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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Wednesday, March 25, 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. Please email any questions to [Clearing.RiskManagement@cmegroup.com](mailto:Clearing.RiskManagement@cmegroup.com).

The rates will be effective after the close of business on

**Thursday, March 26, 2020.**

Current rates as of:

**Wednesday, March 25, 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>AGRICULTURE - Outright Rates</b>								
<b>CASH BUTTER FUTURES (CB)</b>								
CB	Spec	Months 2-4	Increase	USD	1,430	1,300	1,716	1,560
CB	Hedge/Member	Months 2-4	Increase	USD	1,300	1,300	1,560	1,560
CB	Spec	Months 5-9	Increase	USD	1,485	1,350	1,782	1,620
CB	Hedge/Member	Months 5-9	Increase	USD	1,350	1,350	1,620	1,620
CB	Spec	Months 10+	Increase	USD	1,485	1,350	1,782	1,620
CB	Hedge/Member	Months 10+	Increase	USD	1,350	1,350	1,620	1,620
<b>CRUDE OIL SPREADS - Outright Rates</b>								
<b>DATED TO FRONTLINE BRENT CLNDR FUT (FY)</b>								
FY	Spec	Mnth 1	Increase	USD	770	700	1,100	1,000
FY	Hedge/Member	Mnth 1	Increase	USD	700	700	1,000	1,000
FY	Spec	Mnths 2 - 3	Increase	USD	633	575	935	850
FY	Hedge/Member	Mnths 2 - 3	Increase	USD	575	575	850	850
FY	Spec	Mnths 4+	Increase	USD	468	425	715	650
FY	Hedge/Member	Mnths 4+	Increase	USD	425	425	650	650
<b>EDMONTON C5+ CONDENSATE MONTHLY INX (CC5)</b>								
CC5	Spec	Mnths 1-2	Increase	USD	2,255	2,050	2,970	2,700
CC5	Hedge/Member	Mnths 1-2	Increase	USD	2,050	2,050	2,700	2,700
CC5	Spec	Mnths 3-6	Increase	USD	1,925	1,750	2,420	2,200
CC5	Hedge/Member	Mnths 3-6	Increase	USD	1,750	1,750	2,200	2,200
CC5	Spec	Mnths 7+	Increase	USD	1,650	1,500	1,980	1,800
CC5	Hedge/Member	Mnths 7+	Increase	USD	1,500	1,500	1,800	1,800
<b>EDMONTON LIGHT SWEET NE2 MONTHLY (LSW)</b>								
LSW	Spec	Mnths 1-2	Increase	USD	2,860	2,600	3,300	3,000
LSW	Hedge/Member	Mnths 1-2	Increase	USD	2,600	2,600	3,000	3,000
LSW	Spec	Mnths 3-6	Increase	USD	2,200	2,000	3,300	3,000
LSW	Hedge/Member	Mnths 3-6	Increase	USD	2,000	2,000	3,000	3,000
LSW	Spec	Mnths 7+	Increase	USD	1,760	1,600	2,640	2,400
LSW	Hedge/Member	Mnths 7+	Increase	USD	1,600	1,600	2,400	2,400
<b>GUERNSEY LIGHT SWEET (NE2) MNTH IND (GSW)</b>								
GSW	Spec	Mnths 1-2	Increase	USD	1,265	1,150	1,650	1,500
GSW	Hedge/Member	Mnths 1-2	Increase	USD	1,150	1,150	1,500	1,500
GSW	Spec	Mnths 3-6	Increase	USD	1,155	1,050	1,650	1,500
GSW	Hedge/Member	Mnths 3-6	Increase	USD	1,050	1,050	1,500	1,500
GSW	Spec	Mnths 7+	Increase	USD	1,045	950	1,650	1,500
GSW	Hedge/Member	Mnths 7+	Increase	USD	950	950	1,500	1,500

## 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

#### **URALS MED VS DATED BRENT FUTURE (UMD)**

UMD	Spec	Mnth 1	Increase	USD	1,100	1,000	1,650	1,500
UMD	Hedge/Member	Mnth 1	Increase	USD	1,000	1,000	1,500	1,500
UMD	Spec	Mths 2+	Increase	USD	770	700	1,320	1,200
UMD	Hedge/Member	Mths 2+	Increase	USD	700	700	1,200	1,200

