



10-305

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements:

DATE: Friday, July 16, 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, July 16, 2010.

Current rates as of:

Friday, July 16, 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
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Outright Rates

CME INDEX FUTURES - Outright Rates

E-MICRO S&P CNX NIFTY INDEX FUTURES (II)

II	Clearing Member		Increase	USD			625	500
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E-MINI S&P CNX NIFTY INDEX FUTURES (EMF)

EMF	Spec		New	USD			3,125	2,500
EMF	Hedge/Member		New	USD			2,500	2,500

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
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Intra Spreads

CME INDEX FUTURES - Intra Spreads

E-mini S&P CNX Nifty Index Futures - All Months (E-MINI S&P CNX NIFTY INDEX FUTURES)

EMF	Spec		New	USD			313	250
EMF	Hedge/Member		New	USD			250	250

II - E-Micro S&P CNX Nifty Index Future (E-MICRO S&P CNX NIFTY INDEX FUTURES)

II	Spec		New	USD			63	50
II	Hedge/Member		New	USD			50	50

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Short Option Minimum (SOM) Rate					
CME INDEX FUTURES - Short Option Minimum (SOM) Rate					
E-MICRO S&P CNX NIFTY INDEX FUTURE (II) - SOM					
Clearing Member Rate	Increase	0.00%	0.00%	1.25%	1.00%
E-MINI S&P CNX NIFTY INDEX FUTURES (EMF) - SOM					
Clearing Member Rate	New			1.25%	1.00%
COMEX METALS - Short Option Minimum (SOM) Rate					
COPPER FUTURES (CX-HG) - SOM					
Clearing Member Rate	Increase	40.50	30.00	60.75	45.00
GOLD FUTURES (CX-GC) - SOM					
Clearing Member Rate	Increase	40.50	30.00	60.75	45.00
SILVER FUTURES (CX-SI) - SOM					
Clearing Member Rate	Increase	40.50	30.00	60.75	45.00
NYMEX METALS - Short Option Minimum (SOM) Rate					
PALLADIUM FUTURES (NY-PA) - SOM					
Clearing Member Rate	Increase	22.00	20.00	33.00	30.00
PLATINUM FUTURES (NY-PL) - SOM					
Clearing Member Rate	Increase	44.00	40.00	55.00	50.00

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate					
CME INDEX FUTURES - Volatility Scan (volScan) Rate					
E-MICRO S&P CNX NIFTY INDEX FUTURE (II) - volScan					
Clearing Member Rate	Increase		0.00		0.07
E-MINI S&P CNX NIFTY INDEX FUTURES (EMF) - volScan					
Clearing Member Rate	New				0.07
NYMEX NATURAL GAS PRODUCTS - Volatility Scan (volScan) Rate					
HENRY HUB NATURAL GAS FUTURES (NY-NG) - volScan					
Clearing Member Rate	Increase		0.11		0.13
Clearing Member Rate	Decrease		0.08		0.06
Clearing Member Rate	Decrease		0.05		0.04
HENRY HUB NATURAL GAS PENULTIMATE FINANCIAL FUTURES (NY-HP) - volScan					
Clearing Member Rate	Decrease		0.08		0.06
Clearing Member Rate	Increase		0.11		0.13
Clearing Member Rate	Decrease		0.08		0.04
HENRY HUB NATURAL GAS SWAP FUTURES (NY-NN) - volScan					
Clearing Member Rate	Increase		0.11		0.13
Clearing Member Rate	Decrease		0.08		0.06
Clearing Member Rate	Decrease		0.08		0.04
Clearing Member Rate	Decrease		0.08		0.05