



13-520

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Friday, November 08, 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

**Friday, November 08, 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.

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Outright Rates</b>								
<b>AGRICULTURE - Outright Rates</b>								
<b>AUG-DEC SOYBEAN MEAL SYNT COMBO (SM4)</b>								
SM4	Spec		New	USD			1,688	1,250
SM4	Hedge/Member		New	USD			1,250	1,250
<b>AUG-DEC SOYBEAN OIL SYNTHETIC COMBO (OC4)</b>								
OC4	Spec		New	USD			743	550
OC4	Hedge/Member		New	USD			550	550
<b>DEC-JUL SOYBEAN MEAL SYNT COMBO (SM3)</b>								
SM3	Spec		New	USD			1,688	1,250
SM3	Hedge/Member		New	USD			1,250	1,250
<b>DEC-JUL SOYBEAN OIL SYNTHETIC COMBO (OC3)</b>								
OC3	Spec		New	USD			68	50
OC3	Hedge/Member		New	USD			50	50
<b>JAN-MAR(14-MTH) SOYBEAN SYNT COMBO (S8C)</b>								
S8C	Spec		New	USD			2,025	1,500
S8C	Hedge/Member		New	USD			1,500	1,500
<b>JUL-JUL SOYBEAN SYNTHETIC COMBO (SC1)</b>								
SC1	Spec		New	USD			2,025	1,500
SC1	Hedge/Member		New	USD			1,500	1,500
<b>MAR-DEC CORN SYNTHETIC COMBO (3CC)</b>								
3CC	Spec		New	USD			675	500
3CC	Hedge/Member		New	USD			500	500
<b>MAR-JUL CORN SYNTHETIC COMBO (7CC)</b>								
7CC	Spec		New	USD			608	450
7CC	Hedge/Member		New	USD			450	450
<b>MAR-JUL WHEAT SYNTHETIC COMBO (CW3)</b>								
CW3	Spec		New	USD			540	400
CW3	Hedge/Member		New	USD			400	400
<b>MAR-NOV SOYBEAN SYNTHETIC COMBO (SC0)</b>								
SC0	Spec		New	USD			2,025	1,500
SC0	Hedge/Member		New	USD			1,500	1,500
<b>NOV-MAR SOYBEAN SYNTHETIC COMBO (SC3)</b>								
SC3	Spec		New	USD			2,025	1,500
SC3	Hedge/Member		New	USD			1,500	1,500
<b>SEP-DEC SOYBEAN MEAL SYNT COMBO (SM5)</b>								

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Outright Rates</b>								
SM5	Spec		New	USD			1,688	1,250
SM5	Hedge/Member		New	USD			1,250	1,250
<b>SEP-DEC SOYBEAN OIL SYNTHETIC COMBO (OC5)</b>								
OC5	Spec		New	USD			743	550
OC5	Hedge/Member		New	USD			550	550

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Short Option Minimum (SOM) Rate</b>						
<b>AGRICULTURE - Short Option Minimum (SOM) Rate</b>						
<b>AUG-DEC SOYBEAN MEAL CSO (SM4, SM4) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>AUG-DEC SOYBEAN OIL CSO (OC4, OC4) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>DEC-JUL SOYBEAN MEAL CCO (SM3, SM3) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>DEC-JUL SOYBEAN OIL CCO (OC3, OC3) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>JAN-MAR SOYBEAN CSO (S8C, S8C) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>JUL-JUL SOYBEAN CSO (SC1, SC1) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>MAR-DEC CORN CSO (3CC, 3CC) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>MAR-JUL CORN CSO (7CC, 7CC) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>MAR-JUL WHEAT CSO (CW3, CW3) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>MAR-NOV SOYBEAN CSO (SC0, SC0) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>NOV-MAR SOYBEAN CSO (SC3, SC3) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>SEP-DEC SOYBEAN MEAL CSO (SM5, SM5) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%
<b>SEP-DEC SOYBEAN OIL CSO (OC5, OC5) - SOM</b>						
Clearing Member Rate		New			1.35%	1.00%

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	<u>Tier Description</u>	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
<b>Volatility Scan (volScan) Rate</b>						
<b>AGRICULTURE - Volatility Scan (volScan) Rate</b>						
<b>AUG-DEC SOYBEAN MEAL CSO (SM4, SM4) - volScan</b>						
Clearing Member Rate		New				25.00
<b>AUG-DEC SOYBEAN OIL CSO (OC4, OC4) - volScan</b>						
Clearing Member Rate		New				25.00
<b>DEC-JUL SOYBEAN MEAL CCO (SM3, SM3) - volScan</b>						
Clearing Member Rate		New				25.00
<b>DEC-JUL SOYBEAN OIL CCO (OC3, OC3) - volScan</b>						
Clearing Member Rate		New				25.00
<b>JAN-MAR SOYBEAN CSO (S8C, S8C) - volScan</b>						
Clearing Member Rate		New				25.00
<b>JUL-JUL SOYBEAN CSO (SC1, SC1) - volScan</b>						
Clearing Member Rate		New				25.00
<b>MAR-DEC CORN CSO (3CC, 3CC) - volScan</b>						
Clearing Member Rate		New				25.00
<b>MAR-JUL CORN CSO (7CC, 7CC) - volScan</b>						
Clearing Member Rate		New				25.00
<b>MAR-JUL WHEAT CSO (CW3, CW3) - volScan</b>						
Clearing Member Rate		New				25.00
<b>MAR-NOV SOYBEAN CSO (SC0, SC0) - volScan</b>						
Clearing Member Rate		New				25.00
<b>NOV-MAR SOYBEAN CSO (SC3, SC3) - volScan</b>						
Clearing Member Rate		New				25.00
<b>SEP-DEC SOYBEAN MEAL CSO (SM5, SM5) - volScan</b>						
Clearing Member Rate		New				25.00
<b>SEP-DEC SOYBEAN OIL CSO (OC5, OC5) - volScan</b>						
Clearing Member Rate		New				25.00