CME Group

CH 15-423

TO:	Clearing Member Firms Chief Financial Officers Back Office Managers Margin Managers
FROM:	CME Clearing
SUBJECT:	Performance Bond Requirements
DATE:	Thursday, December 10, 2015

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

Friday, December 11, 2015.

Current rates as of:

Thursday, December 10, 2015.

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								
				AGRICULTURE - Outright Rates				
CASH CHEESE FUTURES (CSC)								
CSC	Spec	Mnths 2-5	Decrease	USD	1,760	1,600	1,650	1,500
CSC	Hedge/Member	Mnths 2-5	Decrease	USD	1,600	1,600	1,500	1,500
DAP FOB NOLA SWAP (DFL)								
DFL	Spec		Decrease	USD	4,125	3,750	3,575	3,250
DFL	Hedge/Member		Decrease	USD	3,750	3,750	3,250	3,250
LUMBER110 FUTURES (LB)								
LB	Spec		Decrease	USD	1,760	1,600	1,540	1,400
LB	Hedge/Member		Decrease	USD	1,600	1,600	1,400	1,400
NYMEX COFFEE (KT)								
KT	Spec		Decrease	USD	4,675	4,250	4,125	3,750
KT	Hedge/Member		Decrease	USD	4,250	4,250	3,750	3,750
OATS FUTURES (O)								
O	Spec		Decrease	USD	880	800	770	700
O	Hedge/Member		Decrease	USD	800	800	700	700
SUGAR 11 FUTURES NYMEX (YO)								
YO	Spec		Increase	USD	886	805	1,100	1,000
YO	Hedge/Member		Increase	USD	805	805	1,000	1,000
UAN FOB NOLA SWAP (UFU)								
UFU	Spec		Decrease	USD	2,200	2,000	1,925	1,750
UFU	Hedge/Member		Decrease	USD	2,000	2,000	1,750	1,750
UREA (GRANULAR) FOB U.S. GULF SWAP (UFN)								
UFN	Spec		Decrease	USD	3,630	3,300	3,300	3,000
UFN	Hedge/Member		Decrease	USD	3,300	3,300	3,000	3,000
UREA (PRILLED BULK) FOB YUZHNY SWAP (UFZ)								
UFZ	Spec		Decrease	USD	2,475	2,250	2,200	2,000
UFZ	Hedge/Member		Decrease	USD	2,250	2,250	2,000	2,000

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
COAL - Outright Rates								
AUSTRALIAN COKING (PLATTS) LOW VOL (ALW)								
ALW	Spec		Decrease	USD	4,400	4,000	3,850	3,500
ALW	Hedge/Member		Decrease	USD	4,000	4,000	3,500	3,500
COAL API4 RCH BAY ARGS MCCLOSKY FUT (MFF)								
MFF	Spec	Mnth 1	Increase	USD	1,953	1,775	2,063	1,875
MFF	Hedge/Member	Mnth 1	Increase	USD	1,775	1,775	1,875	1,875
EASTERN RAIL DELIVERY CSX COAL FUT (QX)								
QX	Spec	Mnths 12+	New	USD			1,760	1,600
QX	Hedge/Member	Mnths 12+	New	USD			1,600	1,600
INDONESIAN COAL MCCLOSKEY SUBBIT. (MCC)								
MCC	Spec	Mth 1	Increase	USD	2,750	2,500	3,025	2,750
MCC	Hedge/Member	Mth 1	Increase	USD	2,500	2,500	2,750	2,750
CRUDE OIL SPREADS - Outright Rates								
MARS (ARGUS) V WTI FUT (YX)								
YX	Spec	Mnth 1	Increase	USD	1,925	1,750	2,585	2,350
YX	Hedge/Member	Mnth 1	Increase	USD	1,750	1,750	2,350	2,350
ETHANOL - Outright Rates								
ETHANOL(PL) T2 FOB RTRDM INCL (Z1)								
Z1	Spec	Mnths 2+	Increase	EUR	3,025	2,750	3,575	3,250
Z1	Hedge/Member	Mnths 2+	Increase	EUR	2,750	2,750	3,250	3,250