#### **URALS NORTH VS MED DATED BRENT FUT (UNS)**

UNS	Spec	Mnth 1	Increase	USD	1,100	1,000	1,650	1,500
UNS	Hedge/Member	Mnth 1	Increase	USD	1,000	1,000	1,500	1,500
UNS	Spec	Mnths 2+	Increase	USD	770	700	1,320	1,200
UNS	Hedge/Member	Mnths 2+	Increase	USD	700	700	1,200	1,200

# SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Outright Rates</b>								
<b>METALS - Outright Rates</b>								
<b>ALUMINUM MW TRANS PREM PLATTS FUT (AUP)</b>								
AUP	Spec	Mth 1	Increase	USD	633	575	770	700
AUP	Hedge/Member	Mth 1	Increase	USD	575	575	700	700
AUP	Spec	Mths 2-12	Increase	USD	578	525	770	700
AUP	Hedge/Member	Mths 2-12	Increase	USD	525	525	700	700
AUP	Spec	Mths 13-21	Increase	USD	578	525	770	700
AUP	Hedge/Member	Mths 13-21	Increase	USD	525	525	700	700
AUP	Spec	22+	Increase	USD	578	525	770	700
AUP	Hedge/Member	22+	Increase	USD	525	525	700	700
<b>MICRO PALLADIUM FUTURES (PAM)</b>								
PAM	Spec	Mnth 1	Increase	USD	4,180	3,800	4,730	4,300
PAM	Hedge/Member	Mnth 1	Increase	USD	3,800	3,800	4,300	4,300
PAM	Spec	Mnth 2	Increase	USD	4,015	3,650	4,565	4,150
PAM	Hedge/Member	Mnth 2	Increase	USD	3,650	3,650	4,150	4,150
PAM	Spec	Mnth 3	Increase	USD	3,960	3,600	4,510	4,100
PAM	Hedge/Member	Mnth 3	Increase	USD	3,600	3,600	4,100	4,100
PAM	Spec	Mnth 4+	Increase	USD	3,960	3,600	4,510	4,100
PAM	Hedge/Member	Mnth 4+	Increase	USD	3,600	3,600	4,100	4,100
<b>PALLADIUM FUTURES NYMEX (PA)</b>								
PA	Spec	Mnth 1	Increase	USD	41,800	38,000	47,300	43,000
PA	Hedge/Member	Mnth 1	Increase	USD	38,000	38,000	43,000	43,000
PA	Spec	Mnth 2	Increase	USD	40,150	36,500	45,650	41,500
PA	Hedge/Member	Mnth 2	Increase	USD	36,500	36,500	41,500	41,500
PA	Spec	Mnth 3	Increase	USD	39,600	36,000	45,100	41,000
PA	Hedge/Member	Mnth 3	Increase	USD	36,000	36,000	41,000	41,000
PA	Spec	Mnth 4+	Increase	USD	39,600	36,000	45,100	41,000
PA	Hedge/Member	Mnth 4+	Increase	USD	36,000	36,000	41,000	41,000
<b>PALLADIUM TAS (PAT)</b>								
PAT	Spec	Mnth 1	Increase	USD	41,800	38,000	47,300	43,000
PAT	Hedge/Member	Mnth 1	Increase	USD	38,000	38,000	43,000	43,000
PAT	Spec	Mnth 2	Increase	USD	40,150	36,500	45,650	41,500
PAT	Hedge/Member	Mnth 2	Increase	USD	36,500	36,500	41,500	41,500
PAT	Spec	Mnth 3	Increase	USD	39,600	36,000	45,100	41,000
PAT	Hedge/Member	Mnth 3	Increase	USD	36,000	36,000	41,000	41,000
PAT	Spec	Mnth 4+	Increase	USD	39,600	36,000	45,100	41,000
PAT	Hedge/Member	Mnth 4+	Increase	USD	36,000	36,000	41,000	41,000

