages applied to securities deposited as collateral will change slightly on the Monday from their Friday values due to the passage of time, however. These will be reflected on clearing reports generated for end-of-day Monday, and have the potential to result in margin calls or releases for value date Tuesday.
- The "Interest-Earning Facility" (IEF) will be closed for all transactions on Monday January 16. No purchases or redemptions will be allowed for the IEF-2, IEF-3, IEF-4 or IEF-5 programs on the Monday. Processing deadlines will be normal on Friday January 13 and Tuesday January 17.
- The "SVIEF" feature for USD-denominated settlement variation will **not** be available for the end-of-day clearing cycle on Monday January 16.

- Banking value dates will be determined as normal in the end-of-day settlement cycle for Monday. Settlement variation amounts denominated in EUR, GBP, CAD or USD will be for value date Tuesday January 17, as will any USD-denominated margin calls.
- Note that banking value dates determined for the end-of-day settlement cycle this **Friday** January 13, **will** take the Monday USD banking holiday into account. The value date for USD-denominated variation and margin calls generated at end-of-day Friday, for example, will be Tuesday January 17.

### **A.M. SETTLEMENT CONFIRMATIONS**

US-based settlement banks are closed on Monday, January 16, and will not provide morning settlement confirmations on that day.

Confirmations for amounts generated in the end-of-day settlement cycles on both Friday January 13 and Monday January 16, will be provided **on the morning of Tuesday January 17**, by their normal deadline of 7:30am Chicago time. Payments for USD settlement transactions generated at end-of-day on Friday and/or Monday will similarly be processed on Tuesday morning.

### **FOREIGN CURRENCY PERFORMANCE BOND CASH WITHDRAWALS**

Due to the holiday's effects on transaction processing, please note the following value dates on foreign currency performance bond cash withdrawals requested on Wednesday, Thursday or Friday of this week:

#### **Swiss franc, Australian dollar, New Zealand dollar, Swedish krona, Norwegian krone, Japanese yen, Turkish lira**

<u>Trade Date</u>	<u>Value Date</u>
Wednesday, January 11, 2012	Thursday, January 12, 2012
Thursday, January 12, 2012	Friday, January 13, 2012
Friday, January 13, 2012	Tuesday, January 17, 2012

#### **Canadian dollar, Mexican peso, Euro, British pound**

<u>Trade Date</u>	<u>Value Date</u>
Wednesday, January 11, 2012	Thursday, January 11, 2012
Thursday, January 12, 2012	Thursday, January 12, 2012
Friday, January 13, 2012	Friday, January 13, 2012

### **FOREIGN CURRENCY SETTLEMENT VARIATION**

Please note the following value dates for foreign currency settlement variation on Wednesday, Thursday or Friday of this week.

#### **Swiss franc, Australian dollar, New Zealand dollar, Swedish krona, Norwegian krone, Japanese yen, Turkish lira**

<u>Business Date</u>	<u>Value Date</u>
Wednesday, January 11, 2012	Friday, January 13, 2012
Thursday, January 12, 2012	Tuesday, January 17, 2012
Friday, January 13, 2012	Wednesday, January 18, 2012

**Canadian dollar, Mexican peso, Euro, British pound**

Business Date

Wednesday, January 11, 2012  
Thursday, January 12, 2012  
Friday, January 13, 2012

Value Date

Thursday, January 12, 2012  
Friday, January 12, 2012  
Tuesday, January 17, 2012

**For questions or further information:** please contact CME Clearing at 312-207-2525 or CME Clearing's Financial Unit at 312-207-2794.