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
			NATURAL GAS - Outright Rates					
NATURAL GAS PIPELINE TEXOK BASIS FUT (PD)								
PD	Spec	Mnths 7-12	Increase	USD	61	55	88	80
PD	Hedge/Member	Mnths 7-12	Increase	USD	55	55	80	80
PD	Spec	Mnths 13+	Increase	USD	88	80	110	100
PD	Hedge/Member	Mnths 13+	Increase	USD	80	80	100	100
NGPL MIDCONTINENT BASIS FUT (NL)								
NL	Spec	Mnths 13+	Increase	USD	242	220	275	250
NL	Hedge/Member	Mnths 13+	Increase	USD	220	220	250	250
PANHANDLE BASIS FUT (PH)								
PH	Spec	NOV 2016+	Increase	USD	182	165	220	200
PH	Hedge/Member	NOV 2016+	Increase	USD	165	165	200	200
TEXAS EASTERN ZONE M-3 BASIS FUT (NX)								
NX	Spec	NOV 2017+	Increase	USD	1,210	1,100	1,650	1,500
NX	Hedge/Member	NOV 2017+	Increase	USD	1,100	1,100	1,500	1,500
TRANSCO ZONE 3 BASIS (CZ)								
CZ	Spec	Mths 13+	Increase	USD	55	50	83	75
CZ	Hedge/Member	Mths 13+	Increase	USD	50	50	75	75
TRANSCO ZONE 6 NON NY BASIS FUT (TZ6)								
TZ6	Spec	Mnth 1	Increase	USD	1,540	1,400	1,760	1,600
TZ6	Hedge/Member	Mnth 1	Increase	USD	1,400	1,400	1,600	1,600
TZ6	Spec	Mnth 2	Increase	USD	1,540	1,400	1,650	1,500
TZ6	Hedge/Member	Mnth 2	Increase	USD	1,400	1,400	1,500	1,500
WAHA TEXAS BASIS FUT (NW)								
NW	Spec	Mnths 13+	Increase	USD	110	100	121	110
NW	Hedge/Member	Mnths 13+	Increase	USD	100	100	110	110
			PETROLEUM CRACKS AND SPREADS - Outright Rates					
GLFCST JET PLATTS UP/DN FUT (ME)								
ME	Spec	Mnths 3-5	Increase	USD	935	850	1,100	1,000
ME	Hedge/Member	Mnths 3-5	Increase	USD	850	850	1,000	1,000
ME	Spec	Mnths 6+	Increase	USD	644	585	743	675
ME	Hedge/Member	Mnths 6+	Increase	USD	585	585	675	675

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								

WEATHER - Outright Rates

LONDON MONTHLY HDD FUTURES (D0)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
D0	Spec		Increase	GBP	7%	6%	8%	7%
D0	Hedge/Member		Increase	GBP	6%	6%	7%	7%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
AGRICULTURE - Intra Spreads								
Kansas City Wheat Butterfly - Contracts 1-3 (KC HRW WHEAT FUTURES)								
KW	Spec		Increase	USD	220	200	248	225
KW	Hedge/Member		Increase	USD	200	200	225	225
Kansas City Wheat Butterfly - Contracts 1-3 (KC HRW WHEAT TAS FUTURE)								
KET	Spec		Increase	USD	220	200	248	225
KET	Hedge/Member		Increase	USD	200	200	225	225
Kansas City Wheat Butterfly - Contracts 1-3 (MINI-SIZED KC HRW WHEAT FUTURES)								
MKC	Spec		Increase	USD	44	40	50	45
MKC	Hedge/Member		Increase	USD	40	40	45	45
COAL - Intra Spreads								
Eastern Rail CSX Coal Swap Futures - All Months (EASTERN RAIL DELIVERY CSX COAL FUT)								
QX	Spec		Increase	USD	1,265	1,150	1,595	1,450
QX	Hedge/Member		Increase	USD	1,150	1,150	1,450	1,450
PRB Coal Swap - Mnths 1-2 vs Mnths 1-2 (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		New	USD			550	500
QP	Hedge/Member		New	USD			500	500
PRB Coal Swap - Mnths 1-2 vs Mnths 3+ (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		New	USD			660	600
QP	Hedge/Member		New	USD			600	600
PRB Coal Swap - Mnths 3+ vs Mnths 3+ (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		New	USD			550	500
QP	Hedge/Member		New	USD			500	500
ELECTRICITY - Intra Spreads								
NYISO ZONE G 5MW DAY AHEAD OFF PEAK - All Months (NYISO ZONE G 5MW D AH O PK)								
D2	Spec		Increase	USD	20	18	22	20
D2	Hedge/Member		Increase	USD	18	18	20	20

