



15-109

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Friday, April 17, 2015

***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, April 17, 2015.**

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
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### Outright Rates

#### REFINED PRODUCTS - Outright Rates

##### **D4 BIODIESEL RINS (ARGUS) 2015 FUTU (D45)**

D45	Spec	Mnth 1	New	USD			6,600	6,000
D45	Hedge/Member	Mnth 1	New	USD			6,000	6,000
D45	Spec	Mnths 2+	New	USD			6,600	6,000
D45	Hedge/Member	Mnths 2+	New	USD			6,000	6,000

##### **D5 ADVANCED BIOFUEL RINS (ARGUS) 20 (D55)**

D55	Spec	Mnth 1	New	USD			6,600	6,000
D55	Hedge/Member	Mnth 1	New	USD			6,000	6,000
D55	Spec	Mnths 2+	New	USD			6,600	6,000
D55	Hedge/Member	Mnths 2+	New	USD			6,000	6,000

##### **D6 ETHANOL RINS (ARGUS) 2015 FUTURE (D65)**

D65	Spec	Mnth 1	New	USD			6,600	6,000
D65	Hedge/Member	Mnth 1	New	USD			6,000	6,000
D65	Spec	Mnths 2+	New	USD			6,600	6,000
D65	Hedge/Member	Mnths 2+	New	USD			6,000	6,000

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
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### Intra Spreads

#### REFINED PRODUCTS - Intra Spreads

##### All Months (D4 BIODIESEL RINS (ARGUS) 2015 FUTU)

D45	Spec		New	USD			990	900
D45	Hedge/Member		New	USD			900	900

##### All Months (D5 ADVANCED BIOFUEL RINS (ARGUS) 20)

D55	Spec		New	USD			990	900
D55	Hedge/Member		New	USD			900	900

##### All Months (D6 ETHANOL RINS (ARGUS) 2015 FUTURE)

D65	Spec		New	USD			990	900
D65	Hedge/Member		New	USD			900	900

## SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	<u>Tier Description</u>	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
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**Short Option Minimum (SOM) Rate**

**REFINED PRODUCTS - Short Option Minimum (SOM) Rate**

**D4 BIODIESEL RINS (ARGUS) 2015 FUTURES (D45) - SOM**

Clearing Member Rate	New				66.000	60.000
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**D5 ADVANCED BIOFUEL RINS (ARGUS) 2015 FUTURES (D55) - SOM**

Clearing Member Rate	New				66.000	60.000
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**D6 ETHANOL RINS (ARGUS) 2015 FUTURES (D65) - SOM**

Clearing Member Rate	New				66.000	60.000
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# 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>REFINED PRODUCTS - Volatility Scan (volScan) Rate</b>						
<b>D4 BIODIESEL RINS (ARGUS) 2015 FUTURES (D45) - volScan</b>						
Clearing Member Rate	Mnth 1	New				0.080
Clearing Member Rate	Mnths 2+	New				0.080
<b>D5 ADVANCED BIOFUEL RINS (ARGUS) 2015 FUTURES (D55) - volScan</b>						
Clearing Member Rate	Mnth 1	New				0.080
Clearing Member Rate	Mnths 2+	New				0.080
<b>D6 ETHANOL RINS (ARGUS) 2015 FUTURES (D65) - volScan</b>						
Clearing Member Rate	Mnth 1	New				0.080
Clearing Member Rate	Mnths 2+	New				0.080