



16-181

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Monday, April 25, 2016

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

Tuesday, April 26, 2016.

Current rates as of:

Monday, April 25, 2016.

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.

The advisory includes changes to certain products' splitting methodology from Split to Modified Split. The specific products can be found on the last page of the advisory.

Please refer to Advisory #12-259 for more detail regarding the Modified Split methodology.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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

AGRICULTURE - Intra Spreads

Month 1 vs Month 2 (MINI-SIZED SOYBEANS FUTURES)

YK	Spec	Increase	USD	44	40	61	55
YK	Hedge/Member	Increase	USD	40	40	55	55

Month 1 vs Month 2 (SOYBEAN FUTURES)

S	Spec	Increase	USD	220	200	303	275
S	Hedge/Member	Increase	USD	200	200	275	275

Month 1 vs Month 2 (SOYBEAN TAS FUTURE)

SBT	Spec	Increase	USD	220	200	303	275
SBT	Hedge/Member	Increase	USD	200	200	275	275

Month 1 vs Month 3 (MINI-SIZED SOYBEANS FUTURES)

YK	Spec	Increase	USD	55	50	77	70
YK	Hedge/Member	Increase	USD	50	50	70	70

Month 1 vs Month 3 (SOYBEAN FUTURES)

S	Spec	Increase	USD	275	250	385	350
S	Hedge/Member	Increase	USD	250	250	350	350

Month 1 vs Month 3 (SOYBEAN TAS FUTURE)

SBT	Spec	Increase	USD	275	250	385	350
SBT	Hedge/Member	Increase	USD	250	250	350	350

Month 1 vs Month 4 (MINI-SIZED SOYBEANS FUTURES)

YK	Spec	Increase	USD	110	100	132	120
YK	Hedge/Member	Increase	USD	100	100	120	120

Month 1 vs Month 4 (SOYBEAN FUTURES)

S	Spec	Increase	USD	550	500	660	600
S	Hedge/Member	Increase	USD	500	500	600	600

Month 1 vs Month 4 (SOYBEAN TAS FUTURE)

SBT	Spec	Increase	USD	550	500	660	600
SBT	Hedge/Member	Increase	USD	500	500	600	600

Month 1 vs Month 5 (MINI-SIZED SOYBEANS FUTURES)

YK	Spec	Increase	USD	143	130	165	150
YK	Hedge/Member	Increase	USD	130	130	150	150

Month 1 vs Month 5 (SOYBEAN FUTURES)

S	Spec	Increase	USD	715	650	825	750
S	Hedge/Member	Increase	USD	650	650	750	750

Month 1 vs Month 5 (SOYBEAN TAS FUTURE)

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
SBT	Spec		Increase	USD	715	650	825	750
SBT	Hedge/Member		Increase	USD	650	650	750	750
Month 1 vs Month 6 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	110	100	165	150
YK	Hedge/Member		Increase	USD	100	100	150	150
Month 1 vs Month 6 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	550	500	825	750
S	Hedge/Member		Increase	USD	500	500	750	750
Month 1 vs Month 6 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	550	500	825	750
SBT	Hedge/Member		Increase	USD	500	500	750	750
Month 1 vs Month 7+ (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	220	200	286	260
YK	Hedge/Member		Increase	USD	200	200	260	260
Month 1 vs Month 7+ (SOYBEAN FUTURES)								
S	Spec		Increase	USD	1,100	1,000	1,430	1,300
S	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 1 vs Month 7+ (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	1,100	1,000	1,430	1,300
SBT	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 2 vs Month 3 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	44	40	61	55
YK	Hedge/Member		Increase	USD	40	40	55	55
Month 2 vs Month 3 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	220	200	303	275
S	Hedge/Member		Increase	USD	200	200	275	275
Month 2 vs Month 3 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	220	200	303	275
SBT	Hedge/Member		Increase	USD	200	200	275	275
Month 2 vs Month 4 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	83	75	121	110
YK	Hedge/Member		Increase	USD	75	75	110	110
Month 2 vs Month 4 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	413	375	605	550
S	Hedge/Member		Increase	USD	375	375	550	550

