

12-213

TO: Clearing Member Firms

Chief Financial Officers Back Office Managers Margin Managers

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Thursday, May 17, 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, May 18, 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.

СС	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
			AGRIC	ULTURE	- Outright	Rates		
BLAC	K SEA WHEAT FU	UTURES (BSW)					
BSW	Spec	Old Crop	New	USD			3,375	2,500
BSW	Hedge/Member	Old Crop	New	USD			2,500	2,500
BSW	Spec	New Crop	New	USD			3,375	2,500
BSW	Hedge/Member	New Crop	New	USD			2,500	2,500

	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
ntra	Spreads							
			AGRIC	ULTUR	E - Intra Spre	eads		
Black	Sea Wheat - 2nd I	New Crop v 2nd	New Crop (Jul throu	gh May) (BL	ACK SEA WHEA	T FUTURES)	
3SW	Spec		New	USD			506	375
BSW	Hedge/Member		New	USD			375	375
Black	Sea Wheat - Curre	ent Crop v 2nd N	lew Crop (Ju	ul throug	h May) (BL	ACK SEA WHEAT	FUTURES)	
BSW	Spec		New	USD			1,114	825
BSW	Hedge/Member		New	USD			825	825
Black	Sea Wheat - Curre	ent Crop v Curre	ent Crop (BL	ACK SE	A WHEAT FU	UTURES)		
BSW	Spec		New	USD			506	375
3SW	Hedge/Member		New	USD			375	375
Black	Sea Wheat - Curre	ent Crop v New	Crop (Jul thi	rough Ma	ay) (BLACK	SEA WHEAT FUT	ΓURES)	
BSW	Spec	· · · · · · · · · · · · · · · · · · ·	New	USD			776	575
BSW	Hedge/Member		New	USD			575	575
Black	Sea Wheat - New	Crop v 2nd New	Crop (Jul th	nrough N	lay) (BLACK	SEA WHEAT FU	ITURES)	
BSW	Spec	•	New	USD			641	475
BSW	Hedge/Member		New	USD			475	475
Black	Sea Wheat - New	Crop v New Cro	p (Jul throu	gh May)	(BLACK SE	A WHEAT FUTUR	RES)	
BSW	Spec	<u> </u>	New	USD			574	425
BSW	Hedge/Member		New	USD			425	425
Black	Sea Wheat Butter	fly - Contracts 1	-3 (BLACK S	SEA WHI	EAT FUTURI	ES)		
	Sea Wheat Butter	fly - Contracts 1	-3 (BLACK S	USD	EAT FUTURI	ES)	506	375
BSW		fly - Contracts 1	•		EAT FUTURI	ES)	506 375	375 375
BSW BSW	Spec		New New	USD		,		
BSW BSW Black	Spec Hedge/Member		New New	USD		,		
BSW BSW Black BSW	Spec Hedge/Member Sea Wheat Butter		New New	USD USD SEA WHI		,	375	375
BSW BSW Black BSW BSW	Spec Hedge/Member Sea Wheat Butter Spec	fly - Contracts 2	New Rew Rew New New New	USD USD SEA WHI USD USD	EAT FUTURI	ES)	375 506	375 375
BSW BSW Black BSW BSW	Spec Hedge/Member Sea Wheat Butter Spec Hedge/Member	fly - Contracts 2	New Rew Rew New New New	USD USD SEA WHI USD USD	EAT FUTURI	ES)	375 506	375 375 375
BSW Black BSW BSW BSW Black	Spec Hedge/Member Sea Wheat Butter Spec Hedge/Member Sea Wheat Butter	fly - Contracts 2	New New -4 (BLACK S New New S-5 (BLACK S	USD USD SEA WHI USD USD SEA WHI	EAT FUTURI	ES)	506 375	375 375
BSW Black BSW BSW Black BSW BSW	Spec Hedge/Member Sea Wheat Butter Spec Hedge/Member Sea Wheat Butter Spec	fly - Contracts 2	New	USD USD USD USD USD USD USD USD USD	EAT FUTURI	ES)	506 375 338	375 375 375 250
BSW BIack BSW BSW BIack BSW BSW BSW BSW BSW BSW	Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member	fly - Contracts 2	New	USD USD USD USD USD USD USD USD USD	EAT FUTURI	ES)	506 375 338	375 375 375 250 250
BSW BIack BSW BIack BSW BSW BSW BSW BSW BSW	Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member	fly - Contracts 2	New	USD	EAT FUTURI	ES)	375 506 375 338 250	375 375 375 250 250
BSW BIack BSW BIack BSW BSW BSW BSW BSW BIack BSW BSW	Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member	fly - Contracts 2 fly - Contracts 3 fly - Contracts 4	New New New New New S-5 (BLACK S New	USD	EAT FUTURI	ES)	375 506 375 338 250	375 375 375 250
BSW BIack BSW BIack BSW BSW BSW BSW BSW BIACK BSW BSW	Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Spec Hedge/Member Hedge/Member Hedge/Member	fly - Contracts 2 fly - Contracts 3 fly - Contracts 4	New New New New New S-5 (BLACK S New	USD	EAT FUTURI	ES)	375 506 375 338 250	375 375 375 250 250

СС	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance	
Intra S	Intra Spreads								
Black Sea Wheat Calendar Spread - Consecutive Contract 2-3 (BLACK SEA WHEAT FUTURES)									
BSW	Spec		New	USD			338	250	
BSW	Hedge/Member		New	USD			250	250	
Black	Black Sea Wheat Calendar Spread - Consecutive Contract 3-4 (BLACK SEA WHEAT FUTURES)								
BSW	Spec		New	USD			304	225	
BSW	Hedge/Member		New	USD			225	225	
Black	Black Sea Wheat Calendar Spread - Consecutive Contract 4-5 (BLACK SEA WHEAT FUTURES)								
BSW	Spec		New	USD			304	225	
BSW	Hedge/Member		New	USD			225	225	
Black	Black Sea Wheat Calendar Spread - Consecutive Contract 5-6 (BLACK SEA WHEAT FUTURES)								
BSW	Spec		New	USD			304	225	
BSW	Hedge/Member		New	USD			225	225	

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance			
Inter-Commodity Spread Rates									
	AGR	ICULTURE - Int	ter-Commodity	Spread Rates					
Black Sea Wheat vs. C	BOT Wheat								
Spread Credit Rate	New	+1:-1			65%	65%			

Black Sea Wheat Span Parameters (BSW)						
Туре	Period	Rate				
Vol Scan	Old Crop	6%				
Vol Scan	New Crop	6%				
Short Option Minimum	Old Crop	\$25				
Short Option Minimum	New Crop	\$25				