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance

Intra Spreads

FX - Intra Spreads

Russian Ruble - Tier 1 vs. Tier 1 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

Russian Ruble - Tier 1 vs. Tier 2 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

Russian Ruble - Tier 1 vs. Tier 3 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

Russian Ruble - Tier 1 vs. Tier 4 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

Russian Ruble - Tier 2 vs. Tier 2 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

Russian Ruble - Tier 2 vs. Tier 3 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

Russian Ruble - Tier 2 vs. Tier 4 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

Russian Ruble - Tier 3 vs. Tier 3 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

Russian Ruble - Tier 3 vs. Tier 4 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

Russian Ruble - Tier 4 vs. Tier 4 (RU RUSSIAN RUBLE FUTURES)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
RU	Spec		Increase	USD	2,888	2,625	3,300	3,000
RU	Hedge/Member		Increase	USD	2,625	2,625	3,000	3,000

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
				INTEREST RATES - Intra Spreads				
21 - 10 Year Treasury Note (21) - All Months Butterfly (10Y TREASURY NOTE FUTURES)								
21	Spec		Increase	USD	220	200	275	250
21	Hedge/Member		Increase	USD	200	200	250	250
21 - 10 Year Treasury Note Tier 1 vs. Tier 1 (10Y TREASURY NOTE FUTURES) *NEW TIER*								
21	Spec		New	USD			330	300
21	Hedge/Member		New	USD			300	300
2 Year Deliverable Swap Future (T1U) - All Months (2 YEAR USD INT RATE SWAP FUTURES)								
T1U	Spec		Increase	USD	165	150	176	160
T1U	Hedge/Member		Increase	USD	150	150	160	160
21 - 10 Year Note Tier 2 vs. Tier 2 (10Y TREASURY NOTE FUTURES) *NEW TIER*								
21	Spec		New	USD			330	300
21	Hedge/Member		New	USD			300	300
21 - 10 Year Treasury Tier 1 (months 1-2) vs. Tier 2 (months 3+) (10Y TREASURY NOTE FUTURES) *NEW TIER*								
21	Spec		New	USD			385	350
21	Hedge/Member		New	USD			350	350
U.S. Treasury Bond (17) - All Months Butterfly (30 YR U.S. TREASURY BOND FUTURES)								
17	Spec		Increase	USD	825	750	1,100	1,000
17	Hedge/Member		Increase	USD	750	750	1,000	1,000
				NATURAL GAS - Intra Spreads				
Transco Zone 6 Non-N.Y (Platts IFERC) Basis Swap Futures - All Months (TRANSCO ZONE 6 NON NY BASIS FUT)								
TZ6	Spec		Increase	USD	1,100	1,000	1,210	1,100
TZ6	Hedge/Member		Increase	USD	1,000	1,000	1,100	1,100

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								

PETROLEUM CRACKS AND SPREADS - Intra Spreads

3.5% Fuel Oil Rdam Crack Swap Futures - All Months (3.5% F OIL(PLTS) BRGES FOB RDM CRCK)

BOB	Spec	Decrease	USD	7,684	6,985	5,937	5,398
BOB	Hedge/Member	Decrease	USD	6,985	6,985	5,398	5,398

3.5% Fuel Oil Rdam Crack Swap Futures - All Months (FUEL OIL CRACK VS. ICE)

FO	Spec	Decrease	USD	1,210	1,100	935	850
FO	Hedge/Member	Decrease	USD	1,100	1,100	850	850

3.5% Fuel Oil Rdam Crack Swap Futures - All Months (MINI 3.5% FUEL OIL FOB CRK SPD FUT)

