



SFE NOTICE NO.

025/08

Date of Issue: 20th February 2008

Effective Date: 25th February 2008

SFE Initial Margin Rates – Young Cattle & Wool Contracts

SFE Clearing Corporation has reviewed the price volatility of the Young Cattle and Wool contracts and has approved the margin changes as shown in Attachment 1.

The adjustments follow SFECC's ongoing review of Initial Margin parameters given current market volatility and price levels. Clearing Risk Operations monitors margin erosion using the existing margin erosion facility and any significant exposures are limited using the intra day margining process.

The revised margin parameters will be effective for open contracts as at close of business on **Monday 25th February 2008**, impacting on margin calls made on **Tuesday 26th February 2008**.

Participants are encouraged to advise all relevant clients of this Initial Margin change on a timely basis.

Initial margin rates for all SFE contracts are available on the SFE Website at www.sfe.com.au

Should you have any queries in relation to the above, please contact the Clearing Risk Operations department on 9227-0562 or 9227 0532.

A handwritten signature in black ink, appearing to read 'Nhiem Ngo', with a stylized flourish at the end.

Nhiem Ngo
Risk Analyst



NOTICE CONTINUED

A T T A C H M E N T 1

Price Scanning Range

Contract	Price Scanning Range
Broad Wool	Increase from \$850 to \$1,000
Fine Wool	Decrease from \$1,250 to \$1,000
Young Cattle	Decrease from \$1,150 to \$300

Intermonth Charge

Contract	Price Scanning Range
Broad Wool	Increase from \$275 to \$325
Fine Wool	Decrease from \$400 to \$320
Young Cattle	Decrease from \$180 to \$50

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