



20-082

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Friday, March 6, 2020

***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

**Monday, March 9, 2020.**

Current rates as of:

**Friday, March 6, 2020.**

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
<b>Outright Rates</b>								
<b>INTEREST RATES - Outright Rates</b>								
<b>10Y TREASURY NOTE FUTURES (21)</b>								
21	Spec		Increase	USD	1,403	1,275	1,513	1,375
21	Hedge/Member		Increase	USD	1,275	1,275	1,375	1,375
<b>30 YR U.S. TREASURY BOND FUTURES (17)</b>								
17	Spec	Month 1	Increase	USD	3,245	2,950	4,015	3,650
17	Hedge/Member	Month 1	Increase	USD	2,950	2,950	3,650	3,650
17	Spec	Month 2+	Increase	USD	3,245	2,950	4,015	3,650
17	Hedge/Member	Month 2+	Increase	USD	2,950	2,950	3,650	3,650
<b>LONG TERM U.S. TREASURY BOND FUTURE (UBE)</b>								
UBE	Spec		Increase	USD	5,280	4,800	6,600	6,000
UBE	Hedge/Member		Increase	USD	4,800	4,800	6,000	6,000
<b>MPC SONIA FUTURES (MPC)</b>								
MPC	Spec	Months 1 - 2	Increase	GBP	171	155	209	190
MPC	Hedge/Member	Months 1 - 2	Increase	GBP	155	155	190	190
MPC	Spec	Months 3+	Increase	GBP	198	180	248	225
MPC	Hedge/Member	Months 3+	Increase	GBP	180	180	225	225
<b>ULTRA 10-YEAR U S TREASURY NOTE FUT (TN)</b>								
TN	Spec		Increase	USD	2,145	1,950	2,585	2,350
TN	Hedge/Member		Increase	USD	1,950	1,950	2,350	2,350

## 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

#### AGRICULTURE - Intra Spreads

##### **Rough Rice (CBOT) (14) - Months 1 vs Months 2+ (ROUGH RICE FUTURES)**

14	Spec		Increase	USD	275	250	352	320
14	Hedge/Member		Increase	USD	250	250	320	320

##### **Rough Rice (CBOT) (14) - Months 2+ vs Months 2+ (ROUGH RICE FUTURES)**

14	Spec		Increase	USD	275	250	352	320
14	Hedge/Member		Increase	USD	250	250	320	320

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Intra Spreads</b>								
<b>FX - Intra Spreads</b>								
<b>Australian Dollar (AD) - Contracts 1-6 vs. 1-6 (AUSTRALIAN DOLLAR FUTURES)</b>								
AD	Spec		Increase	USD	66	60	83	75
AD	Hedge/Member		Increase	USD	60	60	75	75
<b>Australian Dollar (AD) - Contracts 1-6 vs. 1-6 (MICRO AUD/USD FUTURES)</b>								
M6A	Spec		Increase	USD	7	6	8	8
M6A	Hedge/Member		Increase	USD	6	6	8	8
<b>Australian Dollar (AD) - Contracts 7-11 vs. 7-11 (AUSTRALIAN DOLLAR FUTURES)</b>								
AD	Spec		Increase	USD	77	70	99	90
AD	Hedge/Member		Increase	USD	70	70	90	90
<b>Australian Dollar (AD) - Contracts 7-11 vs. 7-11 (MICRO AUD/USD FUTURES)</b>								
M6A	Spec		Increase	USD	8	7	10	9
M6A	Hedge/Member		Increase	USD	7	7	9	9
<b>Canadian Dollar (CD) - All Months Consecutive Spreads (CANADIAN DOLLAR FUTURES)</b>								
CD	Spec		Increase	USD	33	30	44	40
CD	Hedge/Member		Increase	USD	30	30	40	40
<b>Canadian Dollar (CD) - All Months Consecutive Spreads (MICRO CAD/USD FUTURES)</b>								
MCD	Spec		Increase	USD	3	3	4	4
MCD	Hedge/Member		Increase	USD	3	3	4	4
<b>Canadian Dollar (CD) - Contracts 1-6 vs. 7-11 (CANADIAN DOLLAR FUTURES)</b>								
CD	Spec		Increase	USD	110	100	154	140
CD	Hedge/Member		Increase	USD	100	100	140	140
<b>Canadian Dollar (CD) - Contracts 1-6 vs. 7-11 (MICRO CAD/USD FUTURES)</b>								
MCD	Spec		Increase	USD	11	10	15	14
MCD	Hedge/Member		Increase	USD	10	10	14	14
<b>Canadian Dollar (CD) - Contracts 7-11 vs. 7-11 (CANADIAN DOLLAR FUTURES)</b>								
CD	Spec		Increase	USD	83	75	110	100
CD	Hedge/Member		Increase	USD	75	75	100	100
<b>Canadian Dollar (CD) - Contracts 7-11 vs. 7-11 (MICRO CAD/USD FUTURES)</b>								
MCD	Spec		Increase	USD	8	8	11	10
MCD	Hedge/Member		Increase	USD	8	8	10	10