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Outright Rates</b>								
<b>U.S. MIDWEST BUSHELING SCRAP (BUS)</b>								
BUS	Spec	Mth 1	Increase	USD	440	400	468	425
BUS	Hedge/Member	Mth 1	Increase	USD	400	400	425	425
BUS	Spec	Mths 2-4	Increase	USD	440	400	468	425
BUS	Hedge/Member	Mths 2-4	Increase	USD	400	400	425	425
<b>URANIUM FUTURES (UX)</b>								
UX	Spec		Increase	USD	396	360	468	425
UX	Hedge/Member		Increase	USD	360	360	425	425
<b>PETROLEUM CRACKS AND SPREADS - Outright Rates</b>								
<b>GLFCST JET PLATTS UP/DN FUT (ME)</b>								
ME	Spec	Mnth 1	Increase	USD	2,035	1,850	2,860	2,600
ME	Hedge/Member	Mnth 1	Increase	USD	1,850	1,850	2,600	2,600
ME	Spec	Mnth 2	Increase	USD	1,870	1,700	2,860	2,600
ME	Hedge/Member	Mnth 2	Increase	USD	1,700	1,700	2,600	2,600
ME	Spec	Mnths 3-5	Increase	USD	1,595	1,450	2,420	2,200
ME	Hedge/Member	Mnths 3-5	Increase	USD	1,450	1,450	2,200	2,200
ME	Spec	Mnths 6-10	Increase	USD	781	710	1,562	1,420
ME	Hedge/Member	Mnths 6-10	Increase	USD	710	710	1,420	1,420
ME	Spec	Mnths 11+	New	USD			781	710
ME	Hedge/Member	Mnths 11+	New	USD			710	710

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Intra Spreads</b>								
<b>CRUDE OIL - Intra Spreads</b>								
<b>Dubai Crude Butterfly - Distance 1 (DUBAI CRUDE OIL CALENDAR FUT)</b>								
DC	Spec		Increase	USD	143	130	198	180
DC	Hedge/Member		Increase	USD	130	130	180	180
<b>Dubai Crude Butterfly - Distance 1 (MINI DUBAI CRUDE OIL (PLATTS) FUT)</b>								
DBL	Spec		Increase	USD	14	13	20	18
DBL	Hedge/Member		Increase	USD	13	13	18	18
<b>Dubai Crude Butterfly - Distance 2 (DUBAI CRUDE OIL CALENDAR FUT)</b>								
DC	Spec		Increase	USD	286	260	418	380
DC	Hedge/Member		Increase	USD	260	260	380	380
<b>Dubai Crude Butterfly - Distance 2 (MINI DUBAI CRUDE OIL (PLATTS) FUT)</b>								
DBL	Spec		Increase	USD	29	26	42	38
DBL	Hedge/Member		Increase	USD	26	26	38	38
<b>CRUDE OIL SPREADS - Intra Spreads</b>								
<b>Dubai Brent Swap - Mnths 9+ vs Mnths 9+ (ICE BRENT DUBAI FUT)</b>								
DB	Spec		Increase	USD	275	250	330	300
DB	Hedge/Member		Increase	USD	250	250	300	300

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Intra Spreads</b>								
<b>DME Products - Intra Spreads</b>								
<b>Oman Crude Butterfly - Distance 2 (DME OMAN CRUDE OIL)</b>								
OQ	Spec		Increase	USD	275	250	413	375
OQ	Hedge/Member		Increase	USD	250	250	375	375
<b>Oman Crude Butterfly - Distance 2 (OMAN CRUDE FINANCIAL)</b>								
ZG	Spec		Increase	USD	275	250	413	375
ZG	Hedge/Member		Increase	USD	250	250	375	375
<b>Oman Crude Butterfly - Distance 2 (OMAN CRUDE OIL TAM FUT)</b>								
OQB	Spec		Increase	USD	275	250	413	375
OQB	Hedge/Member		Increase	USD	250	250	375	375
<b>Oman Crude Butterfly - Distance 2 (OMAN CRUDE OIL TAM MARKER SYN)</b>								
OQ1	Spec		Increase	USD	275	250	413	375
OQ1	Hedge/Member		Increase	USD	250	250	375	375
<b>Oman Crude Butterfly- Distance 1 (DME OMAN CRUDE OIL)</b>								
OQ	Spec		Increase	USD	154	140	204	185
OQ	Hedge/Member		Increase	USD	140	140	185	185
<b>Oman Crude Butterfly- Distance 1 (OMAN CRUDE FINANCIAL)</b>								
ZG	Spec		Increase	USD	154	140	204	185
ZG	Hedge/Member		Increase	USD	140	140	185	185
<b>Oman Crude Butterfly- Distance 1 (OMAN CRUDE OIL TAM FUT)</b>								
OQB	Spec		Increase	USD	154	140	204	185
OQB	Hedge/Member		Increase	USD	140	140	185	185
<b>Oman Crude Butterfly- Distance 1 (OMAN CRUDE OIL TAM MARKER SYN)</b>								
OQ1	Spec		Increase	USD	154	140	204	185
OQ1	Hedge/Member		Increase	USD	140	140	185	185
<b>ETHANOL - Intra Spreads</b>								
<b>Ethanol (Platts) T2 FOB Rotterdam Including Duty Swap - Mnth 1 vs. All Months (ETHANOL(PL) T2 FOB RTRDM INCL)</b>								
Z1	Spec		Increase	EUR	1,540	1,400	1,980	1,800
Z1	Hedge/Member		Increase	EUR	1,400	1,400	1,800	1,800
<b>Ethanol (Platts) T2 FOB Rotterdam Including Duty Swap - Mnth 2+ All Months (ETHANOL(PL) T2 FOB RTRDM INCL)</b>								
Z1	Spec		Increase	EUR	1,760	1,600	2,310	2,100
Z1	Hedge/Member		Increase	EUR	1,600	1,600	2,100	2,100

