



# 18-012

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

FROM: CME Clearing

SUBJECT: Review of Collateral Haircuts Advisory

DATE: January 8, 2018

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. There are two changes to collateral haircuts that will be effective at close of business on January 9, 2018. 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	
		0 to ≤1 years	>1 to ≤3 years	>3 to ≤5 years	>5 to ≤10 years	>10 years		
U.S. Treasuries	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			
	<i>FFCB, FHLB, FHLMC, FNMA</i>	3.5%					-	
	NOTE/BOND	4.0%			5.5%	7.0%	-	
Foreign Sovereign Debt	Mortgage Backed Securities (FNMA, FHLMC, GNMA)	11.0%			11.0%	11.0%	-	
		0 to ≤5 years			>5 to ≤10 years	>10 to ≤30 years	>30 years	
	BILL	5.0%					-	
Canadian Provincials	NOTE/BOND	6.0%			7.5%	9.0%	10.5%	-
		0 to ≤5 years			>5 to ≤10 years	>10 years		
Cash	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 <a href="#">CME cross-currency haircut file</a>		NOK to 7.5% CNH to 7.5%
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						-	