



10-415

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements:

DATE: Thursday, September 30, 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, October 01, 2010.**

Current rates as of:

Thursday, September 30, 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

NYMEX POWER PRODUCTS - Outright Rates

CINERGY HUB PEAK DAILY FUTURE (CC)

CC	Spec		Increase	USD	220	200	440	400
CC	Hedge/Member		Increase	USD	200	200	400	400

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
NYMEX CRACKS AND SPREADS - Inter-commodity Spread Rates						
EUROPEAN 3.5% FUEL OIL ROTTERDAM CALENDAR SWAP (NYM-UV - CME) vs NY HARBOR RESIDUAL FUEL CRACK SWAP (NYM-ML - CME)						
Spread Credit Rate	Decrease	+1:-7	65%	65%	0%	0%
NYMEX CRUDE PRODUCTS - Inter-commodity Spread Rates						
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs DUBAI CRUDE OIL CALENDAR SWAP (NYM-DC - CME)						
Spread Credit Rate	Increase	+1:-1	80%	80%	90%	90%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs EUROPEAN GASOIL (ICE) CALENDAR SWAP (NYM-GX - CME)						
Spread Credit Rate	Increase	+15:-2	65%	65%	75%	75%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs EUROPEAN GASOIL 10 PPM ROTTERDAM BARGES CALENDAR SWAP (NYM-GT - CME)						
Spread Credit Rate	Increase	+15:-2	65%	65%	75%	75%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs JAPAN C&F NAPHTHA (PLATTS) SWAP (NYM-JA - CME)						
Spread Credit Rate	Increase	+9:-1	65%	65%	75%	75%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs NY HARBOR RBOB (BLENDSTOCK) GAS (NYM-RB, RL, RT)						
Spread Credit Rate	Increase	+1:-1	75%	75%	80%	80%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs REBCO CRUDE OIL (NYM-RE - CME)						
Spread Credit Rate	Increase	+1:-1	85%	85%	90%	90%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs SINGAPORE GASOIL SWAP (NYM-SG - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%
DATED BRENT CRUDE OIL CALENDAR SWAP (NYM-UB - CME) vs LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS)						
Spread Credit Rate	Increase	+1:-1	75%	75%	85%	85%
DUBAI CRUDE OIL CALENDAR SWAP (NYM-DC - CME) vs EUROPEAN GASOIL (ICE) CALENDAR SWAP (NYM-GX - CME)						
Spread Credit Rate	Increase	+15:-2	65%	65%	75%	75%
DUBAI CRUDE OIL CALENDAR SWAP (NYM-DC - CME) vs REBCO CRUDE OIL (NYM-RE - CME)						
Spread Credit Rate	Increase	+1:-1	70%	70%	80%	80%
EUROPEAN SINGAPORE FUEL OIL 180CST CALENDAR SWAP (NYM-UA - CME) vs LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS)						
Spread Credit Rate	Increase	+5:-33	60%	60%	65%	65%
HEATING OIL FINANCIAL FUTURES (NYM-HO, BH, MP) vs DUBAI CRUDE OIL CALENDAR SWAP (NYM-DC - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	70%	70%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
LIGHT SWEET CRUDE OIL FUTURES (NY-CL, CS, WS) vs JAPAN C&F NAPHTHA (Platts) SWAP FUTURES (NY-JA)						
Spread Credit Rate	New	+9:-1			65%	65%
LIGHT SWEET CRUDE OIL FUTURES (NY-CL, CS, WS) vs MONT BELVIEU LDH PROPANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-B0 - CME)						
Spread Credit Rate	Increase	+1:-1	55%	55%	65%	65%
LIGHT SWEET CRUDE OIL FUTURES (NY-CL, CS, WS) vs SINGAPORE JET KEROSENE (PLATTS) SWAP FUTURES (NY-KS - CME)						
Spread Credit Rate	Increase	+1:-1	50%	50%	65%	65%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs GASOLINE EURO-BOB OXY (ARGUS) NWE BARGES SWAP (NYM-7H - CME)						
Spread Credit Rate	Increase	+25:-3	60%	60%	75%	75%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs GULF COAST #6 FUEL 3.0% SWAP (NYM-MF - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs GULF COAST GASOLINE CALENDAR SWAP (NYM-GS - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs GULF COAST JET FUEL CALENDAR SWAP (NYM-GE - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs NEW YORK HARBOR RESIDUAL FUEL 1.0% SULFUR (PLATTS) SWAP (NYM-MM - CME)						
Spread Credit Rate	Increase	+1:-1	70%	70%	75%	75%
MONT BELVIEU PHYSICAL NATURAL GASOLINE (OPIS) (NYM-3R - CME) vs LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
