



18-257

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Monday, June 25, 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 26, 2018.

Current rates as of:

Monday, June 25, 2018.

In this current advisory there are changes to the Short Option Minimum and/or the Volatility Scan Range. Below are descriptions of what each change affects:

The Short Option Minimum (SOM) is a charge that is applied only to portfolios concentrated in short options that do not generate a minimum margin requirement level when margins are calculated using the normal 16 SPAN scenarios. The SOM charge per short calls or short puts is a percentage of the outright margin on one underlying futures contract.

The volatility scan range is the change in implied volatility that is used in each of SPAN's 16 scenarios.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
CRUDE OIL - Outright Rates								
DUBAI CRUDE OIL CALENDAR FUT (DC)								
DC	Spec	Mnth1	Increase	USD	3,080	2,800	3,300	3,000
DC	Hedge/Member	Mnth1	Increase	USD	2,800	2,800	3,000	3,000
DC	Spec	Mnth2	Increase	USD	2,970	2,700	3,190	2,900
DC	Hedge/Member	Mnth2	Increase	USD	2,700	2,700	2,900	2,900
DC	Spec	Mnth3	Increase	USD	2,750	2,500	2,970	2,700
DC	Hedge/Member	Mnth3	Increase	USD	2,500	2,500	2,700	2,700
DC	Spec	Mnth4	Increase	USD	2,750	2,500	2,970	2,700
DC	Hedge/Member	Mnth4	Increase	USD	2,500	2,500	2,700	2,700
DC	Spec	Mnth5	Increase	USD	2,750	2,500	2,970	2,700
DC	Hedge/Member	Mnth5	Increase	USD	2,500	2,500	2,700	2,700
DC	Spec	Mnth6	Increase	USD	2,750	2,500	2,970	2,700
DC	Hedge/Member	Mnth6	Increase	USD	2,500	2,500	2,700	2,700
DC	Spec	Mnth7	Increase	USD	2,750	2,500	2,970	2,700
DC	Hedge/Member	Mnth7	Increase	USD	2,500	2,500	2,700	2,700
EUROPE DATED BRENT FUT (UB)								
UB	Spec	Mths 7+	Increase	USD	3,080	2,800	3,300	3,000
UB	Hedge/Member	Mths 7+	Increase	USD	2,800	2,800	3,000	3,000
UB	Spec	Mths 1 - 6	Increase	USD	3,080	2,800	3,300	3,000
UB	Hedge/Member	Mths 1 - 6	Increase	USD	2,800	2,800	3,000	3,000
LOOP GULF COAST SOUR CRUDE OIL (MB)								
MB	Spec		Increase	USD	2,640	2,400	3,080	2,800
MB	Hedge/Member		Increase	USD	2,400	2,400	2,800	2,800
MINI DATED BRENT (PLATTS) FINANCIAL (MDB)								
MDB	Spec	Mths 7+	Increase	USD	308	280	330	300
MDB	Hedge/Member	Mths 7+	Increase	USD	280	280	300	300
MDB	Spec	Mths 1 - 6	Increase	USD	308	280	330	300
MDB	Hedge/Member	Mths 1 - 6	Increase	USD	280	280	300	300
MINI DUBAI CRUDE OIL (PLATTS) FUT (DBL)								
DBL	Spec	Mnth1	Increase	USD	308	280	330	300
DBL	Hedge/Member	Mnth1	Increase	USD	280	280	300	300
DBL	Spec	Mnth2	Increase	USD	297	270	319	290
DBL	Hedge/Member	Mnth2	Increase	USD	270	270	290	290
DBL	Spec	Mnth3	Increase	USD	275	250	297	270
DBL	Hedge/Member	Mnth3	Increase	USD	250	250	270	270
DBL	Spec	Mnth4	Increase	USD	275	250	297	270

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
DBL	Hedge/Member	Mnth4	Increase	USD	250	250	270	270
DBL	Spec	Mnth5	Increase	USD	275	250	297	270
DBL	Hedge/Member	Mnth5	Increase	USD	250	250	270	270
DBL	Spec	Mnth6	Increase	USD	275	250	297	270
DBL	Hedge/Member	Mnth6	Increase	USD	250	250	270	270
DBL	Spec	Mnth7	Increase	USD	275	250	297	270
DBL	Hedge/Member	Mnth7	Increase	USD	250	250	270	270

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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

CRUDE OIL SPREADS - Outright Rates

ARGUS LLS VS. WTI (ARG) TRD M (E5)

