



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
Outright Rates								
NYMEX CRACKS AND SPREADS - Outright Rates								
1% FUEL OIL RDM VS 1% OIL NWE PLTS (33)								
33	Spec		New	USD			11,000	10,000
33	Hedge/Member		New	USD			10,000	10,000
BRENT CFD PLATT VS BRNT 3RD MTH SWP (59)								
59	Spec		New	USD			825	750
59	Hedge/Member		New	USD			750	750
NYMEX CRUDE PRODUCTS - Outright Rates								
BRENT CFD SWAP (6W)								
6W	Spec		Increase	USD	550	500	825	750
6W	Hedge/Member		Increase	USD	500	500	750	750
NYMEX PETROLEUM PRODUCTS - Outright Rates								
3.5% FUEL OIL RDAM VS FOB MED BALM (63)								
63	Spec		New	USD			6,050	5,500
63	Hedge/Member		New	USD			5,500	5,500
EUROP NAPHTHA PLATTS CRCK SPR BALMO (43)								
43	Spec		New	USD			2,420	2,200
43	Hedge/Member		New	USD			2,200	2,200
NWE EUR FUEL OIL HGHLOW SULF BALMO (88)								
88	Spec		New	USD			6,600	6,000
88	Hedge/Member		New	USD			6,000	6,000
NYMEX POWER PRODUCTS - Outright Rates								
NYISO ZONE E 5MW OFF- PK CAL MO SWP (58)								
58	Spec		New	USD			33	30
58	Hedge/Member		New	USD			30	30
NYISO ZONE E 5MW PK CAL MO SWP FT (55)								
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
Intra Spreads								
NYMEX CRACKS AND SPREADS - Intra Spreads								
1% Fuel Oil Rdam vs. 1% Fuel Oil NWE (Platts) Swap Futures - All Months (1% FUEL OIL RDM VS 1% OIL NWE PLTS)								
33	Spec		New	USD			1,650	1,500
33	Hedge/Member		New	USD			1,500	1,500
Brent CFD (Platts) vs. Brent Third Month (Platts) Swap Futures - All Months (BRENT CFD PLATT VS BRNT 3RD MTH SWP)								
59	Spec		New	USD			220	200
59	Hedge/Member		New	USD			200	200
NYMEX PETROLEUM PRODUCTS - Intra Spreads								
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)								
63	Spec		New	USD			550	500
63	Hedge/Member		New	USD			500	500
European Naphtha (Platts) Crack Spread BALMO Swap Futures- All Months (EUROP NAPHTHA PLATTS CRCK SPR BALMO)								
43	Spec		New	USD			550	500
43	Hedge/Member		New	USD			500	500
Northwest Europe Fuel Oil High-Low Sulfur Spread (Platts) BALMO Swap Futures - All Months (NWE EUR FUEL OIL HGHLOW SULF BALMO)								
88	Spec		New	USD			550	500
88	Hedge/Member		New	USD			500	500
NYMEX POWER PRODUCTS - Intra Spreads								
NYISO ZONE E 5 MW DAY AHEAD OFF PEAK - All Months (NYISO ZONE E 5MW OFF- PK CAL MO SWP)								
58	Spec		New	USD			17	15
58	Hedge/Member		New	USD			15	15
NYISO ZONE E 5MW DAY AHEAD PEAK - All Months (NYISO ZONE E 5MW PK CAL MO SWP FT)								
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
Short Option Minimum (SOM) Rate					
NYMEX CRACKS AND SPREADS - Short Option Minimum (SOM) Rate					
1% FUEL OIL RDAM VS. 1% FUEL OIL NWE (PLATTS) SWAP (NYM-33) - SOM					
Clearing Member Rate	New			60.00	60.00
BRENT CFD (PLATTS) VS. BRENT THIRD MONTH (PLATTS) (NYM-59) - SOM					
Clearing Member Rate	New			60.00	60.00
NYMEX PETROLEUM PRODUCTS - Short Option Minimum (SOM) Rate					
3.5% FUEL OIL RDAM VS. 3.5% FOB MED SPREAD BALMO (NYM-63) - SOM					
Clearing Member Rate	New			210.00	210.00
EUROPEAN NAPHTHA (PLATTS) CRACK SPREAD BALMO SWAP (NYM-43) - SOM					
Clearing Member Rate	New			60.00	60.00
NORTHWEST EUROPE FUEL OIL HIGH-LOW SULFUR BALMO (NYM-88) - SOM					
Clearing Member Rate	New			210.00	210.00
NYMEX POWER PRODUCTS - Short Option Minimum (SOM) Rate					
NYISO ZONE E 5 MW OFF-PEAK CALENDAR-MONTH DAY-AHEAD (NYM-58) - SOM					
Clearing Member Rate	New			30.00	30.00
NYISO ZONE E 5 MW PEAK CALENDAR-MONTH DAY-AHEAD LB (NYM-55) - SOM					
Clearing Member Rate	New			30.00	30.00

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

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