



12-001

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Tuesday, January 03, 2012

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 **Thursday, January 05, 2012.**

Current rates as of:

Tuesday, January 03, 2012.

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

NATURAL GAS - Outright Rates

(B4) - Algonquin City-gates Natural Gas Basis Swap (Platts IFERC) Futures

B4	Spec	Mth 1	Increase	USD	1,100	1,000	2,200	2,000
B4	Hedge/Member	Mth 1	Increase	USD	1,000	1,000	2,000	2,000
B4	Spec	Mth 2	Increase	USD	825	750	1,650	1,500
B4	Hedge/Member	Mth 2	Increase	USD	750	750	1,500	1,500
B4	Spec	Summ 2012	Decrease	USD	825	750	550	500
B4	Hedge/Member	Summ 2012	Decrease	USD	750	750	500	500
B4	Spec	Wint 2012-13	Increase	USD	550	500	825	750
B4	Hedge/Member	Wint 2012-13	Increase	USD	500	500	750	750
B4	Spec	Summ 2013+	Decrease	USD	660	600	550	500
B4	Hedge/Member	Summ 2013+	Decrease	USD	600	600	500	500

PETROLEUM CRACKS AND SPREADS - Outright Rates

(1NB) - Singapore Mogas 92 Unleaded (Platts) Brent Crack Spread Swap Futures

1NB	Spec	Mth 1	Increase	USD	4,400	4,000	7,700	7,000
1NB	Hedge/Member	Mth 1	Increase	USD	4,000	4,000	7,000	7,000

(HOB) - Heating Oil vs. Brent Crack Spread Swap Futures

HOB	Spec	Mth 1	Increase	USD	2,200	2,000	3,850	3,500
HOB	Hedge/Member	Mth 1	Increase	USD	2,000	2,000	3,500	3,500

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
METALS - Intra Spreads								
COMEX Gold - Tier 1 vs Tier 2 ()								
GC	Spec		Decrease	USD	270	200	236	175
GC	Hedge/Member		Decrease	USD	200	200	175	175
GCT	Spec		Decrease	USD	270	200	236	175
GCT	Hedge/Member		Decrease	USD	200	200	175	175
MGC	Spec		Decrease	USD	27	20	24	18
MGC	Hedge/Member		Decrease	USD	20	20	18	18
QO	Spec		Decrease	USD	135	100	118	88
QO	Hedge/Member		Decrease	USD	100	100	88	88
COMEX Gold - Tier 2 vs Tier 2 ()								
GC	Spec		Decrease	USD	270	200	203	150
GC	Hedge/Member		Decrease	USD	200	200	150	150
GCT	Spec		Decrease	USD	270	200	203	150
GCT	Hedge/Member		Decrease	USD	200	200	150	150
MGC	Spec		Decrease	USD	27	20	20	15
MGC	Hedge/Member		Decrease	USD	20	20	15	15
QO	Spec		Decrease	USD	135	100	101	75
QO	Hedge/Member		Decrease	USD	100	100	75	75
COMEX Silver - Tier 1 vs Tier 2 ()								
6Q	Spec		Decrease	USD	95	70	68	50
6Q	Hedge/Member		Decrease	USD	70	70	50	50
QI	Spec		Decrease	USD	236	175	169	125
QI	Hedge/Member		Decrease	USD	175	175	125	125
SI	Spec		Decrease	USD	473	350	338	250
SI	Hedge/Member		Decrease	USD	350	350	250	250
SIT	Spec		Decrease	USD	473	350	338	250
SIT	Hedge/Member		Decrease	USD	350	350	250	250
COMEX Silver - Tier 1 vs Tier 3 ()								
6Q	Spec		Decrease	USD	176	130	135	100
6Q	Hedge/Member		Decrease	USD	130	130	100	100
QI	Spec		Decrease	USD	439	325	338	250
QI	Hedge/Member		Decrease	USD	325	325	250	250
SI	Spec		Decrease	USD	878	650	675	500
SI	Hedge/Member		Decrease	USD	650	650	500	500
SIT	Spec		Decrease	USD	878	650	675	500
SIT	Hedge/Member		Decrease	USD	650	650	500	500

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
COMEX Silver - Tier 2 vs Tier 2 ()								
6Q	Spec		Decrease	USD	68	50	54	40
6Q	Hedge/Member		Decrease	USD	50	50	40	40
QI	Spec		Decrease	USD	169	125	135	100
QI	Hedge/Member		Decrease	USD	125	125	100	100
SI	Spec		Decrease	USD	338	250	270	200
SI	Hedge/Member		Decrease	USD	250	250	200	200
SIT	Spec		Decrease	USD	338	250	270	200
SIT	Hedge/Member		Decrease	USD	250	250	200	200
COMEX Silver - Tier 2 vs Tier 3 ()								
6Q	Spec		Decrease	USD	135	100	108	80
6Q	Hedge/Member		Decrease	USD	100	100	80	80
QI	Spec		Decrease	USD	338	250	270	200
QI	Hedge/Member		Decrease	USD	250	250	200	200
SI	Spec		Decrease	USD	675	500	540	400
SI	Hedge/Member		Decrease	USD	500	500	400	400
SIT	Spec		Decrease	USD	675	500	540	400
SIT	Hedge/Member		Decrease	USD	500	500	400	400