E5	Spec	Mnth 1	Increase	USD	1,595	1,450	2,145	1,950
E5	Hedge/Member	Mnth 1	Increase	USD	1,450	1,450	1,950	1,950
E5	Spec	Mnth 5-11	Increase	USD	1,155	1,050	1,320	1,200
E5	Hedge/Member	Mnth 5-11	Increase	USD	1,050	1,050	1,200	1,200
E5	Spec	Mnths 12+	Increase	USD	880	800	990	900
E5	Hedge/Member	Mnths 12+	Increase	USD	800	800	900	900

ARGUS SOUR CRD IDX VS WTI DIFF CAL (38)

38	Spec		Increase	USD	1,650	1,500	1,925	1,750
38	Hedge/Member		Increase	USD	1,500	1,500	1,750	1,750

CANADIAN HEAVYCRUDE(NET ENRGY) FUT (WCC)

WCC	Spec	Mnth 1	Increase	USD	3,300	3,000	4,070	3,700
WCC	Hedge/Member	Mnth 1	Increase	USD	3,000	3,000	3,700	3,700
WCC	Spec	Mnths 2	Increase	USD	3,080	2,800	3,630	3,300
WCC	Hedge/Member	Mnths 2	Increase	USD	2,800	2,800	3,300	3,300
WCC	Spec	Mnths 3+	Increase	USD	2,640	2,400	2,860	2,600
WCC	Hedge/Member	Mnths 3+	Increase	USD	2,400	2,400	2,600	2,600

MARS (ARGUS) V WTI FUT (YX)

YX	Spec	Mnth 1	Increase	USD	1,100	1,000	1,650	1,500
YX	Hedge/Member	Mnth 1	Increase	USD	1,000	1,000	1,500	1,500
YX	Spec	Mnths 2-7	Increase	USD	1,100	1,000	1,650	1,500
YX	Hedge/Member	Mnths 2-7	Increase	USD	1,000	1,000	1,500	1,500
YX	Spec	Mnths 8+	Increase	USD	1,100	1,000	1,320	1,200
YX	Hedge/Member	Mnths 8+	Increase	USD	1,000	1,000	1,200	1,200

MARS (ARGUS) V WTI TRD MTH FUT (YV)

YV	Spec	Mnth 1	Increase	USD	1,100	1,000	1,650	1,500
YV	Hedge/Member	Mnth 1	Increase	USD	1,000	1,000	1,500	1,500
YV	Spec	Mnths 2-7	Increase	USD	1,100	1,000	1,650	1,500
YV	Hedge/Member	Mnths 2-7	Increase	USD	1,000	1,000	1,500	1,500
YV	Spec	Mnths 8+	Increase	USD	1,100	1,000	1,320	1,200
YV	Hedge/Member	Mnths 8+	Increase	USD	1,000	1,000	1,200	1,200

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
WESTERN CANADIAN SELECT OIL MONTHLY (WCW)								
WCW	Spec	Mnth 1	Increase	USD	3,850	3,500	4,840	4,400
WCW	Hedge/Member	Mnth 1	Increase	USD	3,500	3,500	4,400	4,400
WCW	Spec	Mnth 2	Increase	USD	3,080	2,800	3,630	3,300
WCW	Hedge/Member	Mnth 2	Increase	USD	2,800	2,800	3,300	3,300
WCW	Spec	Mnths 3+	Increase	USD	2,640	2,400	2,970	2,700
WCW	Hedge/Member	Mnths 3+	Increase	USD	2,400	2,400	2,700	2,700
WTI HOUSTON ARGUS V.WTI TRADE MONTH (HTT)								
HTT	Spec	Mnth1	Increase	USD	1,540	1,400	1,650	1,500
HTT	Hedge/Member	Mnth1	Increase	USD	1,400	1,400	1,500	1,500
HTT	Spec	Mnths 20+	Increase	USD	853	775	963	875
HTT	Hedge/Member	Mnths 20+	Increase	USD	775	775	875	875
WTI MIDLAND (ARG) VS. WTI TRADE MTH (WTT)								
WTT	Spec	Mnth 1	Increase	USD	2,640	2,400	3,190	2,900
WTT	Hedge/Member	Mnth 1	Increase	USD	2,400	2,400	2,900	2,900
WTT	Spec	Mnths 12-13	Decrease	USD	2,035	1,850	1,650	1,500
WTT	Hedge/Member	Mnths 12-13	Decrease	USD	1,850	1,850	1,500	1,500
WTT	Spec	Mnth 2	New	USD			3,190	2,900
WTT	Hedge/Member	Mnth 2	New	USD			2,900	2,900
WTI MIDLAND(ARGUS) VS WTI FINCL FUT (FF)								
FF	Spec	Mnth1	Increase	USD	2,640	2,400	3,080	2,800
FF	Hedge/Member	Mnth1	Increase	USD	2,400	2,400	2,800	2,800
FF	Spec	Mnth 2	Increase	USD	2,640	2,400	3,080	2,800
FF	Hedge/Member	Mnth 2	Increase	USD	2,400	2,400	2,800	2,800
FF	Spec	Mnths 3-7	Increase	USD	2,310	2,100	2,530	2,300
FF	Hedge/Member	Mnths 3-7	Increase	USD	2,100	2,100	2,300	2,300
WTS (ARGUS) V WTI TRD MTH FUT (FH)								
FH	Spec	Mnth 1	Increase	USD	3,410	3,100	4,070	3,700
FH	Hedge/Member	Mnth 1	Increase	USD	3,100	3,100	3,700	3,700
FH	Spec	Mnth 2	Increase	USD	3,410	3,100	4,070	3,700
FH	Hedge/Member	Mnth 2	Increase	USD	3,100	3,100	3,700	3,700
FH	Spec	Mnths 8+	Increase	USD	3,025	2,750	3,300	3,000
FH	Hedge/Member	Mnths 8+	Increase	USD	2,750	2,750	3,000	3,000

