



24-005

Clearing Member Firms
Chief Financial Officers
Back Office Managers
Margin Managers

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Thursday, January 4, 2024

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, January 5, 2024.

Current rates as of:

Thursday, January 4, 2024.

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								
ROUGH RICE FUTURES (14)								
14	Non-HRP	Month 1	Increase	USD	1,200	1,200	1,380	1,380
14	HRP	Month 1	Increase	USD	1,320	1,200	1,518	1,380
14	Non-HRP	Month 2	Increase	USD	1,000	1,000	1,150	1,150
14	HRP	Month 2	Increase	USD	1,100	1,000	1,265	1,150
14	Non-HRP	Months 3+	Increase	USD	950	950	1,100	1,100
14	HRP	Months 3+	Increase	USD	1,045	950	1,210	1,100
EQUITY INDEX - Outright Rates								
BTIC EMINI SP BIOTECH SELECT (BOT)								
BOT	Non-HRP		Increase	USD	4,500	4,500	5,250	5,250
BOT	HRP		Increase	USD	4,950	4,500	5,775	5,250
BTIC EMINI SP REGIONAL BANKS SECTOR (RKT)								
RKT	Non-HRP		Increase	USD	6,750	6,750	7,250	7,250
RKT	HRP		Increase	USD	7,425	6,750	7,975	7,250
EMINI SP BIOTECH SELECT INDUSTRY (SXT)								
SXT	Non-HRP		Increase	USD	4,500	4,500	5,250	5,250
SXT	HRP		Increase	USD	4,950	4,500	5,775	5,250
EMINI SP REGIONAL BANKS SECTOR (SXB)								
SXB	Non-HRP		Increase	USD	6,750	6,750	7,250	7,250
SXB	HRP		Increase	USD	7,425	6,750	7,975	7,250
ETHANOL - Outright Rates								
NY HARBOR ITT ETHANOL (PLATTS) FUT (NIE)								
NIE	Non-HRP	Mth 1	New	USD			6,600	6,600
NIE	HRP	Mth 1	New	USD			7,260	6,600
NIE	Non-HRP	Mth 2	New	USD			6,400	6,400
NIE	HRP	Mth 2	New	USD			7,040	6,400
NIE	Non-HRP	Mths 3-7	New	USD			5,800	5,800
NIE	HRP	Mths 3-7	New	USD			6,380	5,800
NIE	Non-HRP	Mnths 8+	New	USD			5,800	5,800
NIE	HRP	Mnths 8+	New	USD			6,380	5,800

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

FX - Outright Rates

KOREAN WON\U.S. DOLLAR FUTURE (KRW)

KRW	Non-HRP		Increase	USD	3,900	3,900	4,400	4,400
KRW	HRP		Increase	USD	4,290	3,900	4,840	4,400

MICRO CHF/USD FUTURES (MSF)

MSF	Non-HRP	Month 1-3	Increase	USD	340	340	370	370
MSF	HRP	Month 1-3	Increase	USD	374	340	407	370
MSF	Non-HRP	Months 4+	Increase	USD	340	340	370	370
MSF	HRP	Months 4+	Increase	USD	374	340	407	370

NKR/USD FUTURES (UN)

UN	Non-HRP		Increase	USD	6,500	6,500	7,400	7,400
UN	HRP		Increase	USD	7,150	6,500	8,140	7,400

SWISS FRANC FUTURES (SF)

SF	Non-HRP	Month 1-3	Increase	USD	3,400	3,400	3,700	3,700
SF	HRP	Month 1-3	Increase	USD	3,740	3,400	4,070	3,700
SF	Non-HRP	Months 4+	Increase	USD	3,400	3,400	3,700	3,700
SF	HRP	Months 4+	Increase	USD	3,740	3,400	4,070	3,700

