CME Group

21-303

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Wednesday, September 1, 2021

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

Thursday, September 2, 2021.

Current rates as of:

Wednesday, September 1, 2021.

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								
AGRICULTURE - Outright Rates								
LUMBER110 FUTURES (LB)								
LB	HRP	Mnths 2-3	Decrease	USD	9,075	8,250	7,700	7,000
LB	Non HRP	Mnths 2-3	Decrease	USD	8,250	8,250	7,000	7,000
LB	HRP	Mnth 1	Decrease	USD	9,900	9,000	8,525	7,750
LB	Non HRP	Mnth 1	Decrease	USD	9,000	9,000	7,750	7,750
LB	HRP	Months 4+	Decrease	USD	7,645	6,950	6,600	6,000
LB	Non HRP	Months 4+	Decrease	USD	6,950	6,950	6,000	6,000
ROUGH RICE FUTURES (14)								
14	HRP	Month 1	Decrease	USD	1,430	1,300	1,100	1,000
14	Non HRP	Month 1	Decrease	USD	1,300	1,300	1,000	1,000
14	HRP	Month 2	Decrease	USD	1,320	1,200	990	900
14	Non HRP	Month 2	Decrease	USD	1,200	1,200	900	900
14	HRP	Months 3+	Decrease	USD	1,100	1,000	935	850
14	Non HRP	Months 3+	Decrease	USD	1,000	1,000	850	850
ELECTRICITY - Outright Rates								
PJM AD HUB 5MW REAL TIME PK (Z9)								
Z9	HRP	Mnths 3-4	Increase	USD	154	140	187	170
Z9	Non HRP	Mnths 3-4	Increase	USD	140	140	170	170
Z9	HRP	Mnths 5-11	Increase	USD	132	120	165	150
Z9	Non HRP	Mnths 5-11	Increase	USD	120	120	150	150
PJM DAYTON DA PEAK (D7)								
D7	HRP	Mnth 1	Increase	USD	402	365	457	415
D7	Non HRP	Mnth 1	Increase	USD	365	365	415	415
D7	HRP	Mnths 3-4	Increase	USD	165	150	198	180
D7	Non HRP	Mnths 3-4	Increase	USD	150	150	180	180
D7	HRP	Mnths 5-11	Increase	USD	143	130	176	160
D7	Non HRP	Mnths 5-11	Increase	USD	130	130	160	160

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
			ENVIRONMENTAL - Outright Rates					
CBL GLOBAL EMISSIONS OFFSET FUTURES (GEO)								
GEO	HRP	Mth 1	Increase	USD	792	720	990	900
GEO	Non HRP	Mth 1	Increase	USD	720	720	900	900
GEO	HRP	Mth 2	Increase	USD	792	720	990	900
GEO	Non HRP	Mth 2	Increase	USD	720	720	900	900
GEO	HRP	Mths 3-6	Increase	USD	792	720	990	900
GEO	Non HRP	Mths 3-6	Increase	USD	720	720	900	900
GEO	HRP	Mths 7+	Increase	USD	792	720	990	900
GEO	Non HRP	Mths 7+	Increase	USD	720	720	900	900
CBL NATURE-BASED GLOBAL EMISSIONS O (NGO)								
NGO	HRP	Mth 1	Increase	USD	1,056	960	1,210	1,100
NGO	Non HRP	Mth 1	Increase	USD	960	960	1,100	1,100
NGO	HRP	Mth 2	Increase	USD	1,056	960	1,210	1,100
NGO	Non HRP	Mth 2	Increase	USD	960	960	1,100	1,100
NGO	HRP	Mths 3-6	Increase	USD	1,056	960	1,210	1,100
NGO	Non HRP	Mths 3-6	Increase	USD	960	960	1,100	1,100
NGO	HRP	Mths 7+	Increase	USD	1,056	960	1,210	1,100
NGO	Non HRP	Mths 7+	Increase	USD	960	960	1,100	1,100
			EQUITY INDEX - Outright Rates					
USD-DENOMINATED IBOVESPA INDEX (IBV)								
IBV	HRP		Decrease	USD	24,409	22,190	22,869	20,790
IBV	Non HRP		Decrease	USD	22,190	22,190	20,790	20,790
			FX - Outright Rates					
MICRO USD/CAD FUTURES (M6C)								
M6C	HRP	Months 1-4	Increase	CAD	198	180	226	205
M6C	Non HRP	Months 1-4	Increase	CAD	180	180	205	205
M6C	HRP	Months 5+	Increase	CAD	198	180	226	205
M6C	Non HRP	Months 5+	Increase	CAD	180	180	205	205
			NATURAL GAS - Outright Rates					
HOUSTON SHIP CHANNEL BASIS FUT (NH)								
NH	HRP	Mnth 1	Increase	USD	391	355	550	500
NH	Non HRP	Mnth 1	Increase	USD	355	355	500	500

