15-276

CME Group

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Thursday, September 10, 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, September 11, 2015.

Current rates as of:

Thursday, September 10, 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
Outright Rates								
			ELECTRICITY - Outright Rates					
ERCOT NORTH ZONE MCPE 50 MW PEAK CALENDAR-DAY SWAP FUTURES (2T)								
2T	Spec	Days 1-8	Decrease	USD	38,500	35,000	28,600	26,000
2T	Hedge/Member	Days 1-8	Decrease	USD	35,000	35,000	26,000	26,000
2T	Spec	Days 9-15	New	USD			18,700	17,000
2T	Hedge/Member	Days 9-15	New	USD			17,000	17,000
2T	Spec	Days 16+	New	USD			16,500	15,000
2T	Hedge/Member	Days 16+	New	USD			15,000	15,000
ERCOT WEST ZONE MCPE 50 MW PEAK CALENDAR-DAY SWAP FUTURES (2V)								
2V	Spec	Days 1-8	Decrease	USD	39,600	36,000	25,300	23,000
2V	Hedge/Member	Days 1-8	Decrease	USD	36,000	36,000	23,000	23,000
2V	Spec	Days 9-15	New	USD			18,700	17,000
2V	Hedge/Member	Days 9-15	New	USD			17,000	17,000
2V	Spec	Days 16+	New	USD			16,500	15,000
2V	Hedge/Member	Days 16+	New	USD			15,000	15,000
ERCOT NORTH ZONE MCPE 50 MW OFF-PEAK CALENDAR-DAY SWAP FUTURES (3F)								
3F	Spec	Days 1-10	Decrease	USD	2,750	2,500	1,980	1,800
3F	Hedge/Member	Days 1-10	Decrease	USD	2,500	2,500	1,800	1,800
3F	Spec	Days 11-15	New	USD			1,100	1,000
3F	Hedge/Member	Days 11-15	New	USD			1,000	1,000
3F	Spec	Days 16+	New	USD			990	900
3F	Hedge/Member	Days 16+	New	USD			900	900
ERCOT WEST ZONE MCPE 50 MW OFF-PEAK CALENDAR-DAY SWAP FUTURES (3J)								
3J	Spec	Days 1-10	Decrease	USD	2,200	2,000	1,760	1,600
3J	Hedge/Member	Days 1-10	Decrease	USD	2,000	2,000	1,600	1,600
3J	Spec	Days 11-15	New	USD			1,100	1,000
3J	Hedge/Member	Days 11-15	New	USD			1,000	1,000
3J	Spec	Days 16+	New	USD			990	900
3J	Hedge/Member	Days 16+	New	USD			900	900
ERCOT HOUST 345KV HUB DAYH 5MW OFPK (EHW)								
EHW	Spec		Decrease	USD	165	150	66	60
EHW	Hedge/Member		Decrease	USD	150	150	60	60
ERCOT HSTN 345KV HUB DAYHD 5MW PK (EHF)								
EHF	Spec		Decrease	USD	5,500	5,000	2,200	2,000
EHF	Hedge/Member		Decrease	USD	5,000	5,000	2,000	2,000
ERCOT NRTH 345 KV HUB OFFPK CLN D (I8)								
I8	Spec	Days 1-10	Decrease	USD	275	250	198	180