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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

DME Products - Outright Rates

BRENT CRUDE VS DUBAI CRUDE (DBI)

DBI	Spec	Mnth 1	Increase	USD	550	500	605	550
DBI	Hedge/Member	Mnth 1	Increase	USD	500	500	550	550
DBI	Spec	Mnth 2	Increase	USD	495	450	605	550
DBI	Hedge/Member	Mnth 2	Increase	USD	450	450	550	550

DUBAI CRUDE OIL (PLATTS) (DCD)

DCD	Spec	Mnth 1	Increase	USD	3,080	2,800	3,300	3,000
DCD	Hedge/Member	Mnth 1	Increase	USD	2,800	2,800	3,000	3,000
DCD	Spec	Mnths 2-3	Increase	USD	2,970	2,700	3,190	2,900
DCD	Hedge/Member	Mnths 2-3	Increase	USD	2,700	2,700	2,900	2,900
DCD	Spec	Mnths 4-8	Increase	USD	2,750	2,500	2,970	2,700
DCD	Hedge/Member	Mnths 4-8	Increase	USD	2,500	2,500	2,700	2,700
DCD	Spec	Mnths 9+	Increase	USD	2,750	2,500	2,970	2,700
DCD	Hedge/Member	Mnths 9+	Increase	USD	2,500	2,500	2,700	2,700

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
REFINED PRODUCTS - Outright Rates								
EUROPE 1% FUEL OIL RDAM CALFUT (UH)								
UH	Spec	Mnth 2	Increase	USD	15,400	14,000	15,950	14,500
UH	Hedge/Member	Mnth 2	Increase	USD	14,000	14,000	14,500	14,500
UH	Spec	Mnths 3-7	Increase	USD	14,300	13,000	15,950	14,500
UH	Hedge/Member	Mnths 3-7	Increase	USD	13,000	13,000	14,500	14,500
UH	Spec	Mnths 8+	Increase	USD	14,300	13,000	15,950	14,500
UH	Hedge/Member	Mnths 8+	Increase	USD	13,000	13,000	14,500	14,500
GULF COAST HSFO (PLATTS) FUTURES (MF)								
MF	Spec	Mnth 1	Increase	USD	2,530	2,300	2,860	2,600
MF	Hedge/Member	Mnth 1	Increase	USD	2,300	2,300	2,600	2,600
MF	Spec	Mnths 2-6	Increase	USD	2,530	2,300	2,860	2,600
MF	Hedge/Member	Mnths 2-6	Increase	USD	2,300	2,300	2,600	2,600
MF	Spec	Mnths 7-24	Increase	USD	2,420	2,200	2,805	2,550
MF	Hedge/Member	Mnths 7-24	Increase	USD	2,200	2,200	2,550	2,550
MF	Spec	Mnths 25+	Increase	USD	2,200	2,000	2,585	2,350
MF	Hedge/Member	Mnths 25+	Increase	USD	2,000	2,000	2,350	2,350
GULF COAST ULSD CALENDAR FUT (LY)								
LY	Spec	Mnth 1	Increase	USD	2,860	2,600	3,300	3,000
LY	Hedge/Member	Mnth 1	Increase	USD	2,600	2,600	3,000	3,000
LY	Spec	Mnths 13+	Increase	USD	2,420	2,200	2,860	2,600
LY	Hedge/Member	Mnths 13+	Increase	USD	2,200	2,200	2,600	2,600
MINI EURO 1% FUEL OIL FOBRDM FUT (T0)								
T0	Spec	Mnth 2	Increase	USD	1,540	1,400	1,595	1,450
T0	Hedge/Member	Mnth 2	Increase	USD	1,400	1,400	1,450	1,450
T0	Spec	Mnths 3-7	Increase	USD	1,430	1,300	1,595	1,450
T0	Hedge/Member	Mnths 3-7	Increase	USD	1,300	1,300	1,450	1,450
T0	Spec	Mnths 8+	Increase	USD	1,430	1,300	1,595	1,450
T0	Hedge/Member	Mnths 8+	Increase	USD	1,300	1,300	1,450	1,450
MINI SINGAPORE 380CST FUEL OIL FUT (MTS)								
MTS	Spec	Mnth 1	Increase	USD	1,595	1,450	1,733	1,575
MTS	Hedge/Member	Mnth 1	Increase	USD	1,450	1,450	1,575	1,575
MTS	Spec	Mnths 2-6	Increase	USD	1,513	1,375	1,733	1,575
MTS	Hedge/Member	Mnths 2-6	Increase	USD	1,375	1,375	1,575	1,575
MTS	Spec	Mnths 7-13	Increase	USD	1,485	1,350	1,705	1,550
MTS	Hedge/Member	Mnths 7-13	Increase	USD	1,350	1,350	1,550	1,550

