CME Group | Advisory Notice

TO:	Clearing Member Firms; Back Office Managers
FROM:	CME Clearing
DATE:	May 13, 2013
ADVISORY #:	13-217
SUBJECT:	**Change to Interest Rate Swap Price Curve**

Please be advised that beginning Monday, May 20, 2013, CME Clearing will utilize a revised price curve for the CME cleared Interest Rate Swap Products.

The price curve currently used for CME cleared OIS swaps utilizes OIS swap inputs for tenors zero to 30 years. The curve is utilized to settle cleared OIS swaps and in the margin model.

The revision will use the OIS curve for tenor inputs zero to two years – but use a basis curve of OIS/Libor for tenor inputs for after two years out to 30 years. The change is designed to incorporate the most liquid instruments currently available for curve construction.

The impact of the proposed change to the pricing of currently cleared OIS Swaps is minimal.

If you should have any questions please contact Jay Zhu at 212-299-2597 or at jay.zhu@cmegroup.com