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
I8	Hedge/Member	Days 1-10	Decrease	USD	250	250	180	180
I8	Spec	Days 11-15	New	USD			110	100
I8	Hedge/Member	Days 11-15	New	USD			100	100
I8	Spec	Days 16+	New	USD			99	90
I8	Hedge/Member	Days 16+	New	USD			90	90
ERCOT NRTH 345 KV HUB PEAK CLND D (I7)								
I7	Spec	Days 1-8	Decrease	USD	3,850	3,500	2,860	2,600
I7	Hedge/Member	Days 1-8	Decrease	USD	3,500	3,500	2,600	2,600
I7	Spec	Days 9-15	New	USD			1,870	1,700
I7	Hedge/Member	Days 9-15	New	USD			1,700	1,700
I7	Spec	Days 16+	New	USD			1,650	1,500
I7	Hedge/Member	Days 16+	New	USD			1,500	1,500
ERCOT NRTH 345KV HUB DAYHD 5MW OFPK (ERP)								
ERP	Spec		Decrease	USD	165	150	66	60
ERP	Hedge/Member		Decrease	USD	150	150	60	60
ERCOT S. 345KV HUB DAYHD 5MW OFPK (EUP)								
EUP	Spec		Decrease	USD	220	200	66	60
EUP	Hedge/Member		Decrease	USD	200	200	60	60
ERCOT SOUTH 345KV HUB DAYHD 5MW PK (EUW)								
EUW	Spec		Decrease	USD	3,300	3,000	1,870	1,700
EUW	Hedge/Member		Decrease	USD	3,000	3,000	1,700	1,700
ERCOT WEST 345 KV HUB 5 PEAK CLND D (R1)								
R1	Spec	Days 1-8	Decrease	USD	3,960	3,600	2,530	2,300
R1	Hedge/Member	Days 1-8	Decrease	USD	3,600	3,600	2,300	2,300
R1	Spec	Days 9-15	New	USD			1,870	1,700
R1	Hedge/Member	Days 9-15	New	USD			1,700	1,700
R1	Spec	Days 16+	New	USD			1,650	1,500
R1	Hedge/Member	Days 16+	New	USD			1,500	1,500
ERCOT WEST 345 KV HUB OFFPK CLN D (R4)								
R4	Spec	Days 1-10	Decrease	USD	220	200	176	160
R4	Hedge/Member	Days 1-10	Decrease	USD	200	200	160	160
R4	Spec	Days 11-15	New	USD			110	100
R4	Hedge/Member	Days 11-15	New	USD			100	100
R4	Spec	Days 16+	New	USD			99	90
R4	Hedge/Member	Days 16+	New	USD			90	90

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
ERCOT WEST 345KV HB DAYHD 5MW PK (EWW)								
EWW	Spec		Decrease	USD	3,300	3,000	1,870	1,700
EWW	Hedge/Member		Decrease	USD	3,000	3,000	1,700	1,700
ERCOT WEST 345KV HUB DAYHD 5MW OFPK (EWF)								
EWF	Spec		Decrease	USD	220	200	66	60
EWF	Hedge/Member		Decrease	USD	200	200	60	60
ISO NEW ENG MASS HUB DA OP DAILY (IDO)								
IDO	Spec	Days 1-10	Decrease	USD	220	200	110	100
IDO	Hedge/Member	Days 1-10	Decrease	USD	200	200	100	100
IDO	Spec	Days 11-15	New	USD			44	40
IDO	Hedge/Member	Days 11-15	New	USD			40	40
IDO	Spec	Days 16+	New	USD			61	55
IDO	Hedge/Member	Days 16+	New	USD			55	55
MISO INDIANA HUB 5MW D AH O PK (K2)								
K2	Spec	Mnth 1	Decrease	USD	11	10	9	8
K2	Hedge/Member	Mnth 1	Decrease	USD	10	10	8	8
NEW YORK HUB ZONE J PEAK DAILY (JN)								
JN	Spec		Decrease	USD	5,500	5,000	2,750	2,500
JN	Hedge/Member		Decrease	USD	5,000	5,000	2,500	2,500
NYISO ZONE A DA OP DAILY (ZAO)								
ZAO	Spec	Days 1-10	Decrease	USD	110	100	88	80
ZAO	Hedge/Member	Days 1-10	Decrease	USD	100	100	80	80
ZAO	Spec	Days 11-15	New	USD			22	20
ZAO	Hedge/Member	Days 11-15	New	USD			20	20
ZAO	Spec	Days 16+	New	USD			33	30
ZAO	Hedge/Member	Days 16+	New	USD			30	30
NYISO ZONE A LBMP FUT (AN)								
AN	Spec	Days 1-6	Decrease	USD	3,300	3,000	2,970	2,700
AN	Hedge/Member	Days 1-6	Decrease	USD	3,000	3,000	2,700	2,700
AN	Spec	Days 7-15	Decrease	USD	3,300	3,000	2,200	2,000
AN	Hedge/Member	Days 7-15	Decrease	USD	3,000	3,000	2,000	2,000
AN	Spec	Days 16+	Decrease	USD	3,300	3,000	1,650	1,500
AN	Hedge/Member	Days 16+	Decrease	USD	3,000	3,000	1,500	1,500

