



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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Wednesday, August 10, 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

Thursday, August 11, 2016.

Current rates as of:

Wednesday, August 10, 2016.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
ELECTRICITY - Outright Rates								
PJM DAILY (JD)								
JD	Spec	Days 15+	Decrease	USD	2,200	2,000	1,540	1,400
JD	Hedge/Member	Days 15+	Decrease	USD	2,000	2,000	1,400	1,400
PJM WES HUB PEAK CAL MON REAL TIME (L1)								
L1	Spec	Mth 1	Decrease	USD	660	600	440	400
L1	Hedge/Member	Mth 1	Decrease	USD	600	600	400	400
PJM WES HUB PEAK LMP 50 MW (4S)								
4S	Spec	Mth 1	Decrease	USD	6,600	6,000	4,400	4,000
4S	Hedge/Member	Mth 1	Decrease	USD	6,000	6,000	4,000	4,000
NATURAL GAS - Outright Rates								
ALGONQUIN CITYGATES BASIS (B4)								
B4	Spec	Winter 16/17	Increase	USD	1,320	1,200	1,705	1,550
B4	Hedge/Member	Winter 16/17	Increase	USD	1,200	1,200	1,550	1,550
B4	Spec	Apr17 – Aug17	Decrease	USD	1,925	1,750	1,375	1,250
B4	Hedge/Member	Apr17 – Aug17	Decrease	USD	1,750	1,750	1,250	1,250
PANHANDLE BASIS FUT (PH)								
PH	Spec	Mnth 2	Increase	USD	110	100	132	120
PH	Hedge/Member	Mnth 2	Increase	USD	100	100	120	120
PH	Spec	Apr17 – Aug17	Increase	USD	110	100	132	120
PH	Hedge/Member	Apr17 – Aug17	Increase	USD	100	100	120	120
PERMIAN BASIS FUT (PM)								
PM	Spec	Mths 13+	Increase	USD	193	175	220	200
PM	Hedge/Member	Mths 13+	Increase	USD	175	175	200	200
TEXAS EASTERN ZONE M-3 BASIS FUT (NX)								
NX	Spec	Winter 16/17	Increase	USD	440	400	550	500
NX	Hedge/Member	Winter 16/17	Increase	USD	400	400	500	500
NX	Spec	Apr17-Aug17	Decrease	USD	715	650	495	450
NX	Hedge/Member	Apr17-Aug17	Decrease	USD	650	650	450	450
TRANSCO ZONE 6 BASIS FUT (NZ)								
NZ	Spec	Winter 16/17	Increase	USD	660	600	825	750
NZ	Hedge/Member	Winter 16/17	Increase	USD	600	600	750	750

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
NZ	Spec	Apr17-Aug17	Decrease	USD	1,375	1,250	935	850
NZ	Hedge/Member	Apr17-Aug17	Decrease	USD	1,250	1,250	850	850
TRANSCO ZONE 6 NON NY BASIS FUT (TZ6)								
TZ6	Spec	Winter 16/17	Increase	USD	495	450	633	575
TZ6	Hedge/Member	Winter 16/17	Increase	USD	450	450	575	575
TZ6	Spec	Apr17-Aug17	Decrease	USD	880	800	605	550
TZ6	Hedge/Member	Apr17-Aug7	Decrease	USD	800	800	550	550

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 5 vs Month 7 (SOYBEAN MEAL FUTURES)

06	Spec	Increase	USD	297	270	446	405
06	Hedge/Member	Increase	USD	270	270	405	405

Month 5 vs Month 7 (SOYBEAN MEAL TAS FUTURES)

ZMT	Spec	Increase	USD	297	270	446	405
ZMT	Hedge/Member	Increase	USD	270	270	405	405

COAL - Intra Spreads

Coal (API 5) fob Newcastle (Argus/McCloskey) Futures - All Months (COAL API5 FOB NEWCASTLE ARG/MC FUT)

ACM	Spec	Increase	USD	1,320	1,200	1,458	1,325
ACM	Hedge/Member	Increase	USD	1,200	1,200	1,325	1,325

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						

COAL - Inter-commodity Spread Rates

AUSTRALIAN COKING COAL (PLATTS) LOW VOL SWAP FUTURES (NY-ALW - CME) vs IRON ORE FUTURES (NY-TIO - CME)

Spread Credit Rate	Increase	+1:-3	0%	0%	25%	25%
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AUSTRALIAN COKING COAL (PLATTS) LOW VOL SWAP FUTURES (NY-ALW - CME) vs IRON ORE(PLATTS) SWAP FUTURE (NY-PIO - CME)

Spread Credit Rate	Increase	+1:-3	0%	0%	25%	25%
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CRUDE OIL - Inter-commodity Spread Rates

GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs CRUDE OIL FINANCIAL FUTURES (NY-WS - CME)

Spread Credit Rate	New	+1:-1			50%	50%
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Spread Credit Rate	New	+1:-1			55%	55%
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GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs CRUDE OIL LAST DAY FINANCIAL FUTURES (NY-26 - CME)

Spread Credit Rate	New	+1:-1			50%	50%
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Spread Credit Rate	New	+1:-1			55%	55%
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GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs LIGHT SWEET CRUDE OIL FUTURES (NY-CL - CME)

