



16-411

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

FROM: CME Clearing

SUBJECT: Review of Collateral Haircuts Advisory

DATE: October 10, 2016

In conjunction with the regular review of market volatility to ensure adequate collateral coverage, please find below the current acceptable collateral and haircuts for CME Clearing. Please note that the changes column identified below indicates any near term changes to collateral and haircuts. All assets that are utilized to meet PB requirements in different currencies will be subject to an additional cross-currency haircut. For applicable haircuts and more details, please see the [CME cross-currency haircut file](#) and the [CME Financial and Collateral Management page](#). Should you have any questions, please contact the Financial Management group at 312-207-2594.

Current Haircuts							
Asset Class	Time to Maturity						Changes
U.S. Treasuries		0 to ≤1 years	>1 to ≤ 3 years	>3 to ≤ 5 years	>5 to ≤ 10 years	>10 years	
	TBILL	0.5%	--	--	--	--	
	TFRN	1.0%	2.0%	--	--	--	
	TNOTE/TBOND	1.0%	2.0%	3.0%	4.5%	6.0%	
	TIPS	1.0%	2.0%	3.0%	4.5%	6.0%	
	TSTRIP	11.0%	11.0%	11.0%	11.0%	11.0%	
U.S Government Agencies		0 to ≤ 5 years			>5 to ≤ 10 years	>10 years	
	FFCB, FHLB, FHLMC, FNMA	3.5%					
	NOTE/BOND	4.0%			5.5%	7.0%	
	Mortgage Backed Securities (FNMA, FHLMC, GNMA)	11.0%			11.0%	11.0%	
Foreign Sovereign Debt		0 to ≤ 5 years			>5 to ≤ 10 years	>10 to ≤ 30 years	>30 years
	BILL	5.0%					-
	NOTE/BOND	6.0%			7.5%	9.0%	10.5%
Canadian Provincials		0 to ≤ 5 years			>5 to ≤ 10 years	>10 years	
	BILL	25.0%			--	--	
	NOTE/BOND	25.0%			--	--	
Cash	US Dollar, Australian dollar, British pound, Canadian dollar, Danish krone, Euro, Hong Kong dollar, Japanese yen, New Zealand dollar, Norwegian krone, Singapore dollar, Swedish krona, Swiss franc, Czech koruna, Hungarian forint, Mexican peso, Offshore Chinese Renminbi, Polish zloty, South African rand, and Turkish lira				Please see the CME cross-currency haircut file		-
Gold	15%						-
IEF 2	3%						-
IEF 4	IEF4 – Corporate Bonds 20% Haircut. Contact Clearing House for more details.						-
IEF 5	No Haircut						-
Stock	30%						-
ETF	30%						-
Letters of Credit	No Haircut						-