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
PETROLEUM CRACKS AND SPREADS - Outright Rates								
GULF COAST CBOB GAS A2 VS RBOB SRRD (CRB)								
CRB	HRP	Mnths 3+	Increase	USD	660	600	715	650
CRB	Non HRP	Mnths 3+	Increase	USD	600	600	650	650
REAL ESTATE - Outright Rates								
COMP CITIES CSI HOUSING INDEX FUT (CUS)								
CUS	HRP		Increase	USD	2,310	2,100	2,640	2,400
CUS	Non HRP		Increase	USD	2,100	2,100	2,400	2,400
MIAMI CSI HOUSING INDEX FUTURES (MIA)								
MIA	HRP		Increase	USD	2,750	2,500	2,970	2,700
MIA	Non HRP		Increase	USD	2,500	2,500	2,700	2,700
SAN DIEGO CSI HOUSING INDEX FUTURE (SDG)								
SDG	HRP		Increase	USD	2,200	2,000	2,530	2,300
SDG	Non HRP		Increase	USD	2,000	2,000	2,300	2,300
SAN FRANCISCO CSI HOUSING INDEX FUT (SFR)								
SFR	HRP		Increase	USD	1,980	1,800	2,365	2,150
SFR	Non HRP		Increase	USD	1,800	1,800	2,150	2,150

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
NATURAL GAS - Intra Spreads								
Houston Ship Channel Basis Swap (Platts IFERC) - All Months (HOUSTON SHIP CHANNEL BASIS FUT)								
NH	HRP		Increase	USD	242	220	275	250
NH	Non HRP		Increase	USD	220	220	250	250
REAL ESTATE - Intra Spreads								
Composite Index (CUS) - All Months (COMP CITIES CSI HOUSING INDEX FUT)								
CUS	HRP		Increase	USD	825	750	1,155	1,050
CUS	Non HRP		Increase	USD	750	750	1,050	1,050

