



10-117

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements:

DATE: Friday, March 19, 2010

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 **Saturday, March 20, 2010.**

Current rates as of:

Friday, March 19, 2010.

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 AGRICULTURAL FUTURES - Outright Rates								
S&P GSCI ER 3 MONTH FORWARD INDEX SWAP (SE3)								
SE3	Spec		New	USD			8,100	5,400
SE3	Hedge/Member		New	USD			5,400	5,400
S&P GSCI ER 2 MONTH FORWARD INDEX SWAP (SE2)								
SE2	Spec		New	USD			8,100	5,400
SE2	Hedge/Member		New	USD			5,400	5,400
ENVIRONMENTAL PRODUCTS - Outright Rates								
CLIMATE ACT REG (CAR) FUT NON VINT (CR)								
CR	Spec		New	USD			1,650	1,500
CR	Hedge/Member		New	USD			1,500	1,500
CLIMATE ACT REGISTRY VINTAGE 2009 (92)								
92	Spec		New	USD			1,650	1,500
92	Hedge/Member		New	USD			1,500	1,500
CLIMATE ACT REGISTRY VINTAGE 2010 (93)								
93	Spec		New	USD			1,650	1,500
93	Hedge/Member		New	USD			1,500	1,500
CLIMATE ACT REGISTRY VINTAGE 2011 (94)								
94	Spec		New	USD			1,650	1,500
94	Hedge/Member		New	USD			1,500	1,500
CLIMATE ACT REGISTRY VINTAGE 2012 (95)								
95	Spec		New	USD			1,650	1,500
95	Hedge/Member		New	USD			1,500	1,500

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
CME AGRICULTURAL FUTURES - Intra Spreads								
S&P GSCI EXCESS RETURN SWAP - All Months (S&P GSCI ER 3 MONTH FORWARD INDEX SWAP)								
SE3	Spec		New	USD			1,350	900
SE3	Hedge/Member		New	USD			900	900
S&P GSCI EXCESS RETURN SWAP - All Months (S&P GSCI ER 2 MONTH FORWARD INDEX SWAP)								
SE2	Spec		New	USD			1,350	900
SE2	Hedge/Member		New	USD			900	900
ENVIRONMENTAL PRODUCTS - Intra Spreads								
CARBON CERTIFIED EMISSION REDUCTION - All Months (CLIMATE ACT REG (CAR) FUT NON VINT)								
CR	Spec		New	USD			330	300
CR	Hedge/Member		New	USD			300	300
CARBON CERTIFIED EMISSION REDUCTION - All Months (CLIMATE ACT REGISTRY VINTAGE 2009)								
92	Spec		New	USD			330	300
92	Hedge/Member		New	USD			300	300
CARBON CERTIFIED EMISSION REDUCTION - All Months (CLIMATE ACT REGISTRY VINTAGE 2010)								
93	Spec		New	USD			330	300
93	Hedge/Member		New	USD			300	300
CARBON CERTIFIED EMISSION REDUCTION - All Months (CLIMATE ACT REGISTRY VINTAGE 2011)								
94	Spec		New	USD			330	300
94	Hedge/Member		New	USD			300	300
CARBON CERTIFIED EMISSION REDUCTION - All Months (CLIMATE ACT REGISTRY VINTAGE 2012)								
95	Spec		New	USD			330	300
95	Hedge/Member		New	USD			300	300

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Short Option Minimum (SOM) Rate					
CME AGRICULTURAL FUTURES - Short Option Minimum (SOM) Rate					
S&P GSCI ER 2 MONTH FORWARD INDEX SWAP (SE2) - SOM					
Clearing Member Rate	New			1.00%	1.00%
S&P GSCI ER 3 MONTH FORWARD INDEX SWAP (SE3) - SOM					
Clearing Member Rate	New			1.00%	1.00%
ENVIRONMENTAL PRODUCTS - Short Option Minimum (SOM) Rate					
CLIMATE ACTION RESERVE (CAR) FUTURES- VINTAGE 20 (NYM-92) - SOM					
Clearing Member Rate	New			60.00	60.00
CLIMATE ACTION RESERVE (CAR) FUTURES- VINTAGE 20 (NYM-93) - SOM					
Clearing Member Rate	New			60.00	60.00
CLIMATE ACTION RESERVE (CAR) FUTURES- VINTAGE 20 (NYM-94) - SOM					
Clearing Member Rate	New			60.00	60.00
CLIMATE ACTION RESERVE (CAR) FUTURES- VINTAGE 20 (NYM-95) - SOM					
Clearing Member Rate	New			60.00	60.00
CLIMATE ACTION RESERVE(CAR) FUTURES (NON-VINTAGE (NYM-CR) - SOM					
Clearing Member Rate	New			60.00	60.00
NYMEX ENERGY - Short Option Minimum (SOM) Rate					
CAPP COAL QUARTERLY SWAPTION (NYM-6K) - SOM					
Clearing Member Rate	New			180.00	180.00

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate					
CME AGRICULTURAL FUTURES - Volatility Scan (volScan) Rate					
S&P GSCI ER 2 MONTH FORWARD INDEX SWAP (SE2) - volScan					
Clearing Member Rate	New				0.04
S&P GSCI ER 3 MONTH FORWARD INDEX SWAP (SE3) - volScan					
Clearing Member Rate	New				0.04
ENVIRONMENTAL PRODUCTS - Volatility Scan (volScan) Rate					
CLIMATE ACTION RESERVE (CAR) FUTURES- VINTAGE 20 (NYM-92) - volScan					
Clearing Member Rate	New				0.06
CLIMATE ACTION RESERVE (CAR) FUTURES- VINTAGE 20 (NYM-93) - volScan					
Clearing Member Rate	New				0.06
CLIMATE ACTION RESERVE (CAR) FUTURES- VINTAGE 20 (NYM-94) - volScan					
Clearing Member Rate	New				0.06
CLIMATE ACTION RESERVE (CAR) FUTURES- VINTAGE 20 (NYM-95) - volScan					
Clearing Member Rate	New				0.06
CLIMATE ACTION RESERVE(CAR) FUTURES (NON-VINTAGE (NYM-CR) - volScan					
Clearing Member Rate	New				0.06
NYMEX ENERGY - Volatility Scan (volScan) Rate					
CAPP COAL QUARTERLY SWAPTION (NYM-6K) - volScan					
Clearing Member Rate	New				0.06