



14-043

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Friday, January 24, 2014

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

Monday, January 27, 2014.

Current rates as of:

Friday, January 24, 2014.

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
Outright Rates								
FX - Outright Rates								
E-MICRO CHF/USD FUTURES (MSF)								
MSF	Spec		Increase	USD	237	215	253	230
MSF	Hedge/Member		Increase	USD	215	215	230	230
EURO FX/SF FUTURES (RF)								
RF	Spec		Increase	CHF	1,293	1,175	1,650	1,500
RF	Hedge/Member		Increase	CHF	1,175	1,175	1,500	1,500
EURO/TURKISH LIRA FUTURES (TRE)								
TRE	Spec		Increase	TRY	9,350	8,500	12,100	11,000
TRE	Hedge/Member		Increase	TRY	8,500	8,500	11,000	11,000
SWISS FRANC FUTURES (SF)								
SF	Spec		Increase	USD	2,365	2,150	2,530	2,300
SF	Hedge/Member		Increase	USD	2,150	2,150	2,300	2,300
U.S. DOLLAR TURKISH LIRA FUTURES (TRY)								
TRY	Spec		Increase	TRY	12,100	11,000	13,750	12,500
TRY	Hedge/Member		Increase	TRY	11,000	11,000	12,500	12,500
U.S. DOLLAR\RENMINBI FUTURES (RMB)								
RMB	Spec		Increase	USD	1,760	1,600	2,200	2,000
RMB	Hedge/Member		Increase	USD	1,600	1,600	2,000	2,000

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
NATURAL GAS - Outright Rates								
E-MINI NATURAL GAS FUTURES (QG)								
QG	Spec	Mth 1	Increase	USD	688	625	825	750
QG	Hedge/Member	Mth 1	Increase	USD	625	625	750	750
QG	Spec	Mth 2	Increase	USD	660	600	798	725
QG	Hedge/Member	Mth 2	Increase	USD	600	600	725	725
HENRY HUB FUT (NN)								
NN	Spec	Mth 1	Increase	USD	688	625	825	750
NN	Hedge/Member	Mth 1	Increase	USD	625	625	750	750
NN	Spec	Mth 2	Increase	USD	660	600	798	725
NN	Hedge/Member	Mth 2	Increase	USD	600	600	725	725
HENRY HUB FUT TRADE AT SETTLEMENT (NNT)								
NNT	Spec	Mth 1	Increase	USD	688	625	825	750
NNT	Hedge/Member	Mth 1	Increase	USD	625	625	750	750
NNT	Spec	Mth 2	Increase	USD	660	600	798	725
NNT	Hedge/Member	Mth 2	Increase	USD	600	600	725	725
HENRY HUB NAT GAS LAST DAY DELV (MNG)								
MNG	Spec	Mth 1	Increase	USD	688	625	825	750
MNG	Hedge/Member	Mth 1	Increase	USD	625	625	750	750
MNG	Spec	Mth 2	Increase	USD	660	600	798	725
MNG	Hedge/Member	Mth 2	Increase	USD	600	600	725	725
HENRY HUB PENULTIMATE (NP)								
NP	Spec	Mth 1	Increase	USD	688	625	825	750
NP	Hedge/Member	Mth 1	Increase	USD	625	625	750	750
NP	Spec	Mth 2	Increase	USD	660	600	798	725
NP	Hedge/Member	Mth 2	Increase	USD	600	600	725	725
HH TAS NYMEX NATURAL GAS FUTURES (HHT)								
HHT	Spec	Mth 1	Increase	USD	2,750	2,500	3,300	3,000
HHT	Hedge/Member	Mth 1	Increase	USD	2,500	2,500	3,000	3,000
HHT	Spec	Mth 2	Increase	USD	2,640	2,400	3,190	2,900
HHT	Hedge/Member	Mth 2	Increase	USD	2,400	2,400	2,900	2,900
NATURAL GAS HENRY HUB FUTURE (NG)								
NG	Spec	Mth 1	Increase	USD	2,750	2,500	3,300	3,000
NG	Hedge/Member	Mth 1	Increase	USD	2,500	2,500	3,000	3,000
NG	Spec	Mth 2	Increase	USD	2,640	2,400	3,190	2,900
NG	Hedge/Member	Mth 2	Increase	USD	2,400	2,400	2,900	2,900

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
NATURAL GAS TRADE AT SETTLEMENT (NGT)								
NGT	Spec	Mth 1	Increase	USD	2,750	2,500	3,300	3,000
NGT	Hedge/Member	Mth 1	Increase	USD	2,500	2,500	3,000	3,000
NGT	Spec	Mth 2	Increase	USD	2,640	2,400	3,190	2,900
NGT	Hedge/Member	Mth 2	Increase	USD	2,400	2,400	2,900	2,900
NYMEX NATURAL GAS (H.HUB LTD) FUT (HH)								
HH	Spec	Mth 1	Increase	USD	2,750	2,500	3,300	3,000
HH	Hedge/Member	Mth 1	Increase	USD	2,500	2,500	3,000	3,000
HH	Spec	Mth 2	Increase	USD	2,640	2,400	3,190	2,900
HH	Hedge/Member	Mth 2	Increase	USD	2,400	2,400	2,900	2,900
NYMEX NATURAL GAS FUTURES (HP)								
HP	Spec	Mth 1	Increase	USD	2,750	2,500	3,300	3,000
HP	Hedge/Member	Mth 1	Increase	USD	2,500	2,500	3,000	3,000
HP	Spec	Mth 2	Increase	USD	2,640	2,400	3,190	2,900
HP	Hedge/Member	Mth 2	Increase	USD	2,400	2,400	2,900	2,900

Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate						
NATURAL GAS - Volatility Scan (volScan) Rate						
HENRY HUB NATURAL GAS FUTURES (HHQ, KD, LN, MNG, NG, NGT, ON, U01, U02, U03, U04, U05, U06, U07, U08, U09, U10, U11, U12, U13, U14, U15, U16, U17, U18, U19, U20, U21, U22, U23, U24, U25, U26, U27, U28, U29, U30, U31) - volScan						
Clearing Member Rate	Mth 1	Increase		0.100		0.150
Clearing Member Rate	Mth 2	Increase		0.050		0.060
Clearing Member Rate	Summer 2014	Increase		0.030		0.035
HENRY HUB NATURAL GAS PENULTIMATE FINANCIAL FUTURES (E7, HH, HP, NP, QG) - volScan						
Clearing Member Rate	Mth 2	Increase		0.050		0.060
Clearing Member Rate	Mth 1	Increase		0.100		0.150
Clearing Member Rate	Summer 2014	Increase		0.030		0.035
NYMEX NATURAL GAS (H.HUB LTD) FUT (E7, HH, HHT, NN, NNT) - volScan						
Clearing Member Rate	Mth 1	Increase		0.100		0.150
Clearing Member Rate	Mth 2	Increase		0.050		0.060
Clearing Member Rate	Summer 2014	Increase		0.030		0.035