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
NYISO ZONE G DA OP DAILY (ZGO)								
ZGO	Spec	Days 1-10	Decrease	USD	110	100	99	90
ZGO	Hedge/Member	Days 1-10	Decrease	USD	100	100	90	90
ZGO	Spec	Days 11-15	New	USD			39	35
ZGO	Hedge/Member	Days 11-15	New	USD			35	35
ZGO	Spec	Days 16+	New	USD			44	40
ZGO	Hedge/Member	Days 16+	New	USD			40	40
NYISO ZONE G DAY-AHEAD PK CAL DAY (GN)								
GN	Spec		Decrease	USD	5,500	5,000	4,400	4,000
GN	Hedge/Member		Decrease	USD	5,000	5,000	4,000	4,000
NYISO ZONE J DA OP DAILY (ZJO)								
ZJO	Spec	Days 1-10	Decrease	USD	330	300	110	100
ZJO	Hedge/Member	Days 1-10	Decrease	USD	300	300	100	100
ZJO	Spec	Days 11-15	New	USD			44	40
ZJO	Hedge/Member	Days 11-15	New	USD			40	40
ZJO	Spec	Days 16+	New	USD			55	50
ZJO	Hedge/Member	Days 16+	New	USD			50	50
PJM AD HUB 5MW REAL TIME O PK (V3)								
V3	Spec	Mnth 1	Decrease	USD	22	20	11	10
V3	Hedge/Member	Mnth 1	Decrease	USD	20	20	10	10
PJM AEP DAYTON HUB RT OP DAILY (AOR)								
AOR	Spec	Days 1-10	Decrease	USD	193	175	110	100
AOR	Hedge/Member	Days 1-10	Decrease	USD	175	175	100	100
AOR	Spec	Days 11-15	Decrease	USD	165	150	44	40
AOR	Hedge/Member	Days 11-15	Decrease	USD	150	150	40	40
AOR	Spec	Days 16+	Decrease	USD	110	100	28	25
AOR	Hedge/Member	Days 16+	Decrease	USD	100	100	25	25
PJM AEP-DAYTON HUB RT PK CALDAY 5MW (VD)								
VD	Spec	Days 1-6	Decrease	USD	4,400	4,000	2,750	2,500
VD	Hedge/Member	Days 1-6	Decrease	USD	4,000	4,000	2,500	2,500
VD	Spec	Days 7-15	Decrease	USD	1,650	1,500	1,430	1,300
VD	Hedge/Member	Days 7-15	Decrease	USD	1,500	1,500	1,300	1,300
VD	Spec	Days 16+	Decrease	USD	1,320	1,200	1,100	1,000
VD	Hedge/Member	Days 16+	Decrease	USD	1,200	1,200	1,000	1,000

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
PJM DAILY (JD)								
JD	Spec	Days 1-6	Decrease	USD	3,300	3,000	2,530	2,300
JD	Hedge/Member	Days 1-6	Decrease	USD	3,000	3,000	2,300	2,300
JD	Spec	Days 7-14	Decrease	USD	2,200	2,000	1,650	1,500
JD	Hedge/Member	Days 7-14	Decrease	USD	2,000	2,000	1,500	1,500
JD	Spec	Days 15+	New	USD			1,100	1,000
JD	Hedge/Member	Days 15+	New	USD			1,000	1,000
PJM N ILLINOIS HUB RT PK CAL DAY5MW (UD)								
UD	Spec	Days 1-6	Decrease	USD	3,300	3,000	2,200	2,000
UD	Hedge/Member	Days 1-6	Decrease	USD	3,000	3,000	2,000	2,000
UD	Spec	Days 7-14	Decrease	USD	3,300	3,000	2,200	2,000
UD	Hedge/Member	Days 7-14	Decrease	USD	3,000	3,000	2,000	2,000
UD	Spec	Days 15+	Decrease	USD	3,300	3,000	2,200	2,000
UD	Hedge/Member	Days 15+	Decrease	USD	3,000	3,000	2,000	2,000
PJM NI HUB 5MW REAL TIME O PK (B6)								
B6	Spec	Mnth 1	Decrease	USD	22	20	11	10
B6	Hedge/Member	Mnth 1	Decrease	USD	20	20	10	10
PJM NILL DA OFF-PEAK (L3)								
L3	Spec	Mnth 1	Decrease	USD	17	15	11	10
L3	Hedge/Member	Mnth 1	Decrease	USD	15	15	10	10
PJM WESTERN HUB DA OP DAILY FUT (PWO)								
PWO	Spec		Decrease	USD	165	150	110	100
PWO	Hedge/Member		Decrease	USD	150	150	100	100
PJM WESTERN HUB RT OP DAILY (WOR)								
WOR	Spec	Days 1-10	Decrease	USD	138	125	110	100
WOR	Hedge/Member	Days 1-10	Decrease	USD	125	125	100	100
WOR	Spec	Days 11-15	Decrease	USD	110	100	44	40
WOR	Hedge/Member	Days 11-15	Decrease	USD	100	100	40	40
WOR	Spec	Days 16+	Decrease	USD	83	75	28	25
WOR	Hedge/Member	Days 16+	Decrease	USD	75	75	25	25
PJM WESTH RT OFF-PEAK (N9)								
N9	Spec	Mnth 1	Decrease	USD	22	20	17	15
N9	Hedge/Member	Mnth 1	Decrease	USD	20	20	15	15

