



20-215

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Thursday, May 28, 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.

The rates will be effective after the close of business on

Friday, May 29, 2020.

Current rates as of:

Thursday, May 28, 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
Outright Rates								
FX - Outright Rates								
CHILEAN PESO/US DOLLAR CLP/USD FUT (CHP)								
CHP	Spec		Decrease	USD	4,840	4,400	4,180	3,800
CHP	Hedge/Member		Decrease	USD	4,400	4,400	3,800	3,800
E-MINI J-YEN FUTURE (J7)								
J7	Spec	Month 1-3	Decrease	USD	2,200	2,000	1,980	1,800
J7	Hedge/Member	Month 1-3	Decrease	USD	2,000	2,000	1,800	1,800
J7	Spec	Months 4+	Decrease	USD	2,200	2,000	1,980	1,800
J7	Hedge/Member	Months 4+	Decrease	USD	2,000	2,000	1,800	1,800
ISRAELI SHEKEL FUTURES (IS)								
IS	Spec		Decrease	USD	13,200	12,000	11,000	10,000
IS	Hedge/Member		Decrease	USD	12,000	12,000	10,000	10,000
JAPANESE YEN FUTURES (JY)								
JY	Spec	Month 1-3	Decrease	USD	4,400	4,000	3,960	3,600
JY	Hedge/Member	Month 1-3	Decrease	USD	4,000	4,000	3,600	3,600
JY	Spec	Months 4+	Decrease	USD	4,400	4,000	3,960	3,600
JY	Hedge/Member	Months 4+	Decrease	USD	4,000	4,000	3,600	3,600
MICRO JPY/USD (MJY)								
MJY	Spec	Month 1-3	Decrease	USD	440	400	396	360
MJY	Hedge/Member	Month 1-3	Decrease	USD	400	400	360	360
MJY	Spec	Months 4+	Decrease	USD	440	400	396	360
MJY	Hedge/Member	Months 4+	Decrease	USD	400	400	360	360
NKR/USD FUTURES (UN)								
UN	Spec		Decrease	USD	12,650	11,500	11,000	10,000
UN	Hedge/Member		Decrease	USD	11,500	11,500	10,000	10,000
RU RUSSIAN RUBLE FUTURES (RU)								
RU	Spec	Contracts 1-12	Decrease	USD	4,950	4,500	4,400	4,000
RU	Hedge/Member	Contracts 1-12	Decrease	USD	4,500	4,500	4,000	4,000
RU	Spec	Contracts 13-16	Decrease	USD	4,730	4,300	4,235	3,850
RU	Hedge/Member	Contracts 13-16	Decrease	USD	4,300	4,300	3,850	3,850
RU	Spec	Contracts 17-20	Decrease	USD	4,840	4,400	4,290	3,900
RU	Hedge/Member	Contracts 17-20	Decrease	USD	4,400	4,400	3,900	3,900
RU	Spec	Contracts 21+	Decrease	USD	4,840	4,400	4,290	3,900
RU	Hedge/Member	Contracts 21+	Decrease	USD	4,400	4,400	3,900	3,900