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SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
CRUDE OIL - Inter-commodity Spread Rates						
BRENT CRUDE OIL LAST DAY FINANCIAL FUTURES (NY-BZ - CME) vs E-MINI NASDAQ (NQ - CME)						
Spread Credit Rate	Decrease	+2:-1	35%	35%	0%	0%
CRUDE OIL SPREADS - Inter-commodity Spread Rates						
WTI HOUSTON (ARGUS) VS. WTI TRADE MONTH FUTURES (NY-HTT - CME) vs MARS (ARGUS) VS. WTI SPREAD CALENDAR SWAP FUTURES (NY-YX - CME)						
Spread Credit Rate	Decrease	+1:-1	65%	65%	55%	55%
EQUITY INDEX - Inter-commodity Spread Rates						
10-YEAR T-NOTE (21 - CME) vs S&P 500 (SP - CME)						
Spread Credit Rate	Decrease	+25:+1	30%	30%	0%	0%
BRENT CRUDE OIL LAST DAY FINANCIAL FUTURES (NY-BZ - CME) vs E-MINI NASDAQ (NQ - CME)						
Spread Credit Rate	Decrease	+2:-1	35%	35%	0%	0%
E-MINI DOW ($5) FUTURES (YM - CME) vs 10-YEAR T-NOTE (21 - CME)						
Spread Credit Rate	Decrease	+1:+3	30%	30%	0%	0%
E-MINI DOW ($5) FUTURES (YM - CME) vs U.S. TREASURY BOND (17 - CME)						
Spread Credit Rate	Decrease	+1:+1	25%	25%	0%	0%
E-MINI DOW ($5) FUTURES (YM - CME) vs ULTRA 10-YEAR U.S. TREASURY NOTE FUTURES (TN - CME)						
Spread Credit Rate	Decrease	+1:+2	30%	30%	0%	0%
E-MINI NASDAQ-100 FUTURES (NQ - CME) vs 10-YEAR T-NOTE (21 - CME)						
Spread Credit Rate	Decrease	+1:+3	30%	30%	0%	0%
E-MINI NASDAQ-100 FUTURES (NQ - CME) vs U.S. TREASURY BOND (17 - CME)						
Spread Credit Rate	Decrease	+1:+1	30%	30%	0%	0%
E-MINI NASDAQ-100 FUTURES (NQ - CME) vs ULTRA LONG TREASURY BOND (UBE - CME)						
Spread Credit Rate	Decrease	+5:+4	20%	20%	0%	0%
E-MINI RUSSELL 2000 VALUE INDEX FUTURES (R2V - CME) vs E-MINI RUSSELL 2000 GROWTH INDEX FUTURES (R2G - CME)						
Spread Credit Rate	New	+1:-1			65%	65%
S&P 500 TOTAL RETURN INDEX FUTURES (TRF - CME) vs 10-YEAR T-NOTE (21 - CME)						
Spread Credit Rate	Decrease	+1:+5	30%	30%	0%	0%
S&P 500 TOTAL RETURN INDEX FUTURES (TRF - CME) vs U.S. TREASURY BOND (17 - CME)						
Spread Credit Rate	Decrease	+1:+2	40%	40%	0%	0%
S&P 500 TOTAL RETURN INDEX FUTURES (TRF - CME) vs ULTRA 10-YEAR U.S. TREASURY NOTE FUTURES (TN - CME)						
Spread Credit Rate	Decrease	+1:+4	30%	30%	0%	0%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
S&P 500 TOTAL RETURN INDEX FUTURES (TRF - CME) vs ULTRA LONG TREASURY BOND (UBE - CME)						
Spread Credit Rate	Decrease	+1:+2	25%	25%	0%	0%
U.S. TREASURY BOND (17 - CME) vs S&P 500 (SP - CME)						
Spread Credit Rate	Decrease	+10:+1	40%	40%	0%	0%
ULTRA 10-YEAR U.S. TREASURY NOTE FUTURES (TN - CME) vs S&P 500 (SP - CME)						
Spread Credit Rate	Decrease	+20:+2	30%	30%	0%	0%
ULTRA LONG TREASURY BOND (UBE - CME) vs E-MINI DOW ($5) FUTURES (YM - CME)						
Spread Credit Rate	Decrease	+4:+5	25%	25%	0%	0%
ULTRA LONG TREASURY BOND (UBE - CME) vs S&P 500 (SP - CME)						
Spread Credit Rate	Decrease	+10:+1	25%	25%	0%	0%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
INTEREST RATES - Inter-commodity Spread Rates						
10-YEAR T-NOTE (21 - CME) vs S&P 500 (SP - CME)						
Spread Credit Rate	Decrease	+25:+1	30%	30%	0%	0%
E-MINI DOW ($5) FUTURES (YM - CME) vs 10-YEAR T-NOTE (21 - CME)						