Spread Credit Rate	New	+1:-1			55%	55%
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Spread Credit Rate	New	+1:-1			50%	50%
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GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs WTI CALENDAR SWAP FUTURES (NY-CS - CME)

Spread Credit Rate	New	+1:-1			50%	50%
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Spread Credit Rate	New	+1:-1			55%	55%
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METALS - Inter-commodity Spread Rates

AUSTRALIAN COKING COAL (PLATTS) LOW VOL SWAP FUTURES (NY-ALW - CME) vs IRON ORE FUTURES (NY-TIO - CME)

Spread Credit Rate	Increase	+1:-3	0%	0%	25%	25%
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AUSTRALIAN COKING COAL (PLATTS) LOW VOL SWAP FUTURES (NY-ALW - CME) vs IRON ORE(PLATTS) SWAP FUTURE (NY-PIO - CME)

Spread Credit Rate	Increase	+1:-3	0%	0%	25%	25%
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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						
EUROPEAN 3.5% FUEL OIL (PLATTS) BARGES FOB RDAM CALENDAR SWAP FUTURES (NY-UV - CME) vs SINGAPORE FUEL OIL 380 CST (PLATTS) SWAP FUTURES (NY-SE - CME)						
Spread Credit Rate	Increase	+1:-1	90%	90%	92%	92%
EUROPEAN 3.5% FUEL OIL ROTTERDAM BALMO CALENDAR SWAP (NYM-UV - CME) vs SINGAPORE 380CST FUEL OIL (PLATTS) SWAP (NYM-SE - CME)						
Spread Credit Rate	Increase	+1:-1	90%	90%	94%	94%
GULF COAST UNL 87 GASOLINE M2 (ARGUS) SWAP FUTURES (NY-UGG - CME) vs GULF COAST UNL 87 (ARGUS) CALENDAR SWAP FUTURES (NY-AW - CME)						
Spread Credit Rate	New	+1:-1			55%	55%
GULF COAST UNL 87 GASOLINE M2 (ARGUS) SWAP FUTURES (NY-UGG - CME) vs RBOB GASOLINE CALENDAR SWAP FUTURES (NY-RL - CME)						
Spread Credit Rate	New	+1:-1			60%	60%
Spread Credit Rate	New	+1:-1			70%	70%
GULF COAST UNL 87 GASOLINE M2 (ARGUS) SWAP FUTURES (NY-UGG - CME) vs RBOB GASOLINE FINANCIAL FUTURES (NY-RT - CME)						
Spread Credit Rate	New	+1:-1			60%	60%
Spread Credit Rate	New	+1:-1			70%	70%
GULF COAST UNL 87 GASOLINE M2 (ARGUS) SWAP FUTURES (NY-UGG - CME) vs RBOB GASOLINE FUTURES (NY-RB - CME)						
Spread Credit Rate	New	+1:-1			70%	70%
Spread Credit Rate	New	+1:-1			60%	60%
GULF COAST UNL 87 GASOLINE M2 (ARGUS) SWAP FUTURES (NY-UGG - CME) vs RBOB GASOLINE LAST DAY FINANCIAL FUTURES (NY-27 - CME)						
Spread Credit Rate	New	+1:-1			60%	60%
Spread Credit Rate	New	+1:-1			70%	70%
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs CRUDE OIL FINANCIAL FUTURES (NY-WS - CME)						
Spread Credit Rate	New	+1:-1			50%	50%
Spread Credit Rate	New	+1:-1			55%	55%
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs CRUDE OIL LAST DAY FINANCIAL FUTURES (NY-26 - CME)						
Spread Credit Rate	New	+1:-1			50%	50%
Spread Credit Rate	New	+1:-1			55%	55%
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs GULF COAST UNL 87 (ARGUS) CALENDAR SWAP FUTURES (NY-AW - CME)						
Spread Credit Rate	New	+1:-1			55%	55%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs GULF COAST UNL 87 GASOLINE M2 (ARGUS) SWAP FUTURES (NY-UGG - CME)						
Spread Credit Rate	New	+1:-1			95%	95%
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs LIGHT SWEET CRUDE OIL FUTURES (NY-CL - CME)						
Spread Credit Rate	New	+1:-1			55%	55%
Spread Credit Rate	New	+1:-1			50%	50%
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs RBOB GASOLINE CALENDAR SWAP FUTURES (NY-RL - CME)						
Spread Credit Rate	New	+1:-1			60%	60%
Spread Credit Rate	New	+1:-1			70%	70%
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs RBOB GASOLINE FINANCIAL FUTURES (NY-RT - CME)						
Spread Credit Rate	New	+1:-1			60%	60%
Spread Credit Rate	New	+1:-1			70%	70%
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs RBOB GASOLINE FUTURES (NY-RB - CME)						
Spread Credit Rate	New	+1:-1			70%	70%
Spread Credit Rate	New	+1:-1			60%	60%
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs RBOB GASOLINE LAST DAY FINANCIAL FUTURES (NY-27 - CME)						
Spread Credit Rate	New	+1:-1			60%	60%
Spread Credit Rate	New	+1:-1			70%	70%
GULF COAST UNL 87 GASOLINE M2 (PLATTS) SWAP FUTURES (NY-GCM - CME) vs WTI CALENDAR SWAP FUTURES (NY-CS - CME)						
Spread Credit Rate	New	+1:-1			50%	50%
Spread Credit Rate	New	+1:-1			55%	55%