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
METALS - Outright Rates								
ALUMINA FOB AUSTRALIA PLATT FUTURES (ALA)								
ALA	Spec	Mths 1-4	Decrease	USD	6,050	5,500	5,500	5,000
ALA	Hedge/Member	Mths 1-4	Decrease	USD	5,500	5,500	5,000	5,000
ALA	Spec	Mths 3+	Decrease	USD	6,050	5,500	5,500	5,000
ALA	Hedge/Member	Mths 3+	Decrease	USD	5,500	5,500	5,000	5,000
ALUMINIUM EURO PREM DUTY-PAID FUT (EDP)								
EDP	Spec	Mth 1	Decrease	USD	594	540	550	500
EDP	Hedge/Member	Mth 1	Decrease	USD	540	540	500	500
EDP	Spec	Mths 2-9	Decrease	USD	770	700	688	625
EDP	Hedge/Member	Mths 2-9	Decrease	USD	700	700	625	625
EDP	Spec	Mths 10+	Decrease	USD	770	700	688	625
EDP	Hedge/Member	Mths 10+	Decrease	USD	700	700	625	625
ALUMINIUM EURO PREM METAL BULLETIN (AEP)								
AEP	Spec	Mth 1	Decrease	USD	275	250	248	225
AEP	Hedge/Member	Mth 1	Decrease	USD	250	250	225	225
AEP	Spec	Mths 2-9	Decrease	USD	330	300	303	275
AEP	Hedge/Member	Mths 2-9	Decrease	USD	300	300	275	275
AEP	Spec	Mths 10+	Decrease	USD	330	300	303	275
AEP	Hedge/Member	Mths 10+	Decrease	USD	300	300	275	275
ALUMINUM A-380 ALLOY PLATTS FUTURES (A38)								
A38	Spec	Mths 1-4	Decrease	USD	2,310	2,100	2,090	1,900
A38	Hedge/Member	Mths 1-4	Decrease	USD	2,100	2,100	1,900	1,900
A38	Spec	Mths 5+	Decrease	USD	2,310	2,100	2,090	1,900
A38	Hedge/Member	Mths 5+	Decrease	USD	2,100	2,100	1,900	1,900
ALUMINUM FUTURES (ALI)								
ALI	Spec	Mths 1-4	Decrease	USD	2,310	2,100	2,090	1,900
ALI	Hedge/Member	Mths 1-4	Decrease	USD	2,100	2,100	1,900	1,900
ALI	Spec	Mths 5+	Decrease	USD	2,310	2,100	2,090	1,900
ALI	Hedge/Member	Mths 5+	Decrease	USD	2,100	2,100	1,900	1,900
ALUMINUM JAPAN PREMIUM (PLATTS) FUT (MJP)								
MJP	Spec	Mth 1	Decrease	USD	413	375	358	325
MJP	Hedge/Member	Mth 1	Decrease	USD	375	375	325	325
MJP	Spec	Mths 2-9	Decrease	USD	413	375	358	325
MJP	Hedge/Member	Mths 2-9	Decrease	USD	375	375	325	325
MJP	Spec	Mths 10+	Decrease	USD	413	375	358	325
MJP	Hedge/Member	Mths 10+	Decrease	USD	375	375	325	325

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
ALUMINUM MW TRANS PREM PLATTS FUT (AUP)								
AUP	Spec	Mth 1	Decrease	USD	880	800	798	725
AUP	Hedge/Member	Mth 1	Decrease	USD	800	800	725	725
AUP	Spec	Mths 2-12	Decrease	USD	880	800	798	725
AUP	Hedge/Member	Mths 2-12	Decrease	USD	800	800	725	725
AUP	Spec	Mths 13-21	Decrease	USD	880	800	798	725
AUP	Hedge/Member	Mths 13-21	Decrease	USD	800	800	725	725
AUP	Spec	22+	Decrease	USD	880	800	798	725
AUP	Hedge/Member	22+	Decrease	USD	800	800	725	725
COPPER PREMIUM GRADE A CIF SHANGHAI (CUP)								
CUP	Spec		Decrease	USD	330	300	308	280
CUP	Hedge/Member		Decrease	USD	300	300	280	280
IRON ORE FUTURES (TIO)								
TIO	Spec	Mnth 1	Decrease	USD	5,225	4,750	4,675	4,250
TIO	Hedge/Member	Mnth 1	Decrease	USD	4,750	4,750	4,250	4,250
TIO	Spec	Mnth 2-4	Decrease	USD	4,675	4,250	4,125	3,750
TIO	Hedge/Member	Mnth 2-4	Decrease	USD	4,250	4,250	3,750	3,750
TIO	Spec	Mnth 5-9	Decrease	USD	4,125	3,750	3,575	3,250
TIO	Hedge/Member	Mnth 5-9	Decrease	USD	3,750	3,750	3,250	3,250
TIO	Spec	Mnth 10+	Decrease	USD	3,850	3,500	3,300	3,000
TIO	Hedge/Member	Mnth 10+	Decrease	USD	3,500	3,500	3,000	3,000
NYMEX HOT ROLLED STEEL FUTURES (HR)								
HR	Spec	Mnths 2 - 7	Decrease	USD	715	650	660	600
HR	Hedge/Member	Mnths 2 - 7	Decrease	USD	650	650	600	600
HR	Spec	Mnths 8+	Decrease	USD	880	800	770	700
HR	Hedge/Member	Mnths 8+	Decrease	USD	800	800	700	700
ZINC FUTURES (ZNC)								
ZNC	Spec	Mths 1-4	Decrease	USD	4,400	4,000	3,850	3,500
ZNC	Hedge/Member	Mths 1-4	Decrease	USD	4,000	4,000	3,500	3,500
ZNC	Spec	Mths 5-6	Decrease	USD	4,400	4,000	3,850	3,500
ZNC	Hedge/Member	Mths 5-6	Decrease	USD	4,000	4,000	3,500	3,500
ZNC	Spec	Mths 7-12	Decrease	USD	4,400	4,000	3,850	3,500
ZNC	Hedge/Member	Mths 7-12	Decrease	USD	4,000	4,000	3,500	3,500
ZNC	Spec	Mths 13+	Decrease	USD	4,400	4,000	3,850	3,500
ZNC	Hedge/Member	Mths 13+	Decrease	USD	4,000	4,000	3,500	3,500