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
			EQUITY INDEX - Outright Rates					
E-MINI CNX NIFTY INDEX FUTURES (II)								
II	Spec		Increase	USD	880	800	990	900
II	Hedge/Member		Increase	USD	800	800	900	900
E-MINI NIKKEI 225 YEN DENOMINATED (ENY)								
ENY	Spec		Increase	JPY	118,800	108,000	128,150	116,500
ENY	Hedge/Member		Increase	JPY	108,000	108,000	116,500	116,500
NIKKEI 225 DOLLAR FUTURES (NK)								
NK	Spec		Increase	USD	5,940	5,400	6,408	5,825
NK	Hedge/Member		Increase	USD	5,400	5,400	5,825	5,825
NIKKEI 225 YEN FUT (N1)								
N1	Spec		Increase	JPY	594,000	540,000	640,750	582,500
N1	Hedge/Member		Increase	JPY	540,000	540,000	582,500	582,500
			PETROLEUM CRACKS AND SPREADS - Outright Rates					
ARGS GSOLNE E-BOB OXY BARGES NWE CK (EOB)								
EOB	Spec	Mnth 1	Increase	USD	23,824	21,658	26,206	23,824
EOB	Hedge/Member	Mnth 1	Increase	USD	21,658	21,658	23,824	23,824
GAS EURO-BOB OXY (ARG) CRACK (7K)								
7K	Spec	Mnth 1	Increase	USD	2,860	2,600	3,146	2,860
7K	Hedge/Member	Mnth 1	Increase	USD	2,600	2,600	2,860	2,860
SINGPORE GASOIL 10PPM V GSOLSPD FUT (STZ)								
STZ	Spec	Mnth 1	Increase	USD	330	300	440	400
STZ	Hedge/Member	Mnth 1	Increase	USD	300	300	400	400
STZ	Spec	Mnth 2+	Increase	USD	275	250	385	350
STZ	Hedge/Member	Mnth 2+	Increase	USD	250	250	350	350