NYMEX PETROLEUM PRODUCTS - Inter-commodity Spread Rates						
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs EUROPEAN GASOIL (ICE) CALENDAR SWAP (NYM-GX - CME)						
Spread Credit Rate	Increase	+15:-2	65%	65%	75%	75%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs EUROPEAN GASOIL 10 PPM ROTTERDAM BARGES CALENDAR SWAP (NYM-GT - CME)						
Spread Credit Rate	Increase	+15:-2	65%	65%	75%	75%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs JAPAN C&F NAPHTHA (PLATTS) SWAP (NYM-JA - CME)						
Spread Credit Rate	Increase	+9:-1	65%	65%	75%	75%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs NY HARBOR RBOB (BLENDSTOCK) GAS (NYM-RB, RL, RT)						
Spread Credit Rate	Increase	+1:-1	75%	75%	80%	80%
BRENT CRUDE OIL BULLET SWAP FINANCIAL (NYM-BB, BZ, CY) vs SINGAPORE GASOIL SWAP (NYM-SG - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%
DUBAI CRUDE OIL CALENDAR SWAP (NYM-DC - CME) vs EUROPEAN GASOIL (ICE) CALENDAR SWAP (NYM-GX - CME)						
Spread Credit Rate	Increase	+15:-2	65%	65%	75%	75%
EUROPEAN 3.5% FUEL OIL ROTTERDAM BALMO CALENDAR SWAP (NYM-UV - CME) vs SINGAPORE 380 FUEL OIL (NYM-HZ - CME)						
Spread Credit Rate	Decrease	+1:-10	75%	75%	60%	60%
EUROPEAN 3.5% FUEL OIL ROTTERDAM CALENDAR SWAP (NYM-UV - CME) vs FUEL OIL 3.5% CIF MED SWAP (NYM-7D - CME)						
Spread Credit Rate	Decrease	+1:-1	95%	95%	90%	90%
EUROPEAN 3.5% FUEL OIL ROTTERDAM CALENDAR SWAP (NYM-UV - CME) vs NY HARBOR RESIDUAL FUEL CRACK SWAP (NYM-ML - CME)						
Spread Credit Rate	Decrease	+1:-7	65%	65%	0%	0%
EUROPEAN 3.5% FUEL OIL ROTTERDAM CALENDAR SWAP (NYM-UV - CME) vs SINGAPORE GASOIL SWAP (NYM-SG - CME)						
Spread Credit Rate	Decrease	+1:-1	98%	98%	40%	40%
EUROPEAN SINGAPORE FUEL OIL 180CST CALENDAR SWAP (NYM-UA - CME) vs LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS)						
Spread Credit Rate	Increase	+5:-33	60%	60%	65%	65%
HEATING OIL FINANCIAL FUTURES (NYM-HO, BH, MP) vs DUBAI CRUDE OIL CALENDAR SWAP (NYM-DC - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	70%	70%
LIGHT SWEET CRUDE OIL FUTURES (NY-CL, CS, WS) vs JAPAN C&F NAPHTHA (Platts) SWAP FUTURES (NY-JA)						
Spread Credit Rate	New	+9:-1			65%	65%
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SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
LIGHT SWEET CRUDE OIL FUTURES (NY-CL, CS, WS) vs MONT BELVIEU LDH PROPANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-B0 - CME)						
Spread Credit Rate	Increase	+1:-1	55%	55%	65%	65%
LIGHT SWEET CRUDE OIL FUTURES (NY-CL, CS, WS) vs SINGAPORE JET KEROSENE (PLATTS) SWAP FUTURES (NY-KS - CME)						
Spread Credit Rate	Increase	+1:-1	50%	50%	65%	65%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs GASOLINE EURO-BOB OXY (ARGUS) NWE BARGES SWAP (NYM-7H - CME)						
Spread Credit Rate	Increase	+25:-3	60%	60%	75%	75%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs GULF COAST #6 FUEL 3.0% SWAP (NYM-MF - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs GULF COAST GASOLINE CALENDAR SWAP (NYM-GS - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs GULF COAST JET FUEL CALENDAR SWAP (NYM-GE - CME)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%
LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS) vs NEW YORK HARBOR RESIDUAL FUEL 1.0% SULFUR (PLATTS) SWAP (NYM-MM - CME)						
Spread Credit Rate	Increase	+1:-1	70%	70%	75%	75%
MONT BELVIEU PHYSICAL NATURAL GASOLINE (OPIS) (NYM-3R - CME) vs LIGHT, SWEET CRUDE OIL FUTURES (NYM-CL, CS, WS)						
Spread Credit Rate	Increase	+1:-1	65%	65%	75%	75%
NEW YORK 3.0% FUEL OIL (PLATTS) SWAP (NYM-H1 - CME) vs EUROPEAN 3.5% FUEL OIL ROTTERDAM CALENDAR SWAP (NYM-UV - CME)						
Spread Credit Rate	Decrease	+7:-1	60%	60%	0%	0%
NY 0.3% FUEL OIL (PLATTS) SWAP FUTURES (NY-VQ - CME) vs EUROPEAN 3.5% FUEL OIL (PLATTS) BARGES FOB RDAM CALENDAR SWAP FUTURES (NY-UV - CME)						
Spread Credit Rate	Decrease	+7:-1	65%	65%	0%	0%
Spread Credit Rate	Decrease	+1:-1	65%	65%	0%	0%

