

## Memorandum

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TO: CLEARING MEMBER FIRMS  
FROM: CME CLEARING  
DATE: 12/15/14  
SUBJECT: **Collateral Haircuts**  
ADVISORY #: 14-483

Effective on March 2, 2015, CME will begin applying cross currency haircuts to USD denominated assets that are being used to meet non-USD denominated performance bond requirements. The haircut schedule will reflect the same haircuts that currently apply to FX cash as published on <http://www.cmegroup.com/clearing/financial-and-collateral-management/>. This haircut accounts for the currency risk associated with assets and performance bond requirements that are denominated in different currencies.

In addition, CME will begin applying a cross currency risk haircut for non-cash collateral similar to the cross currency haircut currently applied to cash collateral. This is in addition to any security haircut that CME currently applies to account for assets denominated in one currency to be used to meet performance bond requirements that are denominated in a different currency. The haircut schedule will reflect the same haircuts that currently apply to FX cash as published on <http://www.cmegroup.com/clearing/financial-and-collateral-management/>.

For reference, below is the current FX cash haircut schedule:

Denomination of Asset	FX Haircut
AUD	5%
CAD	5%
CHF	5%
CNH/CNY	10%
CZK	10%
DKK	5%
EUR	5%
GBP	5%
HKD	5%
HUF	10%
JPY	5%
MXN	10%
NOK	5%
NZD	5%
PLN	10%
SEK	5%

SGD	5%
TRY	20%
ZAR	15%

If you have any questions, please contact CME Clearing Financial at 312-207-2594 or email [chfin@cmegroup.com](mailto:chfin@cmegroup.com).