

TO: Clearing Member Firms; Back Office Managers; Margin Managers; CME  
CORE Users; PC SPAN Users; Bookkeeping Software Providers

FROM: CME Clearing

ADVISORY #: 23-293

DATE: 9/25/2023

SUBJECT: SPAN 2 Framework Energy Product Addition to Cross Model Offset ("CMO")

As per normal review, CME Clearing's Risk Management staff approved the addition of the following products to the SPAN 2 framework's cross model offset ("CMO") against products that are margined in the SPAN 2 framework's crude pod.<sup>1</sup> For avoidance of doubt, products that are added to CMO continue to be margined under the SPAN methodology, however they may receive margin offsets against products that are margined under the SPAN 2 methodology. The rollout schedule for asset classes to be margined under the SPAN 2 methodology is available [here](#) and the list of current products margined under SPAN 2 methodology is available [here](#).

Clearing	GLOBEX	ClearPort	Product Name	Exch	Asset Class	Product Group
C	ZC	C	Corn Futures	CBOT	Agriculture	Grains
OMN	OMN	OMN	Mini Gasoline Eurobob Non-Oxy NWE Barges (Argus) Futures	NYMEX	Energy	EMEA Refined
MBO	MBO	MBO	Mini Gasoline Eurobob Non-Oxy NWE Barges (Argus) BALMO Futures	NYMEX	Energy	EMEA Refined
NBO	NBO	NBO	Gasoline Eurobob Non-Oxy NWE Barges (Argus) Crack Spread (1000mt) Futures	NYMEX	Energy	EMEA Refined
MCB	MCB	MCB	Gasoline Eurobob Non-Oxy NWE Barges (Argus) Crack Spread (1000mt) BALMO Futures	NYMEX	Energy	EMEA Refined
MCS	MCS	MCS	Mini Gasoline Eurobob Non-Oxy NWE Barges (Argus) Crack Spread (100mt) Futures	NYMEX	Energy	EMEA Refined
MCE	MCE	MCE	Gasoline Eurobob Non-Oxy NWE Barges (Argus) Crack Spread BALMO Futures	NYMEX	Energy	EMEA Refined
MCF	MCF	MCF	Gasoline Eurobob Non-Oxy NWE Barges (Argus) vs. European Naphtha CIF NWE (Platts) Futures	NYMEX	Energy	EMEA Refined
MCN	MCN	MCN	Gasoline Eurobob Non-Oxy NWE Barges (Argus) vs. European Naphtha CIF NWE (Platts) BALMO Futures	NYMEX	Energy	EMEA Refined
SGO	SGO	SGO	Singapore Gasoline 92 Unleaded (Platts) vs. Gasoline Eurobob Non-Oxy NWE Barges (Argus) BALMO Futures	NYMEX	Energy	EMEA Refined
EBO	EBO	EBO	Gasoline Eurobob Non-Oxy NWE Barges (Argus) Crack Spread Average Price Option	NYMEX	Energy	EMEA Refined

The addition and associated margin impacts will be effective after the close of business on

<sup>1</sup> Note, a pod is a group of associated products under the SPAN or SPAN 2 methodology and the cross model offset is the applied margin offset between the SPAN and SPAN 2 methodology. The products included in the SPAN 2 methodology's pods are available here: <https://www.cmegroup.com/clearing/files/phase-1-energy-products-09-07-23.xlsx> and products included in the CMO are available here: <https://www.cmegroup.com/clearing/files/list-of-cross-model-offset-products.xlsx>.

**Monday, October 2, 2023.**

Additional details around the launch of the SPAN 2 framework can be found here:

<https://www.cmegroup.com/clearing/risk-management/span-overview/span-2-methodology.html?redirect=/span2>

Please contact our Clearing Post Trade Services Team with any questions.

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