

12-106

TO: Clearing Member Firms

Chief Financial Officers Back Office Managers Margin Managers

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Friday, March 09, 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 Friday, March 09, 2012.

Current rates as of:

Thursday, March 08, 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.

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outri	ght Rates							
			ME	TALS - C	Outright Rate	es		
СОМЕ	EX COPPER SWAF	P FUTURES (HG	SS)					
HGS	Spec	Mths 1-4	New	USD			6,750	5,000
HGS	Hedge/Member	Mths 1-4	New	USD			5,000	5,000
HGS	Spec	Mths 5+	New	USD			6,750	5,000
HGS	Hedge/Member	Mths 5+	New	USD			5,000	5,000
		PETR	OLEUM CRA	CKS AN	D SPREADS	- Outright Rates	;	
GASC	LINE 10 PPM PLA	ATTS FOB CRK	SPRD (GKS)					
GKS	Spec	Mnths 1-6	New	USD			3,300	3,000
GKS	Hedge/Member	Mnths 1-6	New	USD			3,000	3,000
GKS	Spec	Mnths 7+	New	USD			3,300	3,000
GKS	Hedge/Member	Mnths 7+	New	USD			3,000	3,000
RBOE	GAS VS EURO B	OB OXY NWE E	BARGES (XEI	R)				
XER	Spec		New	USD			2,640	2,400
XER	Hedge/Member		New	USD			2,400	2,400
			DEEINED	DD () III	CTS - Outrig	ht Patos		
1% FI	JEL OIL PLATTS (CIF BAI MO SW		FRODU	C13 - Outrig	III Nates		
FOB	Spec	JII BALIIIO OTT	New	USD			45,100	41,000
FOB	Hedge/Member		New	USD			41,000	
1% Fl	JEL OIL PLATTS F	FOB BALMO SW	APS (FOM)					
FOM	Spec		New	USD			45,100	41,000
FOM	Hedge/Member		New	USD			41,000	41,000
3.5%	FUELOIL FOB ME	D CRK SPD BA	LMO (FOA)					
FOA	Spec		New	USD			5,500	5,000
FOA	Hedge/Member		New	USD			5,000	5,000
<u>3.5</u> %	FUELOIL FOB RD	AM CRK SPD B	ALMO (FCB)					
FCB	Spec		New	USD			6,050	5,500
FCB	Hedge/Member		New	USD			5,500	5,500
DATE	D BRENT(PLATTS	S) BALMO SWA	P (DBB)					
		<u>, </u>						
DBB	Spec	<u>, </u>	New	USD			7,700	7,000

USD

New

7,000

7,000

DBB

Hedge/Member

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
ntra S	Spreads							
			ME	TALS - I	ntra Spread	ls		
СОМЕ	X Copper Calenda	ar Swap - Mnths	s 1-4 vs Mnth	ns 1-4 (C	OMEX COPI	PER SWAP FUTU	RES)	
HGS	Spec		New	USD			203	3 150
HGS	Hedge/Member		New	USD			150	150
COME	EX Copper Calenda	ar Swap - Mnths	s 1-4 vs Mnth	ns 5+ (CC	MEX COPP	ER SWAP FUTUR	RES)	
HGS	Spec		New	USD			304	225
HGS	Hedge/Member		New	USD			225	5 225
СОМЕ	X Copper Calenda	ar Swap - Mnths	5 5+ vs Mnth	s 5+ (CO	MEX COPP	ER SWAP FUTUR	ES)	
HGS	Spec		New	USD			304	225
HGS	Hedge/Member		New	USD			225	5 225
		PETR	OLEUM CRA	ACKS AN	ID SPREAD	S - Intra Spreads		
Gasol SPRD	ine 10 ppm (Platts)) FOB MED Cra	ck Spread S	wap Futi	ures - All Mo	onths (GASOLINE	10 PPM PLAT	TS FOB CRK
GKS	Spec		New	USD			550	500
GKS	Hedge/Member		New	USD			500	500

