18-237

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Monday, June 11, 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, June 12, 2018.

Current rates as of:

Monday, June 11, 2018.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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

Outright Rates

NGL/PETROCHEMICALS - Outright Rates

CONWAY NAT GASOLINE FUT (8L)

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
8L	Spec		Increase	USD	2,750	2,500	3,465	3,150
8L	Hedge/Member		Increase	USD	2,500	2,500	3,150	3,150

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
CRUDE OIL - Intra Spreads								
Calendar-Spread-DC-003-DC-006 (DUBAI CRUDE OIL CALENDAR FUT)								
DC	Spec		Increase	USD	88	80	132	120
DC	Hedge/Member		Increase	USD	80	80	120	120
Calendar-Spread-DC-003-DC-006 (MINI DUBAI CRUDE OIL (PLATTS) FUT)								
DBL	Spec		Increase	USD	9	8	13	12
DBL	Hedge/Member		Increase	USD	8	8	12	12
Calendar-Spread-DC-003-DC-007 (DUBAI CRUDE OIL CALENDAR FUT)								
DC	Spec		Increase	USD	165	150	220	200
DC	Hedge/Member		Increase	USD	150	150	200	200
Calendar-Spread-DC-003-DC-007 (MINI DUBAI CRUDE OIL (PLATTS) FUT)								
DBL	Spec		Increase	USD	17	15	22	20
DBL	Hedge/Member		Increase	USD	15	15	20	20
CRUDE OIL SPREADS - Intra Spreads								
WTI Midland (Argus) vs. WTI Trade Month Futures (WTI MIDLAND (ARG) VS. WTI TRADE MTH)								
WTT	Spec		Increase	USD	1,650	1,500	1,980	1,800
WTT	Hedge/Member		Increase	USD	1,500	1,500	1,800	1,800
ELECTRICITY - Intra Spreads								
ERCOT Houston 345 kV Hub 50 MW Peak Futures - All Months (ERCOT HSTN 345 KV HUB 5 MW PEAK FUT)								
I1	Spec		Increase	USD	330	300	468	425
I1	Hedge/Member		Increase	USD	300	300	425	425
ERCOT North 345 kV Hub 50 MW Peak Futures - All Months (ERCOT NRTH 345 KV HUB 5 MW PEAK FUT)								
I5	Spec		Increase	USD	715	650	990	900
I5	Hedge/Member		Increase	USD	650	650	900	900
ERCOT North Zone MCPE 50 MW Peak Calendar Day Swap Futures -(2T) - All Months ()								
2T	Spec		Increase	USD	24,750	22,500	26,400	24,000
2T	Hedge/Member		Increase	USD	22,500	22,500	24,000	24,000
ERCOT North Zone MCPE 50 MW Peak Calendar Day Swap Futures -(2T) - All Months (ERCOT NRTH 345 KV HUB PEAK CLND D)								
I7	Spec		Increase	USD	2,475	2,250	2,640	2,400
I7	Hedge/Member		Increase	USD	2,250	2,250	2,400	2,400

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
			NGL/PETROCHEMICALS - Intra Spreads					
Conway Natural Gasoline (OPIS) Swap - 1 vs 2 (CONWAY NAT GASOLINE FUT)								
8L	Spec		Increase	USD	2,200	2,000	2,750	2,500
8L	Hedge/Member		Increase	USD	2,000	2,000	2,500	2,500
Conway Natural Gasoline (OPIS) Swap Futures- 2 vs 2+ (CONWAY NAT GASOLINE FUT)								
8L	Spec		Increase	USD	1,320	1,200	1,760	1,600
8L	Hedge/Member		Increase	USD	1,200	1,200	1,600	1,600
Conway Normal Butane (OPIS) Swap - 1 vs. 2 (CONWAY NORMAL BUTANE FUT)								
8M	Spec		Decrease	USD	3,300	3,000	2,200	2,000
8M	Hedge/Member		Decrease	USD	3,000	3,000	2,000	2,000
Conway Normal Butane (OPIS) Swap - 2 vs. 3+ (CONWAY NORMAL BUTANE FUT)								
8M	Spec		Decrease	USD	2,750	2,500	2,200	2,000
8M	Hedge/Member		Decrease	USD	2,500	2,500	2,000	2,000
Conway Normal Butane (OPIS) Swap Futures- 1 vs 3 (CONWAY NORMAL BUTANE FUT)								
8M	Spec		Decrease	USD	3,300	3,000	2,200	2,000
8M	Hedge/Member		Decrease	USD	3,000	3,000	2,000	2,000
MONT BELVIEU LDH ISO-BUTANE (OPIS) SWAP FUTURES - ALL MONTHS (MT BELVIEU LDH ISO-BUTANE(OPIS) FUT)								
MBL	Spec		Increase	USD	1,210	1,100	1,760	1,600
MBL	Hedge/Member		Increase	USD	1,100	1,100	1,600	1,600