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
REAL ESTATE - Outright Rates								
BOSTON CSI HOUSING INDEX FUTURES (BOS)								
BOS	Spec		Increase	USD	1,375	1,250	1,760	1,600
BOS	Hedge/Member		Increase	USD	1,250	1,250	1,600	1,600
CHICAGO CSI HOUSING INDEX FUTURE (CHI)								
CHI	Spec		Increase	USD	825	750	1,073	975
CHI	Hedge/Member		Increase	USD	750	750	975	975
COMP CITIES CSI HOUSING INDEX FUT (CUS)								
CUS	Spec		Increase	USD	1,375	1,250	1,760	1,600
CUS	Hedge/Member		Increase	USD	1,250	1,250	1,600	1,600
DENVER CSI HOUSING INDEX FUTURES (DEN)								
DEN	Spec		Increase	USD	1,100	1,000	1,430	1,300
DEN	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300
LAS VEGAS CSI HOUSING INDEX FUTURES (LAV)								
LAV	Spec		Increase	USD	1,650	1,500	1,980	1,800
LAV	Hedge/Member		Increase	USD	1,500	1,500	1,800	1,800
LOS ANGELES CSI HOUSING INDEX FUT (LAX)								
LAX	Spec		Increase	USD	1,375	1,250	1,760	1,600
LAX	Hedge/Member		Increase	USD	1,250	1,250	1,600	1,600
MIAMI CSI HOUSING INDEX FUTURES (MIA)								
MIA	Spec		Increase	USD	1,650	1,500	2,200	2,000
MIA	Hedge/Member		Increase	USD	1,500	1,500	2,000	2,000
NEW YORK CSI HOUSING INDEX FUTURES (NYM)								
NYM	Spec		Increase	USD	880	800	1,155	1,050
NYM	Hedge/Member		Increase	USD	800	800	1,050	1,050
SAN DIEGO CSI HOUSING INDEX FUTURE (SDG)								
SDG	Spec		Increase	USD	1,650	1,500	2,200	2,000
SDG	Hedge/Member		Increase	USD	1,500	1,500	2,000	2,000
SAN FRANCISCO CSI HOUSING INDEX FUT (SFR)								
SFR	Spec		Increase	USD	1,650	1,500	1,980	1,800
SFR	Hedge/Member		Increase	USD	1,500	1,500	1,800	1,800
WASH DC CSI HOUSING INDEX FUTURES (WDC)								
WDC	Spec		Increase	USD	1,100	1,000	1,430	1,300
WDC	Hedge/Member		Increase	USD	1,000	1,000	1,300	1,300

