



13-314

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Tuesday, July 09, 2013

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

Wednesday, July 10, 2013.

Current rates as of:

Tuesday, July 09, 2013.

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.

Tier modifications for Fed Fund Futures (41):

Tiers	Current	New
1	1 st Month	1 st Month
2	Months 2-4	Months 2-4
3	Months 5-12	Months 5-12
4	Months 12+	Months 12-24
5		Months 25+

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
INTEREST RATES - Outright Rates								
10 YEAR USD INTERESRT RATE SWAP (N1U)								
N1U	Spec		Increase	USD	1,815	1,650	2,145	1,950
N1U	Hedge/Member		Increase	USD	1,650	1,650	1,950	1,950
10Y INTEREST RATE SWAP FUTURES (66)								
66	Spec		Increase	USD	1,540	1,400	1,870	1,700
66	Hedge/Member		Increase	USD	1,400	1,400	1,700	1,700
10Y TREASURY NOTE FUTURES (21)								
21	Spec		Increase	USD	1,375	1,250	1,623	1,475
21	Hedge/Member		Increase	USD	1,250	1,250	1,475	1,475
30 DAY FED FUND FUTURES (41)								
41	Spec	Months 25+	Increase	USD	495	450	715	650
41	Hedge/Member	Months 25+	Increase	USD	450	450	650	650
30 YEAR USD INTEREST RATE SWAP (B1U)								
B1U	Spec		Increase	USD	3,850	3,500	4,400	4,000
B1U	Hedge/Member		Increase	USD	3,500	3,500	4,000	4,000
5 YEAR USD INTEREST RATE SWAP (F1U)								
F1U	Spec		Increase	USD	1,265	1,150	1,540	1,400
F1U	Hedge/Member		Increase	USD	1,150	1,150	1,400	1,400
5-YR INTEREST RATE SWAP FUTURES (NG)								
NG	Spec		Increase	USD	990	900	1,210	1,100
NG	Hedge/Member		Increase	USD	900	900	1,100	1,100
EURODOLLAR FUTURES (ED)								
ED	Spec	Tier 04 [contr 13-contr 16]	Increase	USD	550	500	715	650
ED	Hedge/Member	Tier 04 [contr 13-contr 16]	Increase	USD	500	500	650	650
ED	Spec	Tier 05 [contr 17-contr 20]	Increase	USD	605	550	825	750
ED	Hedge/Member	Tier 05 [contr 17-contr 20]	Increase	USD	550	550	750	750
ED	Spec	Tier 06 [contr 21-contr 24]	Increase	USD	660	600	880	800
ED	Hedge/Member	Tier 06 [contr 21-contr 24]	Increase	USD	600	600	800	800
ED	Spec	Tier 07 [contr 25-contr 28]	Increase	USD	715	650	880	800

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
ED	Hedge/Member	Tier 07 [contr 25-contr 28]	Increase	USD	650	650	800	800
ED	Spec	Tier 08 [contr 29-contr 32]	Increase	USD	715	650	880	800
ED	Hedge/Member	Tier 08 [contr 29-contr 32]	Increase	USD	650	650	800	800
ED	Spec	Tier 09 [contr 33-contr 36]	Increase	USD	715	650	880	800
ED	Hedge/Member	Tier 09 [contr 33-contr 36]	Increase	USD	650	650	800	800
ED	Spec	Tier 10 [contr 37-contr 40]	Increase	USD	715	650	880	800
ED	Hedge/Member	Tier 10 [contr 37-contr 40]	Increase	USD	650	650	800	800
ED	Spec	Tier 11 [contr 41-contr 44]	Increase	USD	715	650	880	800
ED	Hedge/Member	Tier 11 [contr 41-contr 44]	Increase	USD	650	650	800	800

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
INTEREST RATES - Intra Spreads								
Eurodollar (ED) - Tier 5 vs. Tier 10 [mth 17-20 vs. mth 37-40] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	165	150	220	200
ED	Hedge/Member		Increase	USD	150	150	200	200
Eurodollar (ED) - Tier 5 vs. Tier 11 [mth 17-20 vs. mth 41-44] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	248	225	303	275
ED	Hedge/Member		Increase	USD	225	225	275	275
Eurodollar (ED) - Tier 5 vs. Tier 7 [mth 17-20 vs. mth 25-28] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	110	100	165	150
ED	Hedge/Member		Increase	USD	100	100	150	150
Eurodollar (ED) - Tier 5 vs. Tier 8 [mth 17-20 vs. mth 29-32] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	165	150	220	200
ED	Hedge/Member		Increase	USD	150	150	200	200
Eurodollar (ED) - Tier 5 vs. Tier 9 [mth 17-20 vs. mth 33-36] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	165	150	220	200
ED	Hedge/Member		Increase	USD	150	150	200	200
Eurodollar (ED) - Tier 6 vs. Tier 10 [mth 21-24 vs. mth 37-40] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	193	175	248	225
ED	Hedge/Member		Increase	USD	175	175	225	225
Eurodollar (ED) - Tier 6 vs. Tier 11 [mth 21-24 vs. mth 41-44] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	248	225	303	275
ED	Hedge/Member		Increase	USD	225	225	275	275
Eurodollar (ED) - Tier 6 vs. Tier 7 [mth 21-24 vs. mth 25-28] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	55	50	110	100
ED	Hedge/Member		Increase	USD	50	50	100	100
Eurodollar (ED) - Tier 6 vs. Tier 8 [mth 21-24 vs. mth 29-32] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	138	125	193	175
ED	Hedge/Member		Increase	USD	125	125	175	175
Eurodollar (ED) - Tier 6 vs. Tier 9 [mth 21-24 vs. mth 33-36] (EURODOLLAR FUTURES)								
ED	Spec		Increase	USD	165	150	220	200
ED	Hedge/Member		Increase	USD	150	150	200	200