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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

NGL/PETROCHEMICALS - Inter-commodity Spread Rates

ARGUS PROPANE (SAUDI ARAMCO) SWAP FUTURES (NY-9N - CME) vs CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME)

Spread Credit Rate	Decrease	+1:-12	40%	40%	35%	35%

CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME) vs EUROPEAN PROPANE CIF ARA (ARGUS) SWAP FUTURES (NY-PS - CME)

Spread Credit Rate	Decrease	+12:-1	52%	52%	40%	40%

CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME) vs MONT BELVIEU ISO-BUTANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-8I - CME)

Spread Credit Rate	Decrease	+1:-1	40%	40%	35%	35%

CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME) vs MONT BELVIEU NORMAL BUTANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-D0 - CME)

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

CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME) vs MONT BELVIEU NORMAL BUTANE LDH (OPIS) SWAP FUTURES (NY-MNB - CME)

Spread Credit Rate	Decrease	+1:-1	60%	60%	45%	45%

CONWAY NORMAL BUTANE (OPIS) SWAP FUTURES (NY-8M - CME) vs MONT BELVIEU ISO-BUTANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-8I - CME)

Spread Credit Rate	Decrease	+1:-1	55%	55%	45%	45%

CONWAY NORMAL BUTANE (OPIS) SWAP FUTURES (NY-8M - CME) vs MONT BELVIEU NORMAL BUTANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-D0 - CME)

Spread Credit Rate	Decrease	+1:-1	60%	60%	50%	50%

MONT BELVIEU LDH PROPANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-B0 - CME) vs CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME)

Spread Credit Rate	Decrease	+1:-1	53%	53%	45%	45%

MONT BELVIEU NATURAL GASOLINE 5 DECIMALS (OPIS) SWAP FUTURES (NY-7Q - CME) vs CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME)

Spread Credit Rate	Decrease	+1:-1	55%	55%	50%	50%

NEW YORK HARBOR NO. 2 HEATING OIL FUTURES (NY-HO, MP, BH) vs CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME)

Spread Credit Rate	Decrease	+1:-1	55%	55%	45%	45%

PROPANE NON-LDH MONT BELVIEU (OPIS) SWAP FUTURES (NY-1R - CME) vs CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME)

Spread Credit Rate	Decrease	+1:-1	45%	45%	40%	40%

RBOB GASOLINE FUTURES (NY-RB - CME) vs MONT BELVIEU LDH ISO-BUTANE (OPIS) SWAP FUTURES (NY-MBL - CME)

Spread Credit Rate	Decrease	+1:-1	45%	45%	40%	40%

RBOB GASOLINE FUTURES (NY-RB, RL, RT) vs CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME)

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

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						
NEW YORK HARBOR NO. 2 HEATING OIL FUTURES (NY-HO, MP, BH) vs CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME)						
Spread Credit Rate	Decrease	+1:-1	55%	55%	45%	45%
RBOB GASOLINE FUTURES (NY-RB - CME) vs MONT BELVIEU LDH ISO-BUTANE (OPIS) SWAP FUTURES (NY-MBL - CME)						
Spread Credit Rate	Decrease	+1:-1	45%	45%	40%	40%
RBOB GASOLINE FUTURES (NY-RB, RL, RT) vs CONWAY NATURAL GASOLINE (OPIS) SWAP FUTURES (NY-8L - CME)						
Spread Credit Rate	Decrease	+1:-1	50%	50%	40%	40%