

# Corporate Bonds – Acceptable Collateral

## CORPORATE BONDS CAN BE PLEDGED DIRECTLY OR VIA A COLLATERAL CUSTODIAN

Clearing member firms may pledge corporate bonds as initial margin collateral for cleared OTC IRS and futures. The CME Group website describes the parameters related to acceptance of corporate bond for performance bond requirements. CME Group accepts corporate bonds directly at DTC or through a collateral custodian.

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### Bond details

- High quality bonds with a minimum A- rating by at least two of the following agencies: Fitch, Moody's, Standard & Poor's
- Domestic and global market issuances
- USD denominated
- Vanilla bonds (Fixed rate bullet, callable, or putable)
- At least \$400 million in amount outstanding
- TRACE eligible and disseminated
- Bank, financial and CME Clearing Member issuances are not eligible
- Last trade date within 10 business days
- Average 30-day volume of at least \$500,000
- Corporate bonds may not exceed 30 years time to maturity

### Program parameters

- Concentration limit of \$50 million or 2.5% of amount outstanding per issuance, whichever is less
- Concentration limit of \$200 million per family
- Concentration limit of \$500 million per sector

### Eligible corporate bond list

CME Clearing publishes a list of acceptable corporate bonds at the beginning of each month. The list of acceptable corporate bonds is available via [CME DataMine](#).

For additional information, please visit [cmegroup.com/collateral](https://cmegroup.com/collateral) or contact [creditrisk@cmegroup.com](mailto:creditrisk@cmegroup.com)

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[cmegroup.com](https://cmegroup.com)

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