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

WEATHER - Outright Rates

K3 CINCINNATI CDD FUTURES (K3)

K3	Spec	Increase	USD	35%	32%	39%	35%
K3	Hedge/Member	Increase	USD	32%	32%	35%	35%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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

METALS - Intra Spreads

(COPPER PREMIUM GRADE A CIF SHANGHAI)

CUP	Spec		Decrease	USD	330	300	308	280
CUP	Hedge/Member		Decrease	USD	300	300	280	280

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

FX - Inter-commodity Spread Rates

Euro FX (EC) vs. Polish Zloty (PZ)

Spread Credit Rate	Decrease	+1:-2	50%	50%	40%	40%
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Rate Type	Tier Description	Change	Current Maintenance	New Maintenance
Volatility Down Scan Rate				

AGRICULTURE - Volatility Scan Down Rate

BLOCK CHEESE (BLK, BLK) - volScan Down

Clearing Member Rate	Mnth 2	Decrease	50%	42%
Clearing Member Rate	Mnths 3-4	Decrease	50%	42%
Clearing Member Rate	Mnths 5-6	Decrease	32%	27%

CASH SETTLED CHEESE (CSC, CSC) - volScan Down

Clearing Member Rate	Mnth 2		38%	38%
Clearing Member Rate	Mnths 3-4	Decrease	38%	31%
Clearing Member Rate	Mnths 5-6	Decrease	33%	27%

MILK CLASS III (9M1, DA, DA, JQ, JQ) - volScan Down

Clearing Member Rate	Mnth 2		41%	41%
Clearing Member Rate	Mnths 3-5	Decrease	41%	34%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate						
AGRICULTURE - Volatility Scan (volScan) Rate						
CASH SETTLED BUTTER (9R, CB, CB, DB, DB) - volScan						
Clearing Member Rate	Month 1	Increase		40.000%		47.000%
CASH SETTLED CHEESE (CSC, CSC) - volScan						
Clearing Member Rate	Mnth 1	Increase		40.000%		48.000%
Clearing Member Rate	Mnth 2	Increase		38.000%		50.000%
DRY WHEY (DY, DY) - volScan						
Clearing Member Rate	Months 3-6	Increase		19.000%		26.000%
MILK CLASS III (9M1, DA, DA, JQ, JQ) - volScan						
Clearing Member Rate	Month 1	Increase		40.000%		48.000%
Clearing Member Rate	Month 2	Increase		41.000%		54.000%
INTEREST RATES - Volatility Scan (volScan) Rate						
2-YEAR T-NOTE (26, 26, 59, WTW) - volScan						
Clearing Member Rate	Mnth 1	Decrease		50.000%		40.000%
Clearing Member Rate	Mnths 2+	Decrease		50.000%		40.000%
3 YR NOTE (3YR) - volScan						
Clearing Member Rate		Increase		30.000%		40.000%
ULTRA 10-YEAR U.S. TREASURY NOTE FUTURES (TN, TN, TNW, WXW) - volScan						
Clearing Member Rate		Increase		30.000%		40.000%
METALS - Volatility Scan (volScan) Rate						
SILVER FUTURES (6Q, QI, SI, SIL, SIT, SO, SOW) - volScan						
Clearing Member Rate	Mnth4	Decrease		40.000%		35.000%
REFINED PRODUCTS - Volatility Scan (volScan) Rate						
NEW YORK HARBOR NO. 2 HEATING OIL FUTURES (HO, HO3, HO4, HOL, HOP, HOS, HOT, LB, OH) - volScan						
Clearing Member Rate	Mnth2	Decrease		30.000%		27.000%
Clearing Member Rate	Mnth3	Decrease		25.000%		20.000%
RBOB GASOLINE FUTURES (3RB, 4RB, OB, RB, RBL, RBP, RBS, RBT, RF) - volScan						
Clearing Member Rate	Mnth3	Decrease		35.000%		30.000%