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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

NY HARBOR RESIDUAL FUEL 1.0% S FUT (MM)

MM	Spec	Mnth 1	Increase	USD	2,255	2,050	2,750	2,500
MM	Hedge/Member	Mnth 1	Increase	USD	2,050	2,050	2,500	2,500

SINGAPORE 380CST FUEL OIL FUT (SE)

SE	Spec	Mnth 1	Increase	USD	15,950	14,500	17,325	15,750
SE	Hedge/Member	Mnth 1	Increase	USD	14,500	14,500	15,750	15,750
SE	Spec	Mnths 2-6	Increase	USD	15,125	13,750	17,325	15,750
SE	Hedge/Member	Mnths 2-6	Increase	USD	13,750	13,750	15,750	15,750
SE	Spec	Mnths 7-13	Increase	USD	14,850	13,500	17,050	15,500
SE	Hedge/Member	Mnths 7-13	Increase	USD	13,500	13,500	15,500	15,500

SYNTHET GULF COAST NO.6 FUEL OIL 3 (SMF)

SMF	Spec	Mnth 1	Increase	USD	2,530	2,300	2,860	2,600
SMF	Hedge/Member	Mnth 1	Increase	USD	2,300	2,300	2,600	2,600
SMF	Spec	Mnths 2-6	Increase	USD	2,530	2,300	2,860	2,600
SMF	Hedge/Member	Mnths 2-6	Increase	USD	2,300	2,300	2,600	2,600
SMF	Spec	Mnths 7-24	Increase	USD	2,420	2,200	2,805	2,550
SMF	Hedge/Member	Mnths 7-24	Increase	USD	2,200	2,200	2,550	2,550
SMF	Spec	Months 25+	Increase	USD	2,200	2,000	2,585	2,350
SMF	Hedge/Member	Months 25+	Increase	USD	2,000	2,000	2,350	2,350

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
CRUDE OIL SPREADS - Intra Spreads								
Dated-to-Frontline Brent Swap - Mth 1 vs Mths 2+ (DATED TO FRONTLINE BRENT CLNDR FUT)								
FY	Spec		Increase	USD	138	125	248	225
FY	Hedge/Member		Increase	USD	125	125	225	225
Light Sweet Oil (Net Energy) Monthly Index Futures - All Months (LIGHT SWEET OIL NET ENERGY MONTHLY)								
LSW	Spec		Increase	USD	1,375	1,250	1,815	1,650
LSW	Hedge/Member		Increase	USD	1,250	1,250	1,650	1,650
Mars (Argus) vs. WTI Spread Calendar Swap - All Months (MARS (ARGUS) V WTI FUT)								
YX	Spec		Increase	USD	935	850	1,100	1,000
YX	Hedge/Member		Increase	USD	850	850	1,000	1,000
Mars (Argus) vs. WTI Spread Trade Month Swap - All Months (MARS (ARGUS) V WTI TRD MTH FUT)								
YV	Spec		Increase	USD	935	850	1,100	1,000
YV	Hedge/Member		Increase	USD	850	850	1,000	1,000
WTS (Argus) vs. WTI Spread Trade Month Swap - All Months (WTS (ARGUS) V WTI TRD MTH FUT)								
FH	Spec		Increase	USD	2,915	2,650	3,025	2,750
FH	Hedge/Member		Increase	USD	2,650	2,650	2,750	2,750