



SFE NOTICE NO.

097/08

Date of Issue: 17th July 2008

Effective Date: 23rd July 2008

SFE Clearing Initial Margin Rates – Index and Debt Margin Rates

SFE Clearing Corporation has reviewed the price volatility of the Index and Debt Contracts and has approved the margin changes as shown in Attachment 1.

The adjustments follow SFECC's ongoing review of the Index and Debt Contracts 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 **Wednesday 23rd July 2008**, impacting on margin calls made on **Thursday 24th July 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 ASX Website at www.asx.com.au

Should you have any queries in relation to the above, please contact the Clearing Risk Operations department on 9227-0595 or 9227-0532.

A handwritten signature in black ink, appearing to be 'Melissa Wong', written over a horizontal line.

Melissa Wong
Risk Analyst

ASX Limited
20 Bridge Street
Sydney NSW 2000
Australia

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ATTACHMENT 1

Price Scanning Range

Contract	Price Scanning Range
90 Day Bank Accepted Bill	Increase from \$750 to \$1,020
30 Day Interbank Cash Rate	Increase from \$660 to \$760
3 Year Government Bond (6% Coupon)	Decrease from \$950 to \$760
10 Year Government Bond (6% Coupon)	Decrease from \$1,820 to \$1,530

Volatility Scan Range

Contract	Price Scanning Range
SPI200™	Increase from 2.5% to 3.2%
3 Year Government Bond (6% Coupon)	Increase from 0.5% to 1.6%
10 Year Government Bond (6% Coupon)	Decrease from 1.5% to 1.2%

Inter-Month Spread Charge

Contract	Price Scanning Range
SPI200™	Decrease from \$940 to \$725
90 Day Bank Accepted Bill	TIERED (see below)
30 Day Interbank Cash Rate	TIERED (see below)
3 Year Government Bond (6% Coupon)	Increase from \$200 to \$540
10 Year Government Bond (6% Coupon)	Increase from \$205 to \$410

Tiered Inter-Month Spread Details – 90 Day Bank Accepted Bill

90 Day Bank Accepted Bill	Months in Tier	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Tier 1	1					
Tier 2	2 to 3	\$ 550	\$ 170			
Tier 3	4 to 8	\$ 760	\$ 550	\$ 225		
Tier 4	9 to 12	\$ 680	\$ 475	\$ 275	\$ 195	
Tier 5	13 to 20	\$ 830	\$ 475	\$ 700	\$ 620	\$ 500

Tiered Inter-Month Spread Details – 30 Day Interbank Cash Rate

30 Day Interbank Cash Rate	Months in Tier	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Tier 1	1					
Tier 2	2 to 4	\$ 215	\$ 150			
Tier 3	5 to 8	\$ 355	\$ 300	\$ 240		
Tier 4	9 to 12	\$ 535	\$ 530	\$ 475	\$ 170	
Tier 5	13 to 18	\$ 580	\$ 575	\$ 525	\$ 360	\$ 520



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Span Inter Commodity Concessions

Contracts	Delta Spread Ratio	% Credit per Leg of Spread
10 Year Government Bond 6% Coupon : 3 Year Government Bond 6% Coupon	1:3	60%
30 Day Interbank Cash Rate : 90 Day Bank Bill	1:1	85%
3 Year Government Bond 6% Coupon : 90 Day Bank Bill	1:1	75%
10 Year Government Bond 6% Coupon : 90 Day Bank Bill	1:3	60%
30 Day Interbank Cash Rate : 3 Year Government Bond 6% Coupon	1:1	60%
Fine Wool : Deliverable Wool	1:1	75%
Deliverable Wool : Broad Wool	1:1	70%
Fine Wool : Broad Wool	1:1	75%

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