

Advisory Notice

Clearing House

08-110

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Monday, June 02, 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 will be effective after the close of business on **Tuesday, June 3, 2008.**

SPAN[®] MINIMUM PERFORMANCE BOND REQUIREMENTS

CBOT Interest Rate Futures Outright Rates

30 Year Swap (CBOT) (I3)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$3,780	\$2,800	\$3,510	\$2,600
Hedge/Member	Decrease	\$2,800	\$2,800	\$2,600	\$2,600

10 Year Treasury Note (21)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$2,160	\$1,600	\$1,890	\$1,400
Hedge/Member	Decrease	\$1,600	\$1,600	\$1,400	\$1,400

5 Year Treasury Note (25)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$1,485	\$1,100	\$1,350	\$1,000
Hedge/Member	Decrease	\$1,100	\$1,100	\$1,000	\$1,000

US Long Bond (17)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$2,700	\$2,000	\$2,430	\$1,800
Hedge/Member	Decrease	\$2,000	\$2,000	\$1,800	\$1,800

CBOT Interest Rate Futures Intra-Commodity Spread Rates

2 Year Treasury Note (26) - All Months

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

Fed Funds (CBOT) (41) - All Months Consecutive Mos. 1-2

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$743	\$550	\$540	\$400
Hedge/Member	Decrease	\$550	\$550	\$400	\$400

Fed Funds (CBOT) (41) - All Months Consecutive Mos. 2-3

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

Fed Funds (CBOT) (41) - All Months Consecutive Mos. 3-4

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$270	\$200	\$203	\$150
Hedge/Member	Decrease	\$200	\$200	\$150	\$150

Fed Funds (CBOT) (41) - All Months Consecutive Mos. 4-5

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$270	\$200	\$203	\$150
Hedge/Member	Decrease	\$200	\$200	\$150	\$150

Fed Funds (CBOT) (41) - All Months Consecutive Mos. 5-Subsequent

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$270	\$200	\$203	\$150
Hedge/Member	Decrease	\$200	\$200	\$150	\$150

Fed Funds (CBOT) (41) - Tier 1 vs. Tier 1 [mth 1-4 vs. mth 1-4]

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$743	\$550	\$675	\$500
Hedge/Member	Decrease	\$550	\$550	\$500	\$500

Fed Funds (CBOT) (41) - Tier 1 vs. Tier 2 [mth 1-4 vs. mth 5-12]

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

Fed Funds (CBOT) (41) - Tier 2 vs. Tier 2 [mth 5-12 vs. mth 5-12]

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

CBOT Agricultural Futures Outright Rates

Wheat (CBOT) (W)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Speculative - Old Crop	Decrease	\$6,075	\$4,500	\$4,050	\$3,000
Hedge/Member - Old Crop	Decrease	\$4,500	\$4,500	\$3,000	\$3,000
Speculative - New Crop	Decrease	\$6,075	\$4,500	\$4,050	\$3,000
Hedge/Member - New Crop	Decrease	\$4,500	\$4,500	\$3,000	\$3,000
Delivery Month - Spec	Decrease	\$6,075	\$4,500	\$4,050	\$3,000
Delivery Month - Hedge/Member	Decrease	\$4,500	\$4,500	\$3,000	\$3,000

Mini-Wheat (CBOT) (YW)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Speculative - Old Crop	Decrease	\$1,215	\$900	\$810	\$600
Hedge/Member - Old Crop	Decrease	\$900	\$900	\$600	\$600
Speculative - New Crop	Decrease	\$1,215	\$900	\$810	\$600
Hedge/Member - New Crop	Decrease	\$900	\$900	\$600	\$600
Delivery Month - Spec	Decrease	\$1,215	\$900	\$810	\$600
Delivery Month - Hedge/Member	Decrease	\$900	\$900	\$600	\$600

Soybean (CBOT) (S)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Speculative - Old Crop	Decrease	\$4,725	\$3,500	\$4,050	\$3,000
Hedge/Member - Old Crop	Decrease	\$3,500	\$3,500	\$3,000	\$3,000
Speculative - New Crop	Decrease	\$4,725	\$3,500	\$4,050	\$3,000
Hedge/Member - New Crop	Decrease	\$3,500	\$3,500	\$3,000	\$3,000

Mini-Soybean (CBOT) (YK)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Speculative - Old Crop	Decrease	\$945	\$700	\$810	\$600
Hedge/Member - Old Crop	Decrease	\$700	\$700	\$600	\$600
Speculative - New Crop	Decrease	\$945	\$700	\$810	\$600
Hedge/Member - New Crop	Decrease	\$700	\$700	\$600	\$600

Soybean Oil (CBOT) (07)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Speculative - Old Crop	Decrease	\$2,295	\$1,700	\$2,025	\$1,500
Hedge/Member - Old Crop	Decrease	\$1,700	\$1,700	\$1,500	\$1,500
Speculative - New Crop	Decrease	\$2,295	\$1,700	\$2,025	\$1,500
Hedge/Member - New Crop	Decrease	\$1,700	\$1,700	\$1,500	\$1,500

Soybean Crush Option Spread (CBOT) (31)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$14,641	\$10,845	\$13,264	\$9,825
Hedge/Member	Decrease	\$10,845	\$10,845	\$9,825	\$9,825

