CME Group | Advisory Notice

TO: Clearing Member Firms; Back Office Managers; CME CORE Users; CME CORE API Users

FROM: CME Clearing

DATE: August 15, 2023

ADVISORY #: 23-240

SUBJECT: **CME CORE API Enhancements – SPAN 2® Framework Project Launch September 8, 2023**

In conjunction with CME Clearing's roll-out of the SPAN 2 framework for calculating performance bond requirements for energy products, CME is making changes to the CORE user interface and CORE API service to support the SPAN 2 framework day one go-live of Energy products on September 8, 2023.

CORE API Changes:

- Users submitting margin POST requests to the {API URL}/margins endpoint for top day EOD workflow will receive SPAN 2 framework margin results for all requests beginning with the September 8, 2023 EOD cycle. The attribute "riskFramework," which has defined if a user would receive SPAN or SPAN 2 framework results (see this page for more details), will continue to be supported but will not impact the result set. The result set for top day requests after September 8 will always be SPAN 2 framework.
- Users submitting GET margin requests to the {API URL}/{schema number}/margins/{id} endpoint for top day EOD workflow may see results in different schema formats depending on the schema passed in the request:
    - Users passing schemas 1.2 – 1.11 or who do not pass reference to a schema: these users will receive the standard legacy 1.2 schema response format described on this page. Note the attribute riskFramework is expected in requests for schema 1.12 and higher..
    - Users passing schema 1.12 and above: these users will receive the enhanced 'Risk API' response format described on this page (see "Response for Futures and Options – when riskFramework = NEXT"). Please note users must now explicitly pass reference to schema 1.12 or above to receive the updated Risk API format responses.
- Out of scope for September 8 but will be updated in a subsequent release (advisory forthcoming):
    - Historic and ITD use cases: users of CORE's historic and ITD margin features can continue to pass riskFramework in requests to the {API URL}/margins endpoint to request results in the SPAN framework or SPAN 2 framework by specifying riskFramework = CURRENT or riskFramework = NEXT, respectively.

CORE UI Changes:

1. Users who click the "Margin" button for selected portfolio(s) will receive SPAN 2 margin results by default.*
2. Users interacting with "Margin" button drop-down will notice the "Select Date" and "Cycle Selection" fields will be presented above the "Select Engine" field. Previously, the "Select Engine" field was above the other fields. To allow users of historic margin to continue to utilize both SPAN and SPAN 2 frameworks, the behavior of the fields will be:
    a. If user does not "Select Date" via the date-picker (defaults to top day) then the "Select Engine" field is disabled and SPAN 2 is selected by default.
    b. If user does "Select Date" via the date-picker, then the "Select Engine" dropdown is enabled with both SPAN and SPAN 2 as options.
3. Users who manually create a portfolio using the "New Portfolio" → "Enter" workflow will no longer see the button "Save & Margin (SPAN 2/compare)." Instead, users will now have the option to "Save & Margin," "Save,""Clear All" or "Cancel." Margin results produced by clicking the "Save & Margin" button will be computed using the SPAN 2 framework.*
4. Users who download the "Future/Option – Margin Contribution Comparison Report" by clicking on the report icon in line with their portfolio results will no longer be able to access the comparison report. Instead, users should interact with CORE's "Reports" button to view available reports.
5. Users who interact with the "SPAN View" toggle in the "Reports" section will no longer be able to access that feature.

Results for portfolios without SPAN 2 eligible products will be computed by the SPAN 2 engine using the SPAN framework until those contracts migrate to SPAN 2 framework. Results will, therefore, be the same as SPAN framework results.

- More details on the CORE API are here: https://www.cmegroup.com/confluence/display/EPICSANDBOX/Margin+Service+API.

- Log in to CORE via self-service registration here: https://cmecore.cmegroup.com.

Contact Details

Please reach out to the Post-Trade Services team at posttradeservices@cmegroup.com with any questions.