## **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**

#### **INTEREST RATES - Intra Spreads**

##### **SONIA MPC Months 1-2 vs 1-2 (MPC SONIA FUTURES)**

MPC	Spec		Increase	GBP	187	170	281	255
MPC	Hedge/Member		Increase	GBP	170	170	255	255

##### **SONIA MPC Months 1-2 vs 3-4 (MPC SONIA FUTURES)**

MPC	Spec		Increase	GBP	215	195	319	290
MPC	Hedge/Member		Increase	GBP	195	195	290	290

##### **SONIA MPC Months 3-4 vs 3-4 (MPC SONIA FUTURES)**

MPC	Spec		Increase	GBP	215	195	319	290
MPC	Hedge/Member		Increase	GBP	195	195	290	290

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Volatility Scan (volScan) Rate</b>						
<b>FX - Volatility Scan (volScan) Rate</b>						
<b>EURO FX (E7, EC, EC, EUU, M6E, MEM, V6E, V6E, VXT, WEC, YT) - volScan</b>						
Clearing Member Rate	Months 4+	Increase		15.000%		18.000%
<b>JAPANESE YEN (J7, JPU, JY, JY, MJM, MJY, V6J, V6J, VXJ, WJY, YJ) - volScan</b>						
Clearing Member Rate	Months 4+	Increase		22.000%		25.000%
<b>METALS - Volatility Scan (volScan) Rate</b>						
<b>GOLD FUTURES (8Q, GC, GCD, GCT, L01, L02, L03, L04, L05, L06, L07, L08, L09, L10, L11, L12, L13, L14, L15, L16, L17, L18, L19, L20, L21, L22, L23, L24, L25, L26, L27, L28, L29, L30, L31, MGC, MGT, OG, OGW, QO, QS) - volScan</b>						
Clearing Member Rate	Mnth4	Increase		20.000%		25.000%
Clearing Member Rate	Mnth1	Increase		30.000%		33.000%
Clearing Member Rate	Mnth2	Increase		25.000%		28.000%
Clearing Member Rate	Mnth3	Increase		25.000%		28.000%
Clearing Member Rate	Mnth5	Increase		15.000%		20.000%
Clearing Member Rate	Mnth6	Increase		15.000%		20.000%
Clearing Member Rate	Mnth7	Increase		15.000%		20.000%
Clearing Member Rate	Mnth8	Increase		13.000%		18.000%
Clearing Member Rate	Mnth9	Increase		13.000%		18.000%
Clearing Member Rate	Mnth10	Increase		13.000%		18.000%
Clearing Member Rate	Mnth11	Increase		13.000%		18.000%
Clearing Member Rate	Mnth12	Increase		13.000%		18.000%
Clearing Member Rate	Mnth13	Increase		13.000%		18.000%
Clearing Member Rate	Mnth14	Increase		13.000%		18.000%
Clearing Member Rate	Mnth15	Increase		13.000%		18.000%
Clearing Member Rate	Mnth16	Increase		13.000%		18.000%
Clearing Member Rate	Mnth17+	Increase		13.000%		18.000%