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Short Option Minimum (SOM) Rate					
NYMEX CRUDE PRODUCTS - Short Option Minimum (SOM) Rate					
WEST TEXAS INTERMEDIATE 1 MONTH CALENDAR COMBO (NY-CA) - SOM					
Clearing Member Rate	Increase	88.00	80.00	110.00	100.00
WTI CRUDE OIL 1 MONTH CSO (NY-A2) - SOM					
Clearing Member Rate	Increase	49.50	45.00	110.00	100.00
NYMEX PETROLEUM PRODUCTS - Short Option Minimum (SOM) Rate					
NEW YORK HARBOR NO. 2 HEATING OIL FUTURES (NY-HO) - SOM					
Clearing Member Rate	Increase	81.00	60.00	108.00	80.00
RBOB GASOLINE FUTURES (NY-RB) - SOM					
Clearing Member Rate	Increase	81.00	60.00	108.00	80.00
NYMEX POWER PRODUCTS - Short Option Minimum (SOM) Rate					
PJM PEAK CALENDAR-MONTH LMP SWAP FUTURES (NY-JM) - SOM					
Clearing Member Rate	Increase	88.00	80.00	110.00	100.00

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change		Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate						
COMEX METALS - Volatility Scan (volScan) Rate						
GOLD FUTURES (CX-GC) - volScan						
Clearing Member Rate	Increase	Tier 2		0.04		0.05
Clearing Member Rate	New	Tier 3				0.03
SILVER FUTURES (CX-SI) - volScan						
Clearing Member Rate	Increase	Tier 2		0.04		0.05
Clearing Member Rate	New	Tier 3				0.03
ENVIRONMENTAL PRODUCTS - Volatility Scan (volScan) Rate						
CERTIFIED EMISSION REDUCTION (CER) FUTURES (NY-VA) - volScan						
Clearing Member Rate	Increase			0.03		0.06

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate					

NYMEX CRUDE PRODUCTS - Volatility Scan (volScan) Rate

BRENT (ICE) CALENDAR SWAP FUTURES (NY-BB, BZ, CY) - volScan

Clearing Member Rate	Decrease	Tier 2	0.05	0.04
Clearing Member Rate	Decrease	Tier 3	0.04	0.03

CRUDE OIL FINANCIAL FUTURES (NY-CL, CS, WS, 26) - volScan

Clearing Member Rate	Decrease	Tier 2	0.05	0.04
Clearing Member Rate	Decrease	Tier 3	0.04	0.03
Clearing Member Rate	Decrease	Tier 4	0.03	0.02
Clearing Member Rate	Decrease	Tier 5	0.03	0.02
Clearing Member Rate	Decrease	Tier 6	0.03	0.02

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
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Volatility Scan (volScan) Rate

NYMEX NATURAL GAS PRODUCTS - Volatility Scan (volScan) Rate

HENRY HUB NATURAL GAS FUTURES (NY-NG, NN, HP) - volScan

Clearing Member Rate	Decrease	Tier 2	0.06	0.05
Clearing Member Rate	Decrease	Tier 3	0.05	0.04
Clearing Member Rate	Decrease	Tier 4	0.04	0.03
Clearing Member Rate	Decrease	Tier 5	0.03	0.02
Clearing Member Rate	Decrease	Tier 6	0.03	0.02
Clearing Member Rate	Decrease	Tier 7	0.03	0.02
Clearing Member Rate	Decrease	Tier 8	0.03	0.02
Clearing Member Rate	Decrease	Tier 9	0.03	0.02

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate					
NYMEX PETROLEUM PRODUCTS - Volatility Scan (volScan) Rate					
HEATING OIL CALENDAR SWAP FUTURES (NY-HO, MP, BH, 23) - volScan					
Clearing Member Rate	Decrease	Tier 2	0.08		0.04
Clearing Member Rate	Decrease	Tier 3	0.05		0.03
Clearing Member Rate	Decrease	Tier 4	0.03		0.02
RBOB GASOLINE FUTURES (NY-RB, RL, RT, 27) - volScan					
Clearing Member Rate	Decrease	Tier 2	0.08		0.04
Clearing Member Rate	Decrease	Tier 3	0.05		0.03
Clearing Member Rate	Decrease	Tier 4	0.03		0.02