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
AGRICULTURE - Intra Spreads								
Rough Rice (CBOT) (14) - Months 1 vs Months 2+ (ROUGH RICE FUTURES)								
14	Non-HRP		Increase	USD	1,000	1,000	1,200	1,200
14	HRP		Increase	USD	1,100	1,000	1,320	1,200
Rough Rice (CBOT) (14) - Months 2+ vs Months 2+ (ROUGH RICE FUTURES)								
14	Non-HRP		Increase	USD	900	900	1,080	1,080
14	HRP		Increase	USD	990	900	1,188	1,080
ETHANOL - Intra Spreads								
NY Harbor ITT Ethanol- Consecutive Months (not including front month) (NY HARBOR ITT ETHANOL (PLATTS) FUT)								
NIE	Non-HRP		New	USD			1,100	1,100
NIE	HRP		New	USD			1,210	1,100
NY Harbor ITT Ethanol Tier 1 vs Tier 2 (NY HARBOR ITT ETHANOL (PLATTS) FUT)								
NIE	Non-HRP		New	USD			4,925	4,925
NIE	HRP		New	USD			5,418	4,925
NY Harbor ITT Ethanol Tier 1 vs Tier 3 (NY HARBOR ITT ETHANOL (PLATTS) FUT)								
NIE	Non-HRP		New	USD			4,900	4,900
NIE	HRP		New	USD			5,390	4,900
Ny Harbor ITT Ethanol Tier 1 vs Tier 4 (NY HARBOR ITT ETHANOL (PLATTS) FUT)								
NIE	Non-HRP		New	USD			2,500	2,500
NIE	HRP		New	USD			2,750	2,500
NY Harbor ITT Ethanol Tier 2 vs Tier 3 (NY HARBOR ITT ETHANOL (PLATTS) FUT)								
NIE	Non-HRP		New	USD			2,500	2,500
NIE	HRP		New	USD			2,750	2,500
Ny Harbor ITT Ethanol Tier 2 vs Tier 4 (NY HARBOR ITT ETHANOL (PLATTS) FUT)								
NIE	Non-HRP		New	USD			2,500	2,500
NIE	HRP		New	USD			2,750	2,500
Ny Harbor ITT Ethanol Tier 3 vs Tier 3 (NY HARBOR ITT ETHANOL (PLATTS) FUT)								
NIE	Non-HRP		New	USD			2,500	2,500
NIE	HRP		New	USD			2,750	2,500
Ny Harbor ITT Ethanol Tier 3 vs Tier 4 (NY HARBOR ITT ETHANOL (PLATTS) FUT)								
NIE	Non-HRP		New	USD			2,500	2,500
NIE	HRP		New	USD			2,750	2,500
NY Harbor ITT Ethanol Tier 4 vs Tier 4 (NY HARBOR ITT ETHANOL (PLATTS) FUT)								
NIE	Non-HRP		New	USD			2,200	2,200
NIE	HRP		New	USD			2,420	2,200

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
AGRICULTURE - Inter-commodity Spread Rates						
C vs NY-NIE						
Spread Credit Rate	New	+1:-4			55%	55%
Spread Credit Rate	New	+4:-1			55%	55%
W vs NY-NIE						
Spread Credit Rate	New	+3:-1			25%	25%
DME Products - Inter-commodity Spread Rates						
NY-NIE vs NY-OQ						
Spread Credit Rate	New	+1:-1			25%	25%
ETHANOL - Inter-commodity Spread Rates						
C vs NY-NIE						
Spread Credit Rate	New	+1:-4			55%	55%
Spread Credit Rate	New	+4:-1			55%	55%
EH vs NY-NIE						
Spread Credit Rate	New	+3:-2			45%	45%
NY-1W vs NY-NIE						
Spread Credit Rate	New	+2:-15			28%	28%
NY-3G vs NY-NIE						
Spread Credit Rate	New	+2:-15			25%	25%
NY-CU vs NY-NIE						
Spread Credit Rate	New	+1:-1			84%	84%
NY-LH vs NY-LIE						
Spread Credit Rate	New	+1:-1			30%	30%
NY-LH vs NY-NIE						
Spread Credit Rate	New	+1:-1			30%	30%
NY-MTH vs NY-NIE						
Spread Credit Rate	New	+1:+1			30%	30%
Spread Credit Rate	New	+1:-1			30%	30%
NY-NIE vs 71						
Spread Credit Rate	New	+1:-1			20%	20%
NY-NIE vs NY-LY						
Spread Credit Rate	New	+1:-1			15%	15%
NY-NIE vs NY-MF						

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
Spread Credit Rate	New	+1:-1			30%	30%
NY-NIE vs NY-MM						
Spread Credit Rate	New	+1:-1			30%	30%
NY-NIE vs NY-OQ						
Spread Credit Rate	New	+1:-1			25%	25%
W vs NY-NIE						
Spread Credit Rate	New	+3:-1			25%	25%
REFINED PRODUCTS - Inter-commodity Spread Rates						
NY-1W vs NY-NIE						
Spread Credit Rate	New	+2:-15			28%	28%
NY-3G vs NY-NIE						
Spread Credit Rate	New	+2:-15			25%	25%
NY-LH vs NY-LIE						
Spread Credit Rate	New	+1:-1			30%	30%
NY-LH vs NY-NIE						
Spread Credit Rate	New	+1:-1			30%	30%
NY-NIE vs NY-MF						
Spread Credit Rate	New	+1:-1			30%	30%
NY-NIE vs NY-MM						
Spread Credit Rate	New	+1:-1			30%	30%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Short Option Minimum (SOM) Rate						
ETHANOL - Short Option Minimum (SOM) Rate						
NY ETHANOL (PLATTS) FUTURES (NIE) - SOM						
Clearing Member Rate		New			49.500	45.000

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	<u>Tier Description</u>	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate						
ETHANOL - Volatility Scan (volScan) Rate						
NY ETHANOL (PLATTS) FUTURES (NIE) - volScan						
Clearing Member Rate	Mth 1	New				40.000%
Clearing Member Rate	Mth 2	New				35.000%
Clearing Member Rate	Mths 3-7	New				30.000%
Clearing Member Rate	Mnths 8+	New				30.000%