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra S	Spreads							
			REFINED	PRODU	CTS - Intra	Spreads		
(DAT	ED BRENT(PLAT	TS) BALMO SW	AP)					
DBB	Spec		New	USD			1,650	1,500
DBB	Hedge/Member		New	USD			1,500	1,500
1% Fu	ıel Oil (Platts) Caı	goes CIF MED B	BALMO Swap	Futures	s - All Month	s (1% FUEL OIL	PLATTS CIF BA	LMO SWAPS)
FOB	Spec		New	USD			16,500	15,000
							45.000	45.000
FOB 1% F u	Hedge/Member iel Oil (Platts) Car	goes FOB MED	New BALMO Swa	USD p Future	es - All Mont	hs (1% FUEL OIL	15,000 PLATTS FOB I	15,000 BALMO SWAPS
1% Fu	· ·	goes FOB MED			es - All Mont	hs (1% FUEL OIL		
1% F u	uel Oil (Platts) Car	goes FOB MED	BALMO Swa	p Future	es - All Mont	hs (1% FUEL OIL	PLATTS FOB I	BALMO SWAPS
1% Fu FOM FOM 3.5% I	sel Oil (Platts) Car		New New	USD USD		`	16,500 15,000	15,000 15,000
FOM FOM 3.5% I	Spec Hedge/Member		New New	USD USD		`	16,500 15,000	15,000 15,000 IL FOB RDAM
1% Fu FOM FOM 3.5% I CRK S	Spec Hedge/Member Fuel Oil (Platts) B SPD BALMO)		New New Crack Spre	USD USD USD		`	16,500 15,000 as (3.5% FUELO	15,000 15,000 15,000 IL FOB RDAM
1% Fu FOM FOM 3.5% I CRK S FCB FCB	Spec Hedge/Member Fuel Oil (Platts) B SPD BALMO) Spec Hedge/Member Fuel Oil (Platts) F	arges FOB Rdan	New New n Crack Spre	USD USD ead BALI USD USD	MO Swap Fu	itures - All Month	16,500 15,000 as (3.5% FUELO 1,650 1,500	15,000 15,000 15,000 IL FOB RDAM 1,500 1,500
FOM FOM 3.5% I CRK S FCB FCB	Spec Hedge/Member Fuel Oil (Platts) B SPD BALMO) Spec Hedge/Member Fuel Oil (Platts) F	arges FOB Rdan	New New n Crack Spre	USD USD ead BALI USD USD	MO Swap Fu	itures - All Month	16,500 15,000 as (3.5% FUELO 1,650 1,500	15,000 15,000 15,000 IL FOB RDAM 1,500 1,500

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Sprea	ad Rates					

CRUDE OIL - Inter-commodity Spread Rates

DATED BRENT (PLATTS) BALMO SWAP FUTURES (NY-DBB - CME) vs DATED BRENT (PLATTS) CALENDAR SWAP **FUTURES (NY-UB - CME)**

Spread Credit Rate New +1:-1 75% 75%

Current Initial

Ratio

Current

Maintenance

New Initial

New

Maintenance

COPPER FUTURES (C	CX-HG - CME)	s COPPER CALENDAR SWAP FUTURE	S (CX-HGS - CME)	
Spread Credit Rate	New	+1:-1	98%	98%
	PETROLEUI	I CRACKS AND SPREADS - Inter-comm	odity Spread Rates	
		FOB RDAM CRACK SPREAD BALMO SV RDAM CRACK SPREAD SWAP FUTURES		vs 3.5%
Spread Credit Rate	New	+1:-1	75%	75%
		CRACK SPREAD BALMO SWAP FUTUR D SWAP FUTURES (NY-FL - CME)	ES (NY-FOA - CME) vs 3.5% FU	EL OIL
Spread Credit Rate	New	+1:-1	75%	75%
	REI	INED PRODUCTS - Inter-commodity Spi	read Rates	
1% FUEL OIL (PLATT) CARGOES CIF MED S		CIF MED BALMO SWAP FUTURES (NY-F S (NY-1W - CME)	OB - CME) vs 1% FUEL OIL (PL	ATTS)
Spread Credit Rate	New	+1:-1	75%	75%
		FOB MED BALMO SWAP FUTURES (NY- AP FUTURES (NY-EFM - CME)	FOM - CME) vs EUROPEAN 1%	FUEL OIL
Spread Credit Rate	New	+1:-1	75%	75%
		FOB RDAM CRACK SPREAD BALMO SV RDAM CRACK SPREAD SWAP FUTURES		vs 3.5%
Spread Credit Rate	New	+1:-1	75%	75%
		CRACK SPREAD BALMO SWAP FUTUR D SWAP FUTURES (NY-FL - CME)	ES (NY-FOA - CME) vs 3.5% FU	EL OIL
Spread Credit Rate	New	+1:-1	75%	75%
DATED BRENT (PLAT FUTURES (NY-UB - C		WAP FUTURES (NY-DBB - CME) vs DAT	ED BRENT (PLATTS) CALENDA	R SWAP
Spread Credit Rate	New	+1:-1	75%	75%

