

Advisory Notice

Clearing House

07-274

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: November 13, 2007

To receive advanced notification of Performance Bond (margin) changes, through our free automated mailing list, go to: <https://www.cme-ch.com/listserve/addlistserve.asp> and subscribe to the Performance Bond Rates Advisory Notices listserver.

As per the normal review of market volatility to ensure adequate collateral coverage, the Chicago Mercantile Exchange Inc., Performance Bond staff approved the performance bond requirements for the following products listed below. These margins will become effective at the close of business on **Wednesday, November 14, 2007.**

SPAN[®] MINIMUM PERFORMANCE BOND REQUIREMENTS

CME Currency Futures Outright Rates

Australian Dollar (AD)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,160	\$1,600	\$2,430	\$1,800
Hedge/Member	Increase	\$1,600	\$1,600	\$1,800	\$1,800

British Pound (BP)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$1,823	\$1,350	\$2,025	\$1,500
Hedge/Member	Increase	\$1,350	\$1,350	\$1,500	\$1,500

Canadian Dollar (CD)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,093	\$1,550	\$2,700	\$2,000
Hedge/Member	Increase	\$1,550	\$1,550	\$2,000	\$2,000

Cross Rate Australian Dollar/New Zealand Dollar (AN)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	NZD3,645	NZD2,700	NZD3,915	NZD2,900
Hedge/Member	Increase	NZD2,700	NZD2,700	NZD2,900	NZD2,900

Cross Rate British Pound/Japanese Yen (BY)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	¥688,500	¥510,000	¥877,500	¥650,000
Hedge/Member	Increase	¥510,000	¥510,000	\$650,000	\$650,000

Cross Rate Canadian Dollar/Japanese Yen (CY)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	¥675,000	¥500,000	¥742,500	¥550,000
Hedge/Member	Increase	¥500,000	¥500,000	¥550,000	¥550,000

Cross Rate Euro FX/Canadian Dollar (CC)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	CAD3,105	CAD2,300	CAD4,050	CAD3,000
Hedge/Member	Increase	CAD2,300	CAD2,300	CAD3,000	CAD3,000

Cross Rate Euro FX/Norwegian Krone (CN)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	NKr12,150	NKr9,000	NKr15,525	NKr11,500
Hedge/Member	Increase	NKr9,000	NKr9,000	NKr11,500	NKr11,500

South African Rand (RA)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,363	\$1,750	\$2,700	\$2,000
Hedge/Member	Increase	\$1,750	\$1,750	\$2,000	\$2,000

CME Currency Futures Intra-Commodity Spread Rates

Cross Rate Australian Dollar/Japanese Yen (AJ) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	¥10,800	¥8,000	¥16,200	¥12,000
Hedge/Member	Increase	¥8,000	¥8,000	¥12,000	¥12,000

FXMS Currency Spot Outright Rates

Australian Dollar Spot (AUDUS)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,160	\$1,600	\$2,430	\$1,800
Hedge/Member	Increase	\$1,600	\$1,600	\$1,800	\$1,800

British Pound Spot (GBPUS)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$1,823	\$1,350	\$2,025	\$1,500
Hedge/Member	Increase	\$1,350	\$1,350	\$1,500	\$1,500

Canadian Dollar Spot (USDCA)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,093	\$1,550	\$2,700	\$2,000
Hedge/Member	Increase	\$1,550	\$1,550	\$2,000	\$2,000

Cross Rate British Pound/Japanese Yen Spot (GBPJP)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	¥688,500	¥510,000	¥877,500	¥650,000
Hedge/Member	Increase	¥510,000	¥510,000	\$650,000	\$650,000

CME Index Futures Outright Rates

E-Mini S&P Small Cap 600 (SMC)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$1,750	\$1,400	\$2,250	\$1,800
Hedge/Member	Increase	\$1,400	\$1,400	\$1,800	\$1,800

S&P Small Cap 600 (SMP)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$8,750	\$7,000	\$11,250	\$9,000
Hedge/Member	Increase	\$7,000	\$7,000	\$9,000	\$9,000

CME Index Futures Inter-Commodity Spread Rates

E-Mini Nasdaq Biotechnology Index Futures (BQ) vs. E-Mini Nasdaq 100 (NQ) (1:1)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	85.00%	80.00%

E-Mini Nasdaq Biotechnology Index Futures (BQ) vs. E-Mini Russell 2000 Index (ER) (2:1)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	70.00%	65.00%

Nasdaq-100 Index (ND) vs. Dow Jones (CBOT) (11) (2:3)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	85.00%	75.00%

Nasdaq-100 Index (ND) vs. Russell 2000 Stock Index (RL) (2:1)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	80.00%	70.00%

Nasdaq-100 Index (ND) vs. S&P 500/BARRA Growth Index (SG) (1:1)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	80.00%	75.00%

Nasdaq-100 Index (ND) vs. S&P 500/BARRA Value Index (SU) (1:1)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	85.00%	75.00%

Nasdaq-100 Index (ND) vs. S&P Small Cap 600 (SMP) (2:3)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	70.00%	60.00%

NIKKEI 225 Stock Index (NK) vs. S&P Small Cap 600 (SMP) (5:4)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	75.00%	65.00%

S&P Financial SPCTR Index (FS) vs. S&P 500 Stock Index (SP) (5:1)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	85.00%	80.00%

S&P 500 Stock Index (SP) vs. S&P Technology SPCTR Index (TS) (1:10)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	86.00%	80.00%

S&P 500/BARRA Value Index (SU) vs. Dow Jones (CBOT) (11) (2:3)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	90.00%	85.00%

Yen-based Nikkei (N1) vs. S&P Small Cap 600 (SMP) (5:1)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	85.00%	65.00%

CBOT Metal Futures Outright Rates

5000 oz. Silver Futures (39)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$3,375	\$2,500	\$4,050	\$3,000
Hedge/Member	Increase	\$2,500	\$2,500	\$3,000	\$3,000

As per the normal review of market volatility to ensure adequate collateral coverage, CME Group Performance Bond staff approved volatility scan range changes for the product listed below. The Volatility Scan range is the amount by which the implied volatility levels are changed for each option during the Span margining process. For those Span margin scenarios that have implied volatility changes, the current implied volatility is moved either up or down by the amount of the Volatility Scan Range. For a futures-only portfolio, the Volatility Scan Range will have no effect. These changes will become effective at the close of business on **Wednesday, November 14, 2007**.

CME Volatility Scan Range

Product Name	Change	Current	New
Japanese Yen (JY)	Increase	2.0%	2.5%

Please contact the Risk Management Department at 312-648-3888, if you have any questions regarding these Performance Bond Changes.