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SFE TO INTRODUCE 3, 4, 5 & 6 MONTH STRIP TRADING FACILITY ON THE 30 DAY INTERBANK CASH RATE FUTURES CONTRACTS

Sydney Futures Exchange is pleased to announce that a **3, 4, 5 and 6 month strip trading** facility will be listed on the 30 Day Interbank Cash Rate Futures from the start of the SYCOM day session at **8:30am on Tuesday 20th July 2004**. The Cash Rate Futures Strip Trading Facility will be known as the **Cash Rate Futures Strip**, and have a separate SYCOM commodity code of **IS**.

Key Features

- Four sets of strips will be available for trade: 3, 4, 5 & 6 Month Strip
- Each Cash Rate Futures Strip will be structured as a bundle between contract months currently listed in the 30 Day Interbank Cash Rate Futures. The July contract month will initially be the front month for all 4 Strips listed, as shown in the following table:

Initial Series of Cash Rate Futures Strips to be listed on 20 July 2004:

Name	September Cash Rate Futures Strip	October Cash Rate Futures Strip	November Cash Rate Futures Strip	December Cash Rate Futures Strip
Strip and Commodity Code	3 Month Strip (ISU4)	4 Month Strip (ISV4)	5 Month Strip (ISX4)	6 Month Strip (ISZ4)
Cash Rate Futures contract months included in Cash Rate Futures Strip	July, August September	July, August, September, October,	July, August, September, October, November	July, August, September, October, November, December

- The listing of new Strips is aligned to the expiry process in the Cash Rate Futures contracts. For example, when the July 2004 Cash Rate Futures contract expires (on the 30th of July 2004), trading in the 3 Month September Cash Rate Futures Strip will cease at 12pm on this day. The previous 4, 5 and 6 month strips will then become the 3, 4, and 5 month strips. A new 6 month Strip will be listed for trade at 4:30pm on this day.
- Strips are calculated based on average yield of each contract month included in the strip. For example, a 3 month September Cash Rate Futures Strip (comprised of the July, August and September Cash Rate Futures contracts) will have an *indicative price* of 94.720 if the underlying 3 contract months were trading at 94.740, 94.720 and 94.700. Please note, the Cash Rate Futures Strip is calculated using a different method to the Bank Bill Strip on SYCOM.

- When dealt in the Cash Rate Futures Strip this will be at the market price of the underlying Cash Rate Futures contracts.
- A trade in the Cash Rate Futures Strip will result in corresponding positions in the underlying Cash Rate Futures contracts. For example, a trade of 10 contracts in the 3 Month September Cash Rate Futures Strip will result in a position of 10 contracts in each of the July 2004, August 2004 and September 2004 Cash Rate Futures contracts that make-up this strip.
- Prices in the Cash Rate Futures Strip are quoted in yield percent per annum in multiples of 0.005%. For quotation purposes the yield is deducted from 100.
- Strips do not have a settlement price allocated to them at close of trade.

Official Market Maker

In addition to their existing market making commitments in the 30 Day Interbank Cash Rate Futures Deutsche Bank AG have extended their market making capacity to cover the Cash Rate Futures Strip. As the Official Market Maker in this product Deutsche Bank AG will be providing two-way prices with a bid/offer spread of 3 basis points and volume of 100 contracts in each of the 4 Cash Rate Futures Strips listed from the 20th of July, 2004.

Exchange Fees and Initial Margins

Exchange trading and settlement fees of AUD 0.90 (excluding GST) will be levied per leg of each contract traded in the 30 Day Interbank Cash Rate Futures.

Trading and Clearing Systems

Trading Systems connected to SYCOM Interfaces will be able to download the new strip facility details on the production SYCOM system during the week prior to listing. These details will also be made available for Workstations. Participants should therefore ensure all Trading and Clearing software systems are operationally ready prior to 20 July 2004. The SECUR codes will be made available prior to listing of the Cash Rate Futures Strip.

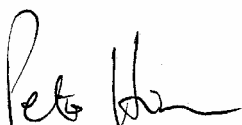
SFE Data Vendor Codes and Contract Specifications

Data vendor codes for the Cash Rate Futures Strip and the 30 Day Interbank Cash Rate Futures contracts are attached. Contract specifications for the SFE 30 Day Interbank Cash Rate Futures contracts are also attached.

Further Information

For further information on the 30 Day Interbank Cash Rate Futures contracts and the Cash Rate Futures Strip please contact the following:

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30 Day Interbank Cash Rate Futures and Cash Rate Futures Strip Data Vendor Access Codes

	30 DAY INTERBANK CASH RATE FUTURES	CASH RATE FUTURES STRIP	AUSTRALIA OVERNIGHT CASH RATE OF RESERVE BANK
SFE Code	IB	IS	
Aether Systems –	–	–	–
Bloomberg	IBA <CMDTY>	INA <CMDTY> CT <GO>	RBA16 RBACOR <INDEX>DES<GO>
Bourse Data	IB	–	–
CQG	IBCR	–	–
Derivatives.com.au	IBMMYY	–	–
FT Interactive Data	IBmy	–	–
FutureSource	Day: AIB Full: ASB	–	–
Infoscan	–	–	–
IRESS	IBmy	ISmy	CASH
MarketCast	IBmy	–	–
MarketSource	–	–	–
Moneyline Telerate Codes	AU@IB+	Day: au@IS Night: au@SIN Full: au@ISC	–
Moneyline Telerate Pages	20087	–	–
Orange	–	–	–
Reuters	Full: 0#YIB: Night: 0#1YIB: Day: 0#2YIB:	Full: 0#YIS- Night: 0#1YIS- Day: 0#2YIS-	RBA36 AUCASH=RBAA
Comstock – Aspen	–	–	–
Comstock – Internet	Full: IBSmy Night: IBmy Day: IBmy	17mlSmy	–
Telekurs	3,IBym,359	–	–
Thomson Financial	IB	–	–

30 Day Interbank Cash Rate Futures Contract Specifications

Contract	30 Day Interbank Cash Rate Futures
Contract Unit	Average monthly Interbank Overnight Cash Rate payable on a notional sum of AUD 3,000,000
Contract Months	Monthly up to 12 months ahead
Minimum Price Movement	Quoted in yield percent per annum in multiples of 0.005%, for quotation purposes yield is deducted from 100. A one basis point move of 0.01% is equal to \$24.66
Contract Expiry¹	Trading shall cease at 12.00pm on the last business day of the expiry month
Settlement Method¹	The Cash Settlement Price is equal to 100 minus the cash settlement rate, where the cash settlement rate is the monthly average of the Interbank Overnight Cash Rate for that contract month calculated by taking the sum of the daily Interbank Overnight Cash Rate, as published by the Reserve Bank of Australia, divided by the number of days for that month. On weekends and public holidays, when no Interbank Overnight Cash Rate is published the Cash Rate published on the previous business day will be used for settlement price calculation. The cash settlement price is rounded to the nearest multiple of 0.005. The Cash Settlement price shall be announced to the market by 12.00pm on the first business day following the Last Trading Day. All bought and sold contracts in existence as at the close of trading in the contract month shall be settled by SFE Clearing at the cash settlement price.
Trading Hours¹	5.10pm-7.00am and 8.30am-4.30pm (during US daylight saving time) 5.10pm-7.30am and 8.30am-4.30pm (during US non daylight saving time)
Settlement Day	The second business day following the last permitted day of trading

¹ Unless otherwise indicated, all times are Sydney times. US daylight saving begins first Sunday in April and ends last Sunday in October