CME Group | Advisory Notice

TO: CME CORE API users

FROM: CMEClearing@cmegroup.com

DATE: March 14, 2016

SUBJECT: CME CORE: Swaptions Launch April 11, 2016

ADVISORY #: 16-116

Further to advisory 16-078, please be advised that CME CORE will begin supporting swaptions, in the production environment, on April 11, 2016.

Swaptions impact on delta ladder users:

Please be advised that swaptions will contain Greek risk factors, other than delta, that will be utilized to calculate a margin result for a swaptions portfolio. These additional risk components will not be captured in delta ladder portfolios and may result in inaccurate margin results when margined by CME CORE. It is recommended that users only utilize delta ladder portfolios for IRS swaps and that users create trade based portfolios when margining swaptions, in order to receive an accurate margin result from CME CORE.

Please contact the CME CORE group at cme.core@cmegroup.com with any questions.