

Advisory Notice

Clearing House

08-380

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirement Changes.

DATE: Wednesday, December 3rd, 2008.

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 Notices 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. The rates are effective at the close of business on **Thursday, December 4, 2008.**

CBOT Interest Rate Futures Outright Rates

US Long Bond (17)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$3,645	\$2,700	\$4,320	\$3,200
Hedge/Member	Increase	\$2,700	\$2,700	\$3,200	\$3,200

10 Year Swap (CBOT) (66)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,970	\$2,200	\$3,780	\$2,800
Hedge/Member	Increase	\$2,200	\$2,200	\$2,800	\$2,800

In addition, the following Inter-Commodity Spread Ratios will change:

Spread	New Ratio
US Long Bond (17) vs. 10 Year Treasury Note (21)	3:5
US Long Bond (17) vs. 5 Year Treasury Note (25)	2:5
US Long Bond (17) vs. 2 Year Treasury Note (26)	1:3
10 Year Treasury Note (21) vs. 2 Year Treasury Note (26)	1:2
10 Year Treasury Note (21) vs. 5 Year Treasury Note (25)	2:3
5 Year Treasury Note (25) vs. 2 Year Treasury Note (26)	4:5