



A CME/Chicago Board of Trade/NYMEX Company

10-49

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements:

DATE: Friday, February 05, 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, February 06, 2010.**

Current rates as of:

**Friday, February 05, 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>1% FUEL OIL RDM VS 1% OIL NWE PLTS (33)</b>								
33	Spec		New	USD			11,000	10,000
33	Hedge/Member		New	USD			10,000	10,000
<b>BRENT CFD PLATT VS BRNT 3RD MTH SWP (59)</b>								
59	Spec		New	USD			825	750
59	Hedge/Member		New	USD			750	750
<b>NYMEX CRUDE PRODUCTS - Outright Rates</b>								
<b>BRENT CFD SWAP (6W)</b>								
6W	Spec		Increase	USD	550	500	825	750
6W	Hedge/Member		Increase	USD	500	500	750	750
<b>NYMEX PETROLEUM PRODUCTS - Outright Rates</b>								
<b>3.5% FUEL OIL RDAM VS FOB MED BALM (63)</b>								
63	Spec		New	USD			6,050	5,500
63	Hedge/Member		New	USD			5,500	5,500
<b>EUROP NAPHTHA PLATTS CRCK SPR BALMO (43)</b>								
43	Spec		New	USD			2,420	2,200
43	Hedge/Member		New	USD			2,200	2,200
<b>NWE EUR FUEL OIL HGHLOW SULF BALMO (88)</b>								
88	Spec		New	USD			6,600	6,000
88	Hedge/Member		New	USD			6,000	6,000
<b>NYMEX POWER PRODUCTS - Outright Rates</b>								
<b>NYISO ZONE E 5MW OFF- PK CAL MO SWP (58)</b>								
58	Spec		New	USD			33	30
58	Hedge/Member		New	USD			30	30
<b>NYISO ZONE E 5MW PK CAL MO SWP FT (55)</b>								
55	Spec		New	USD			605	550
55	Hedge/Member		New	USD			550	550

# 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>1% Fuel Oil Rdam vs. 1% Fuel Oil NWE (Platts) Swap Futures - All Months (1% FUEL OIL RDM VS 1% OIL NWE PLTS)</b>								
33	Spec	New	USD				1,650	1,500
33	Hedge/Member	New	USD				1,500	1,500
<b>Brent CFD (Platts) vs. Brent Third Month (Platts) Swap Futures - All Months (BRENT CFD PLATT VS BRNT 3RD MTH SWP)</b>								
59	Spec	New	USD				220	200
59	Hedge/Member	New	USD				200	200
<b>NYMEX PETROLEUM PRODUCTS - Intra Spreads</b>								
<b>3.5% Fuel Oil Rdam vs. 3.5% FOB MED Spread (Platts) BALMO Swap Futures - All Months (3.5% FUEL OIL RDAM VS FOB MED BALM)</b>								
63	Spec	New	USD				550	500
63	Hedge/Member	New	USD				500	500
<b>European Naphtha (Platts) Crack Spread BALMO Swap Futures- All Months (EUROP NAPHTHA PLATTS CRCK SPR BALMO)</b>								
43	Spec	New	USD				550	500
43	Hedge/Member	New	USD				500	500
<b>Northwest Europe Fuel Oil High-Low Sulfur Spread (Platts) BALMO Swap Futures - All Months (NWE EUR FUEL OIL HGHLOW SULF BALMO)</b>								
88	Spec	New	USD				550	500
88	Hedge/Member	New	USD				500	500
<b>NYMEX POWER PRODUCTS - Intra Spreads</b>								
<b>NYISO ZONE E 5 MW DAY AHEAD OFF PEAK - All Months (NYISO ZONE E 5MW OFF- PK CAL MO SWP)</b>								
58	Spec	New	USD				17	15
58	Hedge/Member	New	USD				15	15
<b>NYISO ZONE E 5MW DAY AHEAD PEAK - All Months (NYISO ZONE E 5MW PK CAL MO SWP FT)</b>								
55	Spec	New	USD				220	200
55	Hedge/Member	New	USD				200	200

## 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>1% FUEL OIL RDAM VS. 1% FUEL OIL NWE (PLATTS) SWAP (NYM-33) - SOM</b>					
Clearing Member Rate	New			60.00	60.00
<b>BRENT CFD (PLATTS) VS. BRENT THIRD MONTH (PLATTS) (NYM-59) - SOM</b>					
Clearing Member Rate	New			60.00	60.00
<b>NYMEX PETROLEUM PRODUCTS - Short Option Minimum (SOM) Rate</b>					
<b>3.5% FUEL OIL RDAM VS. 3.5% FOB MED SPREAD BALMO (NYM-63) - SOM</b>					
Clearing Member Rate	New			210.00	210.00
<b>EUROPEAN NAPHTHA (PLATTS) CRACK SPREAD BALMO SWAP (NYM-43) - SOM</b>					
Clearing Member Rate	New			60.00	60.00
<b>NORTHWEST EUROPE FUEL OIL HIGH-LOW SULFUR BALMO (NYM-88) - SOM</b>					
Clearing Member Rate	New			210.00	210.00
<b>NYMEX POWER PRODUCTS - Short Option Minimum (SOM) Rate</b>					
<b>NYISO ZONE E 5 MW OFF-PEAK CALENDAR-MONTH DAY-AHEA (NYM-58) - SOM</b>					
Clearing Member Rate	New			30.00	30.00
<b>NYISO ZONE E 5 MW PEAK CALENDAR-MONTH DAY-AHEAD LB (NYM-55) - SOM</b>					
Clearing Member Rate	New			30.00	30.00

## 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>1% FUEL OIL RDAM VS. 1% FUEL OIL NWE (PLATTS) SWAP (NYM-33) - volScan</b>					
Clearing Member Rate	New				0.07
<b>BRENT CFD (PLATTS) VS. BRENT THIRD MONTH (PLATTS) (NYM-59) - volScan</b>					
Clearing Member Rate	New				0.07
<b>NYMEX PETROLEUM PRODUCTS - Volatility Scan (volScan) Rate</b>					
<b>3.5% FUEL OIL RDAM VS. 3.5% FOB MED SPREAD BALMO (NYM-63) - volScan</b>					
Clearing Member Rate	New				0.08
<b>EUROPEAN NAPHTHA (PLATTS) CRACK SPREAD BALMO SWAP (NYM-43) - volScan</b>					
Clearing Member Rate	New				0.08
<b>NORTHWEST EUROPE FUEL OIL HIGH-LOW SULFUR BALMO (NYM-88) - volScan</b>					
Clearing Member Rate	New				0.08
<b>NYMEX POWER PRODUCTS - Volatility Scan (volScan) Rate</b>					
<b>NYISO ZONE E 5 MW OFF-PEAK CALENDAR-MONTH DAY-AHEA (NYM-58) - volScan</b>					
Clearing Member Rate	New				0.10
<b>NYISO ZONE E 5 MW PEAK CALENDAR-MONTH DAY-AHEAD LB (NYM-55) - volScan</b>					
Clearing Member Rate	New				0.10