

Advisory Notice

Clearing House

07-68

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

FROM: Clearing House Department

SUBJECT: Performance Bond Requirements

DATE: March 16, 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.

Chicago Mercantile Exchange Inc. and Chicago Board of Trade Performance Bond staff approved the performance bond requirements for the new CBOT 30-Year Interest Rate Swap Futures listed below. These margins will become effective with the launch of this product on **Monday, March 19, 2007**.

The staff recommendations are listed below:

SPAN[®] MINIMUM PERFORMANCE BOND REQUIREMENTS

CBOT Interest Rate Futures Outright Rates

30 Year Swap (CBOT) (I3)

Rate Type	Initial	Maintenance
Spec	\$1,485	\$1,100
Hedge/Member	\$1,100	\$1,100

CBOT Interest Rate Futures Inter-Commodity Spread Rates

10 Year Swap (CBOT) (66) vs. 30 Year Swap (CBOT) (I3) (2:1)

Rate Type	Change	Initial	Maintenance
Spread Credit Rate	N/A	90.00%	90.00%

10 Year Treasury Note (21) vs. 30 Year Swap (CBOT) (I3) (5:2)

Rate Type	Change	Initial	Maintenance
Spread Credit Rate	N/A	60.00%	60.00%

2 Year Treasury Note (26) vs. 30 Year Swap (CBOT) (I3) (9:2)

Rate Type	Change	Initial	Maintenance
Spread Credit Rate	N/A	60.00%	60.00%

30 Year Swap (CBOT) (I3) vs. 5 Year Swap (CBOT) (NG) (2:7)

Rate Type	Change	Initial	Maintenance
Spread Credit Rate	N/A	85.00%	85.00%

5 Year Treasury Note (25) vs. 30 Year Swap (CBOT) (I3) (4:1)

Rate Type	Change	Initial	Maintenance
Spread Credit Rate	N/A	60.00%	60.00%

US Long Bond (17) vs. 30 Year Swap (CBOT) (I3) (4:3)

Rate Type	Change	Initial	Maintenance
Spread Credit Rate	N/A	55.00%	55.00%

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