

Advisory Notice

Clearing House

05-13

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

FROM: Clearing House Department

SUBJECT: Performance Bond Requirements

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.

Chicago Mercantile Exchange Inc. and Chicago Board of Trade Performance Bond staff approved the performance bond requirements for the following new product listed below. These margins will become effective at the close of business on **Tuesday, January 25, 2005.**

The staff recommendations are listed below:

SPAN® MINIMUM PERFORMANCE BOND REQUIREMENTS

CBOT Agricultural Futures Outright Rates

Corn (CBOT) (C)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Speculative - Old Crop	Increase	\$338	\$250	\$439	\$325
Hedge/Member - Old Crop	Increase	\$250	\$250	\$325	\$325
Speculative - New Crop	Increase	\$338	\$250	\$439	\$325
Hedge/Member - New Crop	Increase	\$250	\$250	\$325	\$325

Mini-Corn (CBOT) (YC)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Speculative - Old Crop	Increase	\$68	\$50	\$88	\$65
Hedge/Member - Old Crop	Increase	\$50	\$50	\$65	\$65
Speculative - New Crop	Increase	\$68	\$50	\$88	\$65
Hedge/Member - New Crop	Increase	\$50	\$50	\$65	\$65

Rough Rice (CBOT) (14)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$675	\$500	\$878	\$650
Hedge/Member	Increase	\$500	\$500	\$650	\$650

CBOT Agricultural Futures Intra-Commodity Spread Rates

Soybean Oil (CBOT) (07) - (Old Crop Year vs. New Crop Year)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$338	\$250	\$270	\$200
Hedge/Member	Decrease	\$250	\$250	\$200	\$200

Soymeal (CBOT) (06) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$135	\$100	\$203	\$150
Hedge/Member	Increase	\$100	\$100	\$150	\$150

Wheat (CBOT) (W) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$68	\$50	\$102	\$75
Hedge/Member	Increase	\$50	\$50	\$75	\$75

Wheat (CBOT) (W) - (Old Crop Year vs. New Crop Year)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$237	\$175	\$169	\$125
Hedge/Member	Decrease	\$175	\$175	\$125	\$125

CBOT Agricultural Futures Inter-Commodity Spread Rates

Corn (CBOT) (C) vs. Oats (CBOT) (O) (2:3)

Rate Type	Change	Current	New
Spread Credit Rate	Increase	30.00%	40.00%

Corn (CBOT) (C) vs. Wheat (CBOT) (W) (1:1)

Rate Type	Change	Current	New
Spread Credit Rate	Increase	45.00%	55.00%

Soybean Oil (CBOT) (07) vs. Soybean (CBOT) (S) (1:1)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	75.00%	50.00%

Soymeal (CBOT) (06) vs. Soybean (CBOT) (S) (1:1)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	75.00%	60.00%

Soymeal (CBOT) (06) vs. Soybean Oil (CBOT) (07) vs. Soybean (CBOT) (S) Crush (1:1:1)

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

Soymeal (CBOT) (06) vs. Soybean Oil (CBOT) (07) vs. Soybean (CBOT) (S) Crush (11:9:10)

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

CBOT Interest Rate Futures Outright Rates

5 Year Treasury Note (25)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$810	\$600	\$743	\$550
Hedge/Member	Decrease	\$600	\$600	\$550	\$550

2 Year Treasury Note (26)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$743	\$550	\$608	\$450
Hedge/Member	Decrease	\$550	\$550	\$450	\$450

CBOT Interest Rate Futures Inter-Commodity Spread Rates

US Long Bond (17) vs. Eurodollar (ED) Tier 1 (1:5)

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

US Long Bond (17) vs. Eurodollar (ED) Tier 2 (1:5)

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

10 Year Treasury Note (21) vs. Eurodollar (ED) Tier 1 (2:5)

Rate Type	Change	Current	New
Spread Credit Rate	Increase	70.00%	75.00%

10 Year Treasury Note (21) vs. Municipal Note (CBOT) (42) (1:1)

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

5 Year Treasury Note (25) vs. Eurodollar (ED) Tier 2 (1:2)

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

2 Year Treasury Note (26) vs. Eurodollar (ED) Tier 1 (2:3)

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

2 Year Treasury Note (26) vs. LIBOR (1-Month) (EM) (3:2)

Rate Type	Change	Current	New
Spread Credit Rate	Decrease	60.00%	45.00%

Fed Funds (CBOT) (41) vs. Eurodollar (ED) Tier 1 (3:5)

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

Fed Funds (CBOT) (41) vs. Euroyen (EY) (1:2)

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

Fed Funds (CBOT) (41) vs. LIBOR (1-Month) (EM) (3:5)

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

Municipal Note (CBOT) (42) vs. Eurodollar (ED) Tiers 3-11 (1:3)

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

10 Year Swap (CBOT) (66) vs. 2 Year Swap (CME) (S2) (1:1)

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

10 Year Swap (CBOT) (66) vs. 5 Year Swap (CME) (S5) (1:1)

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

10 Year Swap (CBOT) (66) vs. Eurodollar (ED) Tiers 2-11 (2:7)

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

10 Year Swap (CBOT) (66) vs. LIBOR (1-Month) (EM) (1:3)

Rate Type	Change	Current	New
Spread Credit Rate	Increase	45.00%	55.00%

5 Year Swap (CBOT) (NG) vs. Eurodollar (ED) Tiers 2-11 (1:2)

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

5 Year Swap (CBOT) (NG) vs. LIBOR (1-Month) (EM) (1:2)

Rate Type	Change	Current	New
Spread Credit Rate	Increase	50.00%	55.00%

CBOT Metal Futures Outright Rates

100 oz. Gold Futures (38)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$1,620	\$1,200	\$1,296	\$960
Hedge/Member	Decrease	\$1,200	\$1,200	\$960	\$960

Mini- Gold (63)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$540	\$400	\$432	\$320
Hedge/Member	Decrease	\$400	\$400	\$320	\$320

5000 oz. Silver Futures (39)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$2,363	\$1,750	\$2,160	\$1,600
Hedge/Member	Decrease	\$1,750	\$1,750	\$1,600	\$1,600

Mini- Silver (61)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$473	\$350	\$432	\$320
Hedge/Member	Decrease	\$350	\$350	\$320	\$320

Please contact the Risk Management Department at 312-648-3888, if you have any questions regarding these performance bond changes.