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
Month 2 vs Month 4 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	413	375	605	550
SBT	Hedge/Member		Increase	USD	375	375	550	550
Month 2 vs Month 5 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	121	110	149	135
YK	Hedge/Member		Increase	USD	110	110	135	135
Month 2 vs Month 5 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	605	550	743	675
S	Hedge/Member		Increase	USD	550	550	675	675
Month 2 vs Month 5 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	605	550	743	675
SBT	Hedge/Member		Increase	USD	550	550	675	675
Month 2 vs Month 6 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	121	110	165	150
YK	Hedge/Member		Increase	USD	110	110	150	150
Month 2 vs Month 6 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	605	550	825	750
S	Hedge/Member		Increase	USD	550	550	750	750
Month 2 vs Month 6 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	605	550	825	750
SBT	Hedge/Member		Increase	USD	550	550	750	750
Month 2 vs Month 7+ (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	220	200	286	260
YK	Hedge/Member		Increase	USD	200	200	260	260
Month 2 vs Month 7+ (SOYBEAN FUTURES)								
S	Spec		Increase	USD	1,100	1,000	1,430	1,300
S	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 2 vs Month 7+ (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	1,100	1,000	1,430	1,300
SBT	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 3 vs Month 4 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	55	50	77	70
YK	Hedge/Member		Increase	USD	50	50	70	70

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
Month 3 vs Month 4 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	275	250	385	350
S	Hedge/Member		Increase	USD	250	250	350	350
Month 3 vs Month 4 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	275	250	385	350
SBT	Hedge/Member		Increase	USD	250	250	350	350
Month 3 vs Month 5 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	110	100	132	120
YK	Hedge/Member		Increase	USD	100	100	120	120
Month 3 vs Month 5 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	550	500	660	600
S	Hedge/Member		Increase	USD	500	500	600	600
Month 3 vs Month 5 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	550	500	660	600
SBT	Hedge/Member		Increase	USD	500	500	600	600
Month 3 vs Month 6 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	110	100	143	130
YK	Hedge/Member		Increase	USD	100	100	130	130
Month 3 vs Month 6 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	550	500	715	650
S	Hedge/Member		Increase	USD	500	500	650	650
Month 3 vs Month 6 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	550	500	715	650
SBT	Hedge/Member		Increase	USD	500	500	650	650
Month 3 vs Month 7+ (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	220	200	286	260
YK	Hedge/Member		Increase	USD	200	200	260	260
Month 3 vs Month 7+ (SOYBEAN FUTURES)								
S	Spec		Increase	USD	1,100	1,000	1,430	1,300
S	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 3 vs Month 7+ (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	1,100	1,000	1,430	1,300
SBT	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
Month 4 vs Month 5 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	77	70	99	90
YK	Hedge/Member		Increase	USD	70	70	90	90
Month 4 vs Month 5 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	385	350	495	450
S	Hedge/Member		Increase	USD	350	350	450	450
Month 4 vs Month 5 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	385	350	495	450
SBT	Hedge/Member		Increase	USD	350	350	450	450
Month 4 vs Month 6 (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	77	70	99	90
YK	Hedge/Member		Increase	USD	70	70	90	90
Month 4 vs Month 6 (SOYBEAN FUTURES)								
S	Spec		Increase	USD	385	350	495	450
S	Hedge/Member		Increase	USD	350	350	450	450
Month 4 vs Month 6 (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	385	350	495	450
SBT	Hedge/Member		Increase	USD	350	350	450	450
Month 4 vs Month 7+ (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	220	200	286	260
YK	Hedge/Member		Increase	USD	200	200	260	260
Month 4 vs Month 7+ (SOYBEAN FUTURES)								
S	Spec		Increase	USD	1,100	1,000	1,430	1,300
S	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 4 vs Month 7+ (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	1,100	1,000	1,430	1,300