Spread Credit Rate	Decrease	+1:+3	30%	30%	0%	0%
E-MINI DOW ($5) FUTURES (YM - CME) vs U.S. TREASURY BOND (17 - CME)						
Spread Credit Rate	Decrease	+1:+1	25%	25%	0%	0%
E-MINI DOW ($5) FUTURES (YM - CME) vs ULTRA 10-YEAR U.S. TREASURY NOTE FUTURES (TN - CME)						
Spread Credit Rate	Decrease	+1:+2	30%	30%	0%	0%
E-MINI NASDAQ-100 FUTURES (NQ - CME) vs 10-YEAR T-NOTE (21 - CME)						
Spread Credit Rate	Decrease	+1:+3	30%	30%	0%	0%
E-MINI NASDAQ-100 FUTURES (NQ - CME) vs U.S. TREASURY BOND (17 - CME)						
Spread Credit Rate	Decrease	+1:+1	30%	30%	0%	0%
E-MINI NASDAQ-100 FUTURES (NQ - CME) vs ULTRA LONG TREASURY BOND (UBE - CME)						
Spread Credit Rate	Decrease	+5:+4	20%	20%	0%	0%
S&P 500 TOTAL RETURN INDEX FUTURES (TRF - CME) vs 10-YEAR T-NOTE (21 - CME)						
Spread Credit Rate	Decrease	+1:+5	30%	30%	0%	0%
S&P 500 TOTAL RETURN INDEX FUTURES (TRF - CME) vs U.S. TREASURY BOND (17 - CME)						
Spread Credit Rate	Decrease	+1:+2	40%	40%	0%	0%
S&P 500 TOTAL RETURN INDEX FUTURES (TRF - CME) vs ULTRA 10-YEAR U.S. TREASURY NOTE FUTURES (TN - CME)						
Spread Credit Rate	Decrease	+1:+4	30%	30%	0%	0%
S&P 500 TOTAL RETURN INDEX FUTURES (TRF - CME) vs ULTRA LONG TREASURY BOND (UBE - CME)						
Spread Credit Rate	Decrease	+1:+2	25%	25%	0%	0%
U.S. TREASURY BOND (17 - CME) vs S&P 500 (SP - CME)						
Spread Credit Rate	Decrease	+10:+1	40%	40%	0%	0%
ULTRA 10-YEAR U.S. TREASURY NOTE FUTURES (TN - CME) vs S&P 500 (SP - CME)						
Spread Credit Rate	Decrease	+20:+2	30%	30%	0%	0%
ULTRA LONG TREASURY BOND (UBE - CME) vs E-MINI DOW ($5) FUTURES (YM - CME)						
Spread Credit Rate	Decrease	+4:+5	25%	25%	0%	0%
ULTRA LONG TREASURY BOND (UBE - CME) vs S&P 500 (SP - CME)						
Spread Credit Rate	Decrease	+10:+1	25%	25%	0%	0%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate						
NATURAL GAS - Volatility Scan (volScan) Rate						
HENRY HUB NATURAL GAS FUTURES (HHE, HHQ, KD, LN, LNW, MNG, NG, NGT, ON, ONW, U01, U02, U03, U04, U05, U06, U07, U08, U09, U10, U11, U12, U13, U14, U15, U16, U17, U18, U19, U20, U21, U22, U23, U24, U25, U26, U27, U28, U29, U30, U31) - volScan						
Clearing Member Rate	Mnth1	Increase		25.000%		33.000%
Clearing Member Rate	Mnth2	Increase		17.000%		20.000%
Clearing Member Rate	Mnth3	Increase		15.000%		17.000%
Clearing Member Rate	Mnth4	Increase		12.000%		15.000%
Clearing Member Rate	Mnth5	Increase		10.000%		12.000%
HENRY HUB NATURAL GAS PENULTIMATE FINANCIAL FUTURES (E7, HH, HP, NP, QG) - volScan						
Clearing Member Rate	Mnth1	Increase		25.000%		33.000%
Clearing Member Rate	Mnth2	Increase		17.000%		20.000%
Clearing Member Rate	Mnth3	Increase		15.000%		17.000%
Clearing Member Rate	Mnth4	Increase		12.000%		15.000%
Clearing Member Rate	Mnth5	Increase		10.000%		12.000%
NYMEX NATURAL GAS (H.HUB LTD) FUT (E7, HH, HHT, NN, NNE, NNT) - volScan						
Clearing Member Rate	Mnth1	Increase		25.000%		33.000%
Clearing Member Rate	Mnth2	Increase		17.000%		20.000%
Clearing Member Rate	Mnth3	Increase		15.000%		17.000%
Clearing Member Rate	Mnth4	Increase		12.000%		15.000%
Clearing Member Rate	Mnth5	Increase		10.000%		12.000%