CBOT Agricultural Futures Intra-Commodity Spread Rates

Corn (CBOT) (C) - Old Crop Year vs. New Crop Year (December through September)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$405	\$300	\$338	\$250
Hedge/Member	Decrease	\$300	\$300	\$250	\$250

Dow Jones-AIG Commodity Index Excess Return (70) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	0	0	\$135	\$100
Hedge/Member	Increase	0	0	\$100	\$100

Mini-Corn (CBOT) (YC) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	0	0	\$27	\$20
Hedge/Member	Increase	0	0	\$20	\$20

Mini-Corn (CBOT) (YC) - Old Crop Year vs. New Crop Year (December through September)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$81	\$60	\$68	\$50
Hedge/Member	Decrease	\$60	\$60	\$50	\$50

Mini-Soybean (CBOT) (YK) - Old Crop Year vs. New Crop Year (November through September)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$405	\$300	\$351	\$260
Hedge/Member	Decrease	\$300	\$300	\$260	\$260

Mini-Wheat (CBOT) (YW) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$338	\$250	\$189	\$140
Hedge/Member	Decrease	\$250	\$250	\$140	\$140

Mini-Wheat (CBOT) (YW) - Old Crop Year vs. New Crop Year (July through May)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$675	\$500	\$324	\$240
Hedge/Member	Decrease	\$500	\$500	\$240	\$240

Oats (CBOT) (O) - Old Crop Year vs. New Crop Year (July through May)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$540	\$400	\$743	\$550
Hedge/Member	Increase	\$400	\$400	\$550	\$550

Oats (CBOT) (O) - Same Crop Year

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	0	0	\$270	\$200
Hedge/Member	Increase	0	0	\$200	\$200

Rough Rice (CBOT) (14) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$270	\$200	\$540	\$400
Hedge/Member	Increase	\$200	\$200	\$400	\$400

Rough Rice (CBOT) (14) - Old Crop vs New Crop Old/New

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$1,215	\$900	\$1,890	\$1,400
Hedge/Member	Increase	\$900	\$900	\$1,400	\$1,400

Soybean (CBOT) (S) - Old Crop Year vs. New Crop Year (September through August)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$2,025	\$1,500	\$1,755	\$1,300
Hedge/Member	Decrease	\$1,500	\$1,500	\$1,300	\$1,300

Soybean Oil (CBOT) (07) - All Months

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

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

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$473	\$350	\$405	\$300
Hedge/Member	Decrease	\$350	\$350	\$300	\$300

Soymeal (CBOT) (06) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$473	\$350	\$405	\$300
Hedge/Member	Decrease	\$350	\$350	\$300	\$300

Soymeal (CBOT) (06) - Old Crop Year vs. New Crop Year (October through September)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$1,485	\$1,100	\$1,215	\$900
Hedge/Member	Decrease	\$1,100	\$1,100	\$900	\$900

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

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$2,700	\$2,000	\$1,620	\$1,200
Hedge/Member	Decrease	\$2,000	\$2,000	\$1,200	\$1,200

Wheat (CBOT) (W) - Wheat

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$1,350	\$1,000	\$945	\$700
Hedge/Member	Decrease	\$1,000	\$1,000	\$700	\$700

CBOT Agricultural Futures Inter-Commodity Spread Rates

Corn (CBOT) (C) vs. Soybean (CBOT) (S) (5:2)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spread Credit Rate	Decrease	55.00%	55.00%	40.00%	40.00%

South American Soybean (CBOT) (30) vs. Corn (CBOT) (C) (2:5)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spread Credit Rate	Decrease	50.00%	50.00%	40.00%	40.00%

Soybean Oil (CBOT) (07) vs. Soybean (CBOT) (S) (2:1)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spread Credit Rate	N/A	0	0	80.00%	80.00%

Soymeal (CBOT) (06) vs. Soybean (CBOT) (S) (2:1)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spread Credit Rate	N/A	0	0	75.00%	75.00%

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

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

CBOT Metal Futures Outright Rates

100 oz. Gold Futures (38)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$4,455	\$3,300	\$3,645	\$2,700
Hedge/Member	Decrease	\$3,300	\$3,300	\$2,700	\$2,700

Mini- Gold (63)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$1,485	\$1,100	\$1,215	\$900
Hedge/Member	Decrease	\$1,100	\$1,100	\$900	\$900

5000 oz. Silver Futures (39)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$10,125	\$7,500	\$8,100	\$6,000
Hedge/Member	Decrease	\$7,500	\$7,500	\$6,000	\$6,000

Mini- Silver (61)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Decrease	\$2,025	\$1,500	\$1,620	\$1,200
Hedge/Member	Decrease	\$1,500	\$1,500	\$1,200	\$1,200

CBOT Metal Futures Intra-Commodity Spread Rates

100 oz. Gold Futures (38) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	N/A	0	0	\$135	\$100
Hedge/Member	N/A	0	0	\$100	\$100

5000 oz. Silver Futures (39) - All Months

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	N/A	0	0	\$135	\$100
Hedge/Member	N/A	0	0	\$100	\$100

CBOT Energy Products Inter-Commodity Spread Rates

CBOT OTC Ethanol Forward Month Swap (71) vs. CBOT Ethanol Futures (EH) (2:1)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spread Credit Rate	Decrease	85.00%	85.00%	50.00%	50.00%

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