## 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

#### METALS - Intra Spreads

#### **Aluminum MW US Transaction Premium Platts (25MT) Swap Futures - Mths 1-21 vs Mths 1-21 (ALUMINUM MW TRANS PREM PLATTS FUT)**

AUP	Spec		Increase	USD	633	575	770	700
AUP	Hedge/Member		Increase	USD	575	575	700	700

#### **Aluminum MW US Transaction Premium Platts (25MT) Swap Futures - Mths 1-21 vs Mths 22+ (ALUMINUM MW TRANS PREM PLATTS FUT)**

AUP	Spec		Increase	USD	633	575	770	700
AUP	Hedge/Member		Increase	USD	575	575	700	700

#### **Aluminum MW US Transaction Premium Platts (25MT) Swap Futures - Mths 22+ vs Mths 22+ (ALUMINUM MW TRANS PREM PLATTS FUT)**

AUP	Spec		Increase	USD	633	575	770	700
AUP	Hedge/Member		Increase	USD	575	575	700	700

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Intra Spreads</b>								
<b>PETROLEUM CRACKS AND SPREADS - Intra Spreads</b>								
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnth 1 vs 11+ (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		New	USD			1,238	1,125
ME	Hedge/Member		New	USD			1,125	1,125
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnth 1 vs 3-5 (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		Increase	USD	1,012	920	1,265	1,150
ME	Hedge/Member		Increase	USD	920	920	1,150	1,150
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnth 1 vs 6-10 (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		Increase	USD	990	900	1,238	1,125
ME	Hedge/Member		Increase	USD	900	900	1,125	1,125
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnth 11+ vs 11+ (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		New	USD			935	850
ME	Hedge/Member		New	USD			850	850
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnth 2 vs 11+ (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		New	USD			440	400
ME	Hedge/Member		New	USD			400	400
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnth 2 vs 6-10 (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		New	USD			803	730
ME	Hedge/Member		New	USD			730	730
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnth 3-5 vs 11+ (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		New	USD			825	750
ME	Hedge/Member		New	USD			750	750
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnth 6-10 vs 11+ (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		New	USD			605	550
ME	Hedge/Member		New	USD			550	550
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnths 3-5 vs 6-10 (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		New	USD			825	750
ME	Hedge/Member		New	USD			750	750
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Mnths 6-10 vs 6-10 (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		New	USD			935	850
ME	Hedge/Member		New	USD			850	850
<b>GULF COAST JET VS. NYMEX #2 HEA (ME) - Month 1 vs 2 (GLFCST JET PLATTS UP/DN FUT)</b>								
ME	Spec		Increase	USD	1,034	940	1,293	1,175
ME	Hedge/Member		Increase	USD	940	940	1,175	1,175

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	<u>Tier Description</u>	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
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**Volatility Scan (volScan) Rate**

**METALS - Volatility Scan (volScan) Rate**

**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**

Clearing Member Rate	Mnth1	Increase		38.000%		40.000%
Clearing Member Rate	Mnth2	Increase		35.000%		40.000%

**SILVER FUTURES (6Q, QI, SI, SIL, SIT, SO, SOW) - volScan**

Clearing Member Rate	Mnth1	Increase		40.000%		45.000%
Clearing Member Rate	Mnth2	Increase		40.000%		45.000%