



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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Thursday, April 20, 2017

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>

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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 advisory includes changes to certain products' splitting methodology from None to Modified Split. The specific products can be found on page 6 of the advisory. The rates will be effective after the close of business on

Friday, April 21, 2017.

Current rates as of:

Thursday, April 20, 2017.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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

COAL - Outright Rates

WESTERN RAIL DELIVERY PRB COAL FUT (QP)

QP	Spec	Mnth 1	Decrease	USD	880	800	715	650
QP	Hedge/Member	Mnth 1	Decrease	USD	800	800	650	650
QP	Spec	Mnth 2	Decrease	USD	660	600	550	500
QP	Hedge/Member	Mnth 2	Decrease	USD	600	600	500	500

FREIGHT - Outright Rates

FREIGHT ROUTE LIQUID PETROLEUM GAS (FLP)

FLP	Spec	Mth 1	Decrease	USD	5,500	5,000	4,125	3,750
FLP	Hedge/Member	Mth 1	Decrease	USD	5,000	5,000	3,750	3,750

NATURAL GAS - Outright Rates

ALGON CITY GATES NAT GAS INDEX FUT (N7)

N7	Spec	Mth 1	Decrease	USD	8,250	7,500	6,600	6,000
N7	Hedge/Member	Mth 1	Decrease	USD	7,500	7,500	6,000	6,000

ALGONQUIN CITY-GATES NAT SWING FUT (C8)

C8	Spec		Decrease	USD	8,250	7,500	6,600	6,000
C8	Hedge/Member		Decrease	USD	7,500	7,500	6,000	6,000

HENRY HUB INDEX FUT (IN)

IN	Spec	Mnth 1	Decrease	USD	605	550	550	500
IN	Hedge/Member	Mnth 1	Decrease	USD	550	550	500	500

HENRY HUB SWING FUTURE (SN)

SN	Spec	All Months	Decrease	USD	605	550	550	500
SN	Hedge/Member	All Months	Decrease	USD	550	550	500	500

TETCO M-3 INDEX (IX)

IX	Spec	Mnth 1	Decrease	USD	4,400	4,000	2,750	2,500
IX	Hedge/Member	Mnth 1	Decrease	USD	4,000	4,000	2,500	2,500

TRANSCO ZONE 6 GAS INDEX FUT (TZI)

TZI	Spec	Mnth 1	Decrease	USD	4,400	4,000	2,750	2,500
TZI	Hedge/Member	Mnth 1	Decrease	USD	4,000	4,000	2,500	2,500

TRANSCO ZONE 6 GAS SWING FUT (TZS)

TZS	Spec	All Months	Decrease	USD	4,400	4,000	2,750	2,500
TZS	Hedge/Member	All Months	Decrease	USD	4,000	4,000	2,500	2,500

TRANSCO ZONE 6 INDEX (IT)

IT	Spec	Mth 1	Decrease	USD	4,400	4,000	2,750	2,500
IT	Hedge/Member	Mth 1	Decrease	USD	4,000	4,000	2,500	2,500