Rate Type

Inter-commodity Spread Rates

Change

	Of Air Military	W I EIXI O	I (III) (III)	SILD ILEGO	<u> </u>	
Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Short Option Minimur	n (SOM) Rate					
	META	LS - Short O	ption Minimum (SOM) Rate		
COPPER CALENDAR	SWAP FUTURES (CA	P, HGS) - SO	М			
Clearing Member Rate		New			40.50	30.00
	PETROLEUM CRACI	KS AND SPRE	EADS - Short Opt	ion Minimum (SC	OM) Rate	
GASOLINE 10 PPM (P	PLATTS) FOB MED CR	ACK SPREA	D SWAP FUTURE	ES (GKS) - SOM		
Clearing Member Rate		New			55.00	50.00
1% FUEL OIL (PLATT)	S) CARGOES CIF MEI	D BALMO SW	AP FUTURES (F	OB) - SOM		
Clearing Member Rate	,	New	· ·		220.00	200.00
1% FUEL OIL (PLATT	S) CARGOES FOB ME	D BALMO SV	WAP FUTURES (F	FOM) - SOM		
Clearing Member Rate		New			220.00	200.00
3.5% FUEL OIL (PLAT	TS) BARGES FOB RE	AM CRACK	SPREAD BALMO	SWAP FUTURES	S (FCB) - SOM	
Clearing Member Rate		New			55.00	50.00
3.5% FUEL OIL (PLAT	TS) FOB MED CRACE	SPREAD BA	ALMO SWAP FUT	URES (FOA) - SO	OM	
Clearing Member Rate		New			55.00	50.00
DATED BRENT (PLAT	TS) BALMO SWAP F	JTURES (DBE	3) - SOM			
Classins Masshas Data						
Clearing Member Rate		New			55.00	50.0

Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volSca	nn) Rate					
	ME	TALS - Volat	ility Scan (volSca	ın) Rate		
COPPER CALENDAR	SWAP FUTURES (CA	AP, HGS) - vol	Scan			
Clearing Member Rate	Mths 1-4	New				0.1
Clearing Member Rate	Mths 5+	New				0.05
	PETROLEUM CRA	ACKS AND SF	PREADS - Volatili	ty Scan (volScar	n) Rate	
GASOLINE 10 PPM (P	LATTS) FOB MED CF	RACK SPREA	D SWAP FUTURE	ES (GKS) - volSc	an	
Clearing Member Rate	Mnths 1-6	New				0.08
Clearing Member Rate	Mnths 7+	New				0.08
RBOB GASOLINE VS.	EURO-BOB OXY (AF	RGUS) NWE B	ARGES (1000MT) SWAP FUTURE	S (EXR, XER) -	volScan
Clearing Member Rate		New				0.08
	REFINED	PRODUCTS	- Volatility Scan (volScan) Rate		
1% FUEL OIL (PLATTS	S) CARGOES CIF ME	D BALMO SW	AP FUTURES (F	OB) - volScan		
Clearing Member Rate		New				0.08
1% FUEL OIL (PLATTS	S) CARGOES FOB MI	ED BALMO S	WAP FUTURES (F	FOM) - volScan		
Clearing Member Rate		New				0.08
3.5% FUEL OIL (PLAT	TS) BARGES FOB RI	DAM CRACK	SPREAD BALMO	SWAP FUTURE	S (FCB) - volSc	an
Clearing Member Rate		New				0.08
3.5% FUEL OIL (PLAT	TS) FOB MED CRAC	K SPREAD BA	ALMO SWAP FUT	URES (FOA) - vo	olScan	
Clearing Member Rate		New				0.08
DATED BRENT (PLAT	TS) BALMO SWAP F	UTURES (DBI	B) - volScan			
Clearing Member Rate		New				0.08