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
			ELECTRICITY - Intra Spreads					
CINERGY HUB 5 MW OFF-PEAK CALENDAR-MONTH REAL-TIME SWAP- All Months (MISO INDIANA HUB 5MW REAL TIME OFPK)								
H4	Spec		Decrease	USD	17	15	9	8
H4	Hedge/Member		Decrease	USD	15	15	8	8
ERCOT North 345 kV Hub 50 MW Off-Peak Futures - All Months (ERCOT NRTH 345 KV HUB 5 MW OFFPK S)								
I6	Spec		Decrease	USD	33	30	20	18
I6	Hedge/Member		Decrease	USD	30	30	18	18
ERCOT North 345 kV Hub 50 MW Peak Futures - All Months (ERCOT NRTH 345 KV HUB 5 MW PEAK FUT)								
I5	Spec		Decrease	USD	550	500	330	300
I5	Hedge/Member		Decrease	USD	500	500	300	300
ERCOT West 345 kV Hub 50 MW Off-Peak Futures - All Months (ERCOT WEST 345 KV HUB 5 MW OFFPK S)								
O1	Spec		Decrease	USD	22	20	17	15
O1	Hedge/Member		Decrease	USD	20	20	15	15
ERCOT West 345 kV Hub 50 MW Peak Futures - All Months (ERCOT WEST 345 KV HUB MW PEAK FUT)								
N1	Spec		Decrease	USD	935	850	385	350
N1	Hedge/Member		Decrease	USD	850	850	350	350
MISO CINERGY HUB 5 MW OFF-PEAK DAY-AHEAD SWAP - All Months (MISO INDIANA HUB 5MW D AH O PK)								
K2	Spec		Decrease	USD	17	15	9	8
K2	Hedge/Member		Decrease	USD	15	15	8	8
NEPOOL INTER HUB 5MW DAY AHEAD PEAK - All Months (NEPOOL INTR HUB 5MW D AH PK)								
U6	Spec		Decrease	USD	660	600	440	400
U6	Hedge/Member		Decrease	USD	600	600	400	400
NYISO ZONE A 5MW DAY AHEAD OFF PEAK - All Months (NYISO ZONE A 5MW D AH O PK)								
K4	Spec		Decrease	USD	22	20	13	12
K4	Hedge/Member		Decrease	USD	20	20	12	12
NYISO ZONE G 5MW DAY AHEAD OFF PEAK - All Months (NYISO ZONE G 5MW D AH O PK)								
D2	Spec		Decrease	USD	28	25	20	18
D2	Hedge/Member		Decrease	USD	25	25	18	18
Ontario Peak Calendar-Month Swap Futures - All Months (ONTARIO PEAK CAL-MONTH FUTURES)								
OPM	Spec		Decrease	CAD	770	700	550	500
OPM	Hedge/Member		Decrease	CAD	700	700	500	500
PJM AD HUB 5MW REAL TIME OFF PEAK - All Months (PJM AD HUB 5MW REAL TIME O PK)								
V3	Spec		Decrease	USD	20	18	11	10
V3	Hedge/Member		Decrease	USD	18	18	10	10

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Intra Spreads								
PJM AEP Dayton Hub Peak Calendar-Month Day-Ahead - All Months (PJM DAYTON DA PEAK)								
D7	Spec		Decrease	USD	660	600	209	190
D7	Hedge/Member		Decrease	USD	600	600	190	190
PJM NI HUB 5MW REAL TIME PEAK - All Months (PJM NI HUB 5MW REAL TIME PK)								
B3	Spec		Decrease	USD	231	210	198	180
B3	Hedge/Member		Decrease	USD	210	210	180	180
PJM Northern Illinois Off-Peak Calendar-Month Day-Ahead LMP - All Months (PJM NILL DA OFF-PEAK)								
L3	Spec		Decrease	USD	17	15	9	8
L3	Hedge/Member		Decrease	USD	15	15	8	8
INTEREST RATES - Intra Spreads								
Fed Funds (CBOT) (41) - Tier 1 vs. Tier 2 [mth 1 vs. mth 2-4] (30 DAY FED FUND FUTURES)								
41	Spec		Decrease	USD	286	260	176	160
41	Hedge/Member		Decrease	USD	260	260	160	160
METALS - Intra Spreads								
Aluminum MW US Transaction Premium Platts (25MT) Swap Futures - All Months (ALUMINUM MW TRANS PREM PLATTS SWAPS)								
AUP	Spec		Decrease	USD	1,760	1,600	880	800
AUP	Hedge/Member		Decrease	USD	1,600	1,600	800	800

Rate Type	Change	Ratio	Current Initial	Current Maintenance	New Initial	New Maintenance
Inter-commodity Spread Rates						
NGL/PETROCHEMICALS - Inter-commodity Spread Rates						
SINGAPORE GASOIL (PLATTS) SWAP FUTURES (NY-SG - CME) vs MONT BELVIEU LDH PROPANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-B0 - CME)						
Spread Credit Rate	Decrease	+1:-1	55%	55%	45%	45%
REFINED PRODUCTS - Inter-commodity Spread Rates						
NEW YORK HARBOR RESIDUAL FUEL 1.0% (PLATTS) SWAP FUTURES (NY-MM - CME) vs SINGAPORE JET KEROSENE (PLATTS) SWAP FUTURES (NY-KS - CME)						
Spread Credit Rate	Decrease	+1:-1	60%	60%	50%	50%
SINGAPORE GASOIL (PLATTS) SWAP FUTURES (NY-SG - CME) vs MONT BELVIEU LDH PROPANE 5 DECIMALS (OPIS) SWAP FUTURES (NY-B0 - CME)						
Spread Credit Rate	Decrease	+1:-1	55%	55%	45%	45%