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
TRANSCO ZONE 6 SWING FUT (ST)								
ST	Spec	All Months	Decrease	USD	8,800	8,000	2,750	2,500
ST	Hedge/Member	All Months	Decrease	USD	8,000	8,000	2,500	2,500
PETROLEUM CRACKS AND SPREADS - Outright Rates								
EURO 3.5% FUEL OIL SPREAD (FK)								
FK	Spec	Mnth 1	Decrease	USD	5,500	5,000	4,950	4,500
FK	Hedge/Member	Mnth 1	Decrease	USD	5,000	5,000	4,500	4,500
FK	Spec	Mnth 2	Decrease	USD	1,430	1,300	1,210	1,100
FK	Hedge/Member	Mnth 2	Decrease	USD	1,300	1,300	1,100	1,100
FK	Spec	Mnths 3-11	Decrease	USD	715	650	605	550
FK	Hedge/Member	Mnths 3-11	Decrease	USD	650	650	550	550
GLFCST JET PLATTS UP/DN FUT (ME)								
ME	Spec	Mnth 1	Decrease	USD	1,210	1,100	1,045	950
ME	Hedge/Member	Mnth 1	Decrease	USD	1,100	1,100	950	950
ME	Spec	Mnth 2	Decrease	USD	770	700	660	600
ME	Hedge/Member	Mnth 2	Decrease	USD	700	700	600	600
ME	Spec	Mnths 3-5	Decrease	USD	715	650	605	550
ME	Hedge/Member	Mnths 3-5	Decrease	USD	650	650	550	550
ME	Spec	Mnths 6+	Decrease	USD	715	650	605	550
ME	Hedge/Member	Mnths 6+	Decrease	USD	650	650	550	550
JET AVIA FUEL(PLTT) FOB V. ICE (1V)								
1V	Spec	Mnth 1	Decrease	USD	4,950	4,500	4,400	4,000
1V	Hedge/Member	Mnth 1	Decrease	USD	4,500	4,500	4,000	4,000
1V	Spec	Mnths 5+	Decrease	USD	3,190	2,900	2,750	2,500
1V	Hedge/Member	Mnths 5+	Decrease	USD	2,900	2,900	2,500	2,500
Ethanol - Outright Rates								
ETHANOL T2 FOB RDAM INCLUDING DUTY (PLATT S) BALMO FUT (Z1B)								
Z1B	Spec	Mnth 1	New	EUR			3168	2880
Z1B	Hedge/Member	Mnth 1	New	EUR			2880	2880
Z1B	Spec	Mnth 2+	New	EUR			2200	2000
Z1B	Hedge/Member	Mnth 2+	New	EUR			2000	2000

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
AGRICULTURE - Intra Spreads								
Month 2 vs Month 4 (EU WHEAT FUTURES)								
WEU	Spec		Increase	EUR	138	125	204	185
WEU	Hedge/Member		Increase	EUR	125	125	185	185
Month 5 vs Month 7 (LEAN HOG FUTURES)								
LN	Spec		Increase	USD	550	500	660	600
LN	Hedge/Member		Increase	USD	500	500	600	600
Month 5 vs Month 7 (LEAN HOGS TRADE AT SETTLE)								
HET	Spec		Increase	USD	550	500	660	600
HET	Hedge/Member		Increase	USD	500	500	600	600
COAL - Intra Spreads								
PRB Coal Swap - Mnths 1 vs Mnths 7+ (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		Decrease	USD	1,100	1,000	495	450
QP	Hedge/Member		Decrease	USD	1,000	1,000	450	450
PRB Coal Swap - Mnths 1 vs Mnths 3-6 (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		Decrease	USD	781	710	385	350
QP	Hedge/Member		Decrease	USD	710	710	350	350
PRB Coal Swap - Mnths 1 vs Mnths 7+ (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		Decrease	USD	781	710	550	500
QP	Hedge/Member		Decrease	USD	710	710	500	500
PRB Coal Swap - Mnths 1-2 vs Mnths 3+ (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		Decrease	USD	968	880	578	525
QP	Hedge/Member		Decrease	USD	880	880	525	525
PRB Coal Swap - Mnths 2 vs Mnths 3-6 (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		Decrease	USD	913	830	550	500
QP	Hedge/Member		Decrease	USD	830	830	500	500
PRB Coal Swap - Mnths 3-6 vs Mnths 7+ (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		Decrease	USD	1,100	1,000	550	500
QP	Hedge/Member		Decrease	USD	1,000	1,000	500	500
PRB Coal Swap - Mnths 7+ vs Mnths 7+ (WESTERN RAIL DELIVERY PRB COAL FUT)								
QP	Spec		Decrease	USD	1,100	1,000	550	500
QP	Hedge/Member		Decrease	USD	1,000	1,000	500	500

