09-440

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements:

DATE: Monday, October 12, 2009

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 Notice 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, October 13, 2009.

Current rates as of:

Monday, October 12, 2009.

In this current advisory there are changes to the Short Option Minimum and/or the Volatility Scan Range. Below are descriptions of what each change affects:

The Short Option Minimum (SOM) is a charge that is applied only to portfolios concentrated in short options that do not generate a minimum margin requirement level when margins are calculated using the normal 16 SPAN scenarios. The SOM charge per short calls or short puts is a percentage of the outright margin on one underlying futures contract.

The volatility scan range is the change in implied volatility that is used in each of SPAN's 16 scenarios.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
CME CURRENCY FUTURES - Outright Rates								
BPJY FUTURE (BY)								
BY	Spec		Decrease	JPY	1,755,000	1,300,000	1,350,000	1,000,000
BY	Hedge/Member		Decrease	JPY	1,300,000	1,300,000	1,000,000	1,000,000
BPSF FUTURE (BF)								
BF	Spec		Decrease	CHF	9,450	7,000	6,750	5,000
BF	Hedge/Member		Decrease	CHF	7,000	7,000	5,000	5,000
BRAZILIAN REAL FUTURES (BR)								
BR	Spec		Decrease	USD	4,900	3,500	4,200	3,000
BR	Hedge/Member		Decrease	USD	3,500	3,500	3,000	3,000
EC/AD CROSS RATE FUTURES (CA)								
CA	Spec		Decrease	AUD	10,125	7,500	8,775	6,500
CA	Hedge/Member		Decrease	AUD	7,500	7,500	6,500	6,500
EC/CD CROSS RATE FUTURE (CC)								
CC	Spec		Decrease	CAD	6,075	4,500	4,725	3,500
CC	Hedge/Member		Decrease	CAD	4,500	4,500	3,500	3,500
E-MICRO EUR/USD FUTURES (M6E)								
M6E	Spec		Decrease	USD	473	350	405	300
M6E	Hedge/Member		Decrease	USD	350	350	300	300
E-MINI EURO FX FUTURE (E7)								
E7	Spec		Decrease	USD	2,363	1,750	2,025	1,500
E7	Hedge/Member		Decrease	USD	1,750	1,750	1,500	1,500
EURO FUTURE (EC)								
EC	Spec		Decrease	USD	4,725	3,500	4,050	3,000
EC	Hedge/Member		Decrease	USD	3,500	3,500	3,000	3,000
EURO FX/JY FUTURE (RY)								
RY	Spec		Decrease	JPY	945,000	700,000	810,000	600,000
RY	Hedge/Member		Decrease	JPY	700,000	700,000	600,000	600,000
SKR/USD CROSS RATE FUTURES (SE)								
SE	Spec		Decrease	USD	17,550	13,000	13,500	10,000
SE	Hedge/Member		Decrease	USD	13,000	13,000	10,000	10,000
SWISS FRANC FUTURES (SF)								
SF	Spec		Decrease	USD	4,185	3,100	3,713	2,750
SF	Hedge/Member		Decrease	USD	3,100	3,100	2,750	2,750

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
CME CURRENCY FUTURES - Intra Spreads								
Cross Rate Australian Dollar/Japanese Yen (AJ) - All Months (AD/JY FUTURES)								
AJ	Spec		Decrease	JPY	29,700	22,000	22,950	17,000
AJ	Hedge/Member		Decrease	JPY	22,000	22,000	17,000	17,000
Cross Rate British Pound/Japanese Yen (BY) - All Months (BPJY FUTURE)								
BY	Spec		Decrease	JPY	33,750	25,000	27,000	20,000
BY	Hedge/Member		Decrease	JPY	25,000	25,000	20,000	20,000
Cross Rate Canadian Dollar/Japanese Yen (CY) - All Months (CD/JY FUTURES)								
CY	Spec		Decrease	JPY	27,000	20,000	20,250	15,000
CY	Hedge/Member		Decrease	JPY	20,000	20,000	15,000	15,000
Cross Rate Euro FX/Japanese Yen - All Months (EURO FX/JY FUTURE)								
RY	Spec		Decrease	JPY	20,250	15,000	13,500	10,000
RY	Hedge/Member		Decrease	JPY	15,000	15,000	10,000	10,000
Cross Rate Swiss Franc/Japanese Yen - All Months (SFJY FUTURES)								
SJ	Spec		Decrease	JPY	27,000	20,000	20,250	15,000
SJ	Hedge/Member		Decrease	JPY	20,000	20,000	15,000	15,000

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
CME CURRENCY FUTURES - Inter-commodity Spread Rates						
British Pound (BP) vs.. CME$Index (DR)						
Spread Credit Rate	Increase	+1:+1	60%	60%	70%	70%
British Pound (BP) vs.. Swiss Franc (SF)						
Spread Credit Rate	Increase	+1:-1	55%	55%	65%	65%
Canadian Dollar (CD) vs.. Cross Rate Australian Dollar/Canadian Dollar (AC)						
Spread Credit Rate	Decrease	+2:+1	45%	45%	0%	0%
Canadian Dollar (CD) vs.. Swiss Franc (SF)						
Spread Credit Rate	Increase	+4:-3	55%	55%	65%	65%
CME$Index (DR) vs.. Euro FX (EC)						
Spread Credit Rate	Increase	+1:+1	55%	55%	65%	65%
CME$Index (DR) vs.. Swiss Franc (SF)						
Spread Credit Rate	Increase	+1:+1	55%	55%	80%	80%
Cross Rate Australian Dollar/Japanese Yen (AJ) vs.. Japanese Yen (JY)						
Spread Credit Rate	Increase	+4:+5	60%	60%	70%	70%
Cross Rate British Pound/Swiss Franc (BF) vs.. Swiss Franc (SF)						
Spread Credit Rate	Increase	+2:+1	65%	65%	75%	75%
Cross Rate Canadian Dollar/Japanese Yen (CY) vs.. Japanese Yen (JY)						
Spread Credit Rate	Increase	+1:+1	60%	60%	70%	70%
Cross Rate Euro FX/Canadian Dollar (CC) vs..Euro FX (EC)						
Spread Credit Rate	Decrease	+1:-1	50%	50%	0%	0%
Cross Rate Euro FX/Swedish Krona (KE) vs.. Swedish Krona (SE)						
Spread Credit Rate	Increase	+2:+1	70%	70%	80%	80%
Cross Rate Euro FX/Swiss Franc (RF) vs.. Swiss Franc (SF)						
Spread Credit Rate	Increase	+2:+3	55%	55%	65%	65%
EURO FX (EC - CME) vs. CROSS RATE EURO FX/AUSTRALIAN DOLLAR (CA - CME)						
Spread Credit Rate	Decrease	+1:-1	50%	50%	0%	0%
Japanese Yen (JY) vs.. Cross Rate Swiss Franc/Japanese Yen (SJ)						
Spread Credit Rate	Increase	+1:+1	50%	50%	60%	60%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate					
CME CURRENCY FUTURES - Volatility Scan (volScan) Rate					
BRITISH POUND (BP) - volScan					
Clearing Member Rate	Decrease		0.02		0.01
CANADIAN DOLLAR (CD) - volScan					
Clearing Member Rate	Decrease		0.02		0.01
EURO FX (EC) - volScan					
Clearing Member Rate	Decrease		0.02		0.01
JAPANESE YEN (JY) - volScan					
Clearing Member Rate	Decrease		0.04		0.02
SWISS FRANC (SF) - volScan					
Clearing Member Rate	Decrease		0.02		0.01