MFR	Spec	Decrease	USD	768	699	594	540
MFR	Hedge/Member	Decrease	USD	699	699	540	540

GROUP THREE ULSD (PLATTS) VS. HEATING OIL SPREAD S - All Months (GRP3 ULSD VS NY HRBR ULSD FUT)

A6	Spec	Increase	USD	1,375	1,250	1,650	1,500
A6	Hedge/Member	Increase	USD	1,250	1,250	1,500	1,500

GULF COAST JET VS. NYMEX #2 HEA (ME) - All Months (GLFCST JET PLATTS UP/DN FUT)

ME	Spec	Increase	USD	770	700	825	750
ME	Hedge/Member	Increase	USD	700	700	750	750

Singapore Jet Regrade: Jet Kero vs Gasoil Swap - All Months (SINGAPORE JET KERO GASOIL FUT)

RK	Spec	Increase	USD	440	400	550	500
RK	Hedge/Member	Increase	USD	400	400	500	500

SINGAPORE MOGAS 92 UNLEADED (PLATTS) BRENT CRACK SPREAD SWAP FUTURES - All Months (SPORE MOGAS92 UNLD BRENT SPRD FUT)

1NB	Spec	Decrease	USD	2,200	2,000	1,650	1,500
1NB	Hedge/Member	Decrease	USD	2,000	2,000	1,500	1,500

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						
OMAN CRUDE OIL (NY-OQ - CME) vs GULF COAST UNL 87 (PLATTS) CALENDAR SWAP FUTURES (NY-GS - CME)						
Spread Credit Rate	Decrease	+1:-1	75%	75%	60%	60%
ELECTRICITY - Inter-commodity Spread Rates						
NE WEST CENTRAL MASSACHUSETTS ZONE 5 MW OFF-PEAK CAL DAY AHEAD LMP SWAP FUT (NY-L9- CME) vs NE INTERNAL HUB OFF-PEAK LMP SWAP FUT (NY-KI- CME)						
Spread Credit Rate	Decrease	+202:-1	70%	70%	60%	60%
FX - Inter-commodity Spread Rates						
Euro FX (EC) vs. New Zealand Dollar (NE)						
Spread Credit Rate	Decrease	+1:-2	30%	30%	25%	25%
INTEREST RATES - Inter-commodity Spread Rates						
30YR TREASURY vs 30YR DELIVERABLE SWAP FUTURE						
Spread Credit Rate	Decrease	+1:-1	70%	70%	65%	65%
5-YEAR T-NOTE (25 - CME) vs U.S. TREASURY BOND (17 - CME)						
Spread Credit Rate	Decrease	+5:-2	65%	65%	60%	60%
Scan Based Treasury Spread: Ultra-long Bond (UBE) vs. Bond (17) vs. 10 Year (21)						
Spread Credit Rate	Decrease	-2 : -3 : 6	75%	75%	70%	70%
NATURAL GAS - Inter-commodity Spread Rates						
EL PASO NATURAL GAS CO. PERMIAN BASIN BASIS SWAP ((NYM-PM - CME) vs SUMAS BASIS SWAP (PLATTS IFERC) (NYM-NK - CME)						
Spread Credit Rate	Decrease	+1:-1	40%	40%	20%	20%
SUMAS BASIS SWAP (PLATTS IFERC) FUTURES (NY-NK - CME) vs NGPL MID-CON BASIS SWAP (PLATTS IFERC) FUTURES (NY-NL - CME)						
Spread Credit Rate	Decrease	+1:-1	50%	50%	30%	30%
REFINED PRODUCTS - Inter-commodity Spread Rates						
1% FUEL OIL (PLATTS) CARGOES CIF MED SWAP FUTURES (NY-1W - CME) vs EUROPEAN 3.5% FUEL OIL (PLATTS) BARGES FOB RDAM CALENDAR SWAP FUTURES (NY-UV - CME)						
Spread Credit Rate	Decrease	+1:-1	90%	90%	85%	85%
OMAN CRUDE OIL (NY-OQ - CME) vs GULF COAST UNL 87 (PLATTS) CALENDAR SWAP FUTURES (NY-GS - CME)						
Spread Credit Rate	Decrease	+1:-1	75%	75%	60%	60%