SBT	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 5 vs Month 7+ (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	220	200	286	260
YK	Hedge/Member		Increase	USD	200	200	260	260
Month 5 vs Month 7+ (SOYBEAN FUTURES)								
S	Spec		Increase	USD	1,100	1,000	1,430	1,300
S	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
Month 5 vs Month 7+ (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	1,100	1,000	1,430	1,300
SBT	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 6 vs Month 7+ (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	220	200	286	260
YK	Hedge/Member		Increase	USD	200	200	260	260
Month 6 vs Month 7+ (SOYBEAN FUTURES)								
S	Spec		Increase	USD	1,100	1,000	1,430	1,300
S	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 6 vs Month 7+ (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	1,100	1,000	1,430	1,300
SBT	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 7+ vs Month 7+ (MINI-SIZED SOYBEANS FUTURES)								
YK	Spec		Increase	USD	220	200	286	260
YK	Hedge/Member		Increase	USD	200	200	260	260
Month 7+ vs Month 7+ (SOYBEAN FUTURES)								
S	Spec		Increase	USD	1,100	1,000	1,430	1,300
S	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Month 7+ vs Month 7+ (SOYBEAN TAS FUTURE)								
SBT	Spec		Increase	USD	1,100	1,000	1,430	1,300
SBT	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
Soymeal (CBOT) (06) - 2nd New Crop v 2nd New Crop (Oct through Sep) (SOYBEAN MEAL FUTURES)								
06	Spec		Increase	USD	660	600	880	800
06	Hedge/Member		Increase	USD	600	600	800	800
Soymeal (CBOT) (06) - 2nd New Crop v 2nd New Crop (Oct through Sep) (SOYBEAN MEAL TAS FUTURES)								
ZMT	Spec		Increase	USD	660	600	880	800
ZMT	Hedge/Member		Increase	USD	600	600	800	800
Soymeal (CBOT) (06) - Current Crop v 2nd New Crop (Oct through Sept) (SOYBEAN MEAL FUTURES)								
06	Spec		Increase	USD	990	900	1,320	1,200
06	Hedge/Member		Increase	USD	900	900	1,200	1,200
Soymeal (CBOT) (06) - Current Crop v 2nd New Crop (Oct through Sept) (SOYBEAN MEAL TAS FUTURES)								
ZMT	Spec		Increase	USD	990	900	1,320	1,200
ZMT	Hedge/Member		Increase	USD	900	900	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								
Soymeal (CBOT) (06) - Months 1-8 vs 9-Rest (SOYBEAN MEAL FUTURES)								
06	Spec		Increase	USD	880	800	1,210	1,100
06	Hedge/Member		Increase	USD	800	800	1,100	1,100
Soymeal (CBOT) (06) - Months 1-8 vs 9-Rest (SOYBEAN MEAL TAS FUTURES)								
ZMT	Spec		Increase	USD	880	800	1,210	1,100
ZMT	Hedge/Member		Increase	USD	800	800	1,100	1,100
Soymeal (CBOT) (06) - Mth 1 v Mth 2 (SOYBEAN MEAL FUTURES)								
06	Spec		Increase	USD	330	300	440	400
06	Hedge/Member		Increase	USD	300	300	400	400
Soymeal (CBOT) (06) - Mth 1 v Mth 2 (SOYBEAN MEAL TAS FUTURES)								
ZMT	Spec		Increase	USD	330	300	440	400
ZMT	Hedge/Member		Increase	USD	300	300	400	400
Soymeal (CBOT) (06) - Mth 1-2 v 2nd New Crop (Oct through Sept) (SOYBEAN MEAL FUTURES)								
06	Spec		Increase	USD	990	900	1,320	1,200
06	Hedge/Member		Increase	USD	900	900	1,200	1,200
Soymeal (CBOT) (06) - Mth 1-2 v 2nd New Crop (Oct through Sept) (SOYBEAN MEAL TAS FUTURES)								
ZMT	Spec		Increase	USD	990	900	1,320	1,200
ZMT	Hedge/Member		Increase	USD	900	900	1,200	1,200
Soymeal (CBOT) (06) - Mth 1-2 v New Crop (Oct through Sept) (SOYBEAN MEAL FUTURES)								
06	Spec		Increase	USD	880	800	1,100	1,000
06	Hedge/Member		Increase	USD	800	800	1,000	1,000
Soymeal (CBOT) (06) - Mth 1-2 v New Crop (Oct through Sept) (SOYBEAN MEAL TAS FUTURES)								
ZMT	Spec		Increase	USD	880	800	1,100	1,000
ZMT	Hedge/Member		Increase	USD	800	800	1,000	1,000

Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Short Option Minimum (SOM) Rate						
CRUDE OIL SPREADS - Short Option Minimum (SOM) Rate						
WEST TEXAS INTERMEDIATE 1 MONTH CALENDAR COMBO (CA, DNM, WA) - SOM						
Clearing Member Rate		Increase	1.100	1.000	11.000	10.000
WTI CRUDE OIL 1 MONTH CSO (7A, A2) - SOM						
Clearing Member Rate		Increase	1.100	1.000	11.000	10.000

Splitting Methodology			
CC	Name	Current Splitting	New Splitting
7A	LIGHT SWEET CRUDE OIL (WTI) FINANCIAL 1 MONTH SPREAD OPTIONS	Modified Split	Split
WA	WTI CRUDE OIL 1 MONTH CALENDAR SPREAD OPTIONS	Modified Split	Split
DNM	DAILY CRUDE OIL CALENDAR SPREAD (1 MONTH) OPTIONS	Modified Split	Split