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
AGRICULTURE - Inter-commodity Spread Rates						
Milk (DA) vs. CME Dry Whey Futures (DY)						
Spread Credit Rate	Decrease	+1:-4	50%	50%	35%	35%
ERIS Standards - Inter-commodity Spread Rates						
10 YR SWAP ERIS vs 10 YR SWAP ERIS						
Spread Credit Rate	Increase	+1:-1	90%	90%	95%	95%
10 YR SWAP ERIS vs 10YR DELIVERABLE SWAP CME						
Spread Credit Rate	Increase	+1:+1	90%	90%	95%	95%
2 YR SWAP ERIS vs 2 YR DELIVERABLE SWAP CME						
Spread Credit Rate	Increase	+1:+1	65%	65%	80%	80%
30 YR SWAP ERIS vs 30 YR DELIVERABLE SWAP CME						
Spread Credit Rate	Increase	+1:+1	90%	90%	95%	95%
30 YR SWAP ERIS vs 30 YR SWAP ERIS						
Spread Credit Rate	Increase	+1:-1	90%	90%	95%	95%
5 YR SWAP ERIS vs 5 YR SWAP ERIS						
Spread Credit Rate	Increase	+1:-1	90%	90%	95%	95%
5 YR SWAP ERIS vs 5YR DELIVERABLE SWAP CME						
Spread Credit Rate	Increase	+1:+1	90%	90%	95%	95%
FX - Inter-commodity Spread Rates						
Australian Dollar (AD) vs. British Pound (BP)						
Spread Credit Rate	Decrease	+1:-1	58%	58%	42%	42%
BRITISH POUND (BP - CME) vs NEW ZEALAND DOLLAR (NE - CME)						
Spread Credit Rate	Decrease	+3:-2	59%	59%	47%	47%
British Pound (BP) vs. Canadian Dollar (CD)						
Spread Credit Rate	Decrease	+1:-1	62%	62%	55%	55%
Canadian Dollar (CD) vs. Euro FX (EC)						
Spread Credit Rate	Decrease	+2:-1	69%	69%	60%	60%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
INTEREST RATES - Inter-commodity Spread Rates						
10 YR SWAP ERIS vs 10YR DELIVERABLE SWAP CME						
Spread Credit Rate	Increase	+1:+1	90%	90%	95%	95%
2 YR SWAP ERIS vs 2 YR DELIVERABLE SWAP CME						
Spread Credit Rate	Increase	+1:+1	65%	65%	80%	80%
30 YR SWAP ERIS vs 30 YR DELIVERABLE SWAP CME						
Spread Credit Rate	Increase	+1:+1	90%	90%	95%	95%
5 YR SWAP ERIS vs 5YR DELIVERABLE SWAP CME						
Spread Credit Rate	Increase	+1:+1	90%	90%	95%	95%
REFINED PRODUCTS - Inter-commodity Spread Rates						
EUROPEAN 3.5% FUEL OIL (PLATTS) BARGES FOB RDAM CALENDAR SWAP FUTURES (NY-UV - CME) vs SINGAPORE GASOIL (PLATTS) SWAP FUTURES (NY-SG - CME)						
Spread Credit Rate	Increase	+2:-15	45%	45%	55%	55%

Splitting Methodology					
CC	Name	Current Splitting	New Splitting	Underlying Leg 1	Underlying Leg 2
U9	Low Sulphur Gasoil BALMO Futures	None	Modified Split	BG	
F3	Jet Fuel Cargoes CIF NWE (Platts) BALMO Futures	None	Modified Split	UJ	
4V	Gasoil 0.1 Cargoes CIF NWE (Platts) vs. Low Sulphur Gasoil BALMO Futures	None	Modified Split	TW	BG
6V	Gasoil 0.1 Barges FOB Rdam (Platts) vs. Low Sulphur Gasoil BALMO Futures	None	Modified Split	VL	BG
8W	Gasoil 0.1 Cargoes CIF MED (Platts) vs. Low Sulphur Gasoil BALMO Futures	None	Modified Split	Z4	BG
KR	European 3.5% Fuel Oil Barges FOB Rdam (Platts) BALMO Futures	None	Modified Split	SUV	
0E	Mini European 3.5% Fuel Oil Barges FOB Rdam (Platts) BALMO Futures	None	Modified Split	SUV	
FCB	3.5% Fuel Oil Barges FOB Rdam (Platts) Crack Spread BALMO Futures	None	Modified Split	SUV	BB
GCB	Gulf Coast HSFO (Platts) vs. European 3.5% Fuel Oil Barges FOB Rdam (Platts) BALMO Futures	None	Modified Split	SMF	SUV