

10-149

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements:

DATE: Thursday, April 08, 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

**Friday, April 9, 2010.**

Current rates as of:

**Thursday, April 08, 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
<b>Outright Rates</b>								
<b>NYMEX CRACKS AND SPREADS - Outright Rates</b>								
<b>DATED TO FRONTLINE BRENT BALMO SWP (FE)</b>								
FE	Spec		New	USD			550	500
FE	Hedge/Member		New	USD			500	500
<b>NYMEX CRUDE PRODUCTS - Outright Rates</b>								
<b>DME OMAN CRUDE OIL (OQ)</b>								
OQ	Spec		Decrease	USD	10,125	7,500	6,050	5,500
OQ	Hedge/Member		Decrease	USD	7,500	7,500	5,500	5,500
<b>OMAN CRUDE FINANCIAL (ZG)</b>								
ZG	Spec		Decrease	USD	10,125	7,500	6,050	5,500
ZG	Hedge/Member		Decrease	USD	7,500	7,500	5,500	5,500
<b>NYMEX PETROLEUM PRODUCTS - Outright Rates</b>								
<b>EIA FLAT TAX US RETAIL GASOLINE SWP (JE)</b>								
JE	Spec		New	USD			5,500	5,000
JE	Hedge/Member		New	USD			5,000	5,000

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Intra Spreads</b>								
<b>NYMEX CRACKS AND SPREADS - Intra Spreads</b>								
<b>Dated-to-Frontline Brent Swap - Tier 2 vs. Tier 2 (DATED TO FRONTLINE BRENT BALMO SWP)</b>								
FE	Spec		New	USD			55	50
FE	Hedge/Member		New	USD			50	50
<b>Dated-to-Frontline Brent Swap - Tier 3 vs. Tier 3 (DATED TO FRONTLINE BRENT BALMO SWP)</b>								
FE	Spec		New	USD			275	250
FE	Hedge/Member		New	USD			250	250
<b>NYMEX PETROLEUM PRODUCTS - Intra Spreads</b>								
<b>EIA On-Highway Retail Diesel Swap - All Months (EIA FLAT TAX US RETAIL GASOLINE SWP)</b>								
JE	Spec		New	USD			275	250
JE	Hedge/Member		New	USD			250	250

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Short Option Minimum (SOM) Rate</b>					
<b>NYMEX CRACKS AND SPREADS - Short Option Minimum (SOM) Rate</b>					
<b>DATED TO FRONTLINE BRENT BALMO SWAP FUTURES (NYM-FE) - SOM</b>					
Clearing Member Rate	New			10.00	10.00
<b>NYMEX PETROLEUM PRODUCTS - Short Option Minimum (SOM) Rate</b>					
<b>EIA FLAT TAX U.S. RETAIL GASOLINE SWAP FUTURES (NYM-JE) - SOM</b>					
Clearing Member Rate	New			10.00	10.00

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Volatility Scan (volScan) Rate</b>					
<b>NYMEX CRACKS AND SPREADS - Volatility Scan (volScan) Rate</b>					
<b>DATED TO FRONTLINE BRENT BALMO SWAP FUTURES (NYM-FE) - volScan</b>					
Clearing Member Rate	New				0.05
<b>NYMEX PETROLEUM PRODUCTS - Volatility Scan (volScan) Rate</b>					
<b>EIA FLAT TAX U.S. RETAIL GASOLINE SWAP FUTURES (NYM-JE) - volScan</b>					
Clearing Member Rate	New				0.03