



18-202

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Monday, May 21, 2018

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, May 22, 2018.

Current rates as of:

Monday, May 21, 2018.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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

AGRICULTURE - Outright Rates

LUMBER110 FUTURES (LB)

LB	Spec	Mnths 2+	Increase	USD	1,760	1,600	1,815	1,650
LB	Hedge/Member	Mnths 2+	Increase	USD	1,600	1,600	1,650	1,650
LB	Spec	Mnth 1	Increase	USD	1,760	1,600	2,090	1,900
LB	Hedge/Member	Mnth 1	Increase	USD	1,600	1,600	1,900	1,900

NATURAL GAS - Outright Rates

LNG JAPAN KOREA MARKER PLATTS FUT (JKM)

JKM	Spec	Month 1	Increase	USD	2,420	2,200	2,860	2,600
JKM	Hedge/Member	Month 1	Increase	USD	2,200	2,200	2,600	2,600

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

ELECTRICITY - Intra Spreads

ERCOT North 345 kV Hub 50 MW Peak Futures - All Months (ERCOT NRTH 345 KV HUB 5 MW PEAK FUT)

15	Spec		Increase	USD	550	500	715	650
15	Hedge/Member		Increase	USD	500	500	650	650

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

NATURAL GAS - Inter-commodity Spread Rates

HENRY HUB NATURAL GAS FUTURES (NY-NG - CME) vs LNG JAPAN/KOREA MARKER (PLATTS) SWAP FUTURES (NY-JKM - CME)

Spread Credit Rate	Decrease	+1:-1	50%	50%	40%	40%
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