

# Frequently Asked Questions (FAQ):

## 90 Bank Accepted Bills Serial Futures

### 1. What are Serial futures?

Serial futures contracts are similar to the quarterly contracts, except that a Serial contract expires in months other than March, June, September and December, i.e. listing contracts for January, February, April, May, July, August, October and November expiry months. Please note that, unlike the Quarterly contracts, block trading and pre-negotiation will not be available for the Serial contracts.

### 2. Why is ASX listing 90 Day Bank Accepted Bills Serial futures?

By enabling hedging in the months between the quarterly months, the new Serial futures allow participants to precisely hedge short-end exposure. The Serials will also improve transparency in futures pricing for the non-quarter months and provide additional spread trading opportunities.

### 3. When will Serial futures launch?

ASX intends to launch the first two Serial contracts in November 2024 (January 2025 and February 2025 contracts), subject to internal / external readiness and regulatory clearance.

### 4. How many Serial contracts will ASX list?

ASX intends to list the front two contracts at any one time. For example, the January 2025 and February 2025 contracts will be listed in November 2024. When the January 2025 contract expires, the April 2025 contract will be listed.

### 5. When will the Serial contracts expire?

The contracts expire at 8.29am on the business day immediately prior to settlement day. Settlement day is the second Friday of the settlement month or the next business day if the second Friday falls on a holiday.

### 6. What is the tick increment?

The tick increment, or minimum price increment will be 0.010 per cent, aligned with the quarterly 90 Day Bank Accepted Bills futures. The minimum fluctuation of 0.010 per cent equals approximately \$24 per contract, varying with the level of interest rates.

### 7. Can you create spread trades between Serials and Quarterlies?

Yes, intra-spread trades will be enabled between the Serials and Quarterlies in any combination (including intra-spread trades between the two Serials).

### 8. Can you create spread trades between Serials and other ASX listed interest rate derivative products (inter-spreads e.g. IRYT)?

ASX intends to enable inter-spread trading in future for the Serial futures although this will not be available at launch. Standard UDC functionality will be available for participants to trade non-exchange defined combinations.

### 9. What is the commodity code of the new Serials?

The ASX 24 commodity code will be 'IR' aligned with the Quarterly 90 Day Bank Accepted Bills futures. The November 2024 contract will therefore be listed as IRX4 and the January 2025 contract will be IRF5.

### 10. Will there be any changes to vendor codes?

Vendors will add the serial months to the existing 90 Day Bank Accepted Bills codes. Bloomberg and LSEG examples as follows:

ASX Code	Serial Contract	Bloomberg	LSEG
IRX4	November 2024	IRA Comdty<GO>	O#YBA
IRF5	January 2025	IRA Comdty<GO>	O#YBA

### 11. How do I trade Serials?

Trading in Serial contracts will be conducted 'On market' via our electronic platform ASX Trade24 and 'Off market' through 'Exchange for Physicals' transactions.

## 12. Is block trading available?

Block trading will not be available at launch. ASX will monitor liquidity in the product to assess whether block trading becomes appropriate for Serials.

## 13. What are the fees for trading Serials?

Headline ASX 24 fee \$0.90 per side, Exchange for Physical fee \$0.70 per side.

## 14. Will there be expiry position limits (EPLs) for the Serials?

Yes, the EPLs will be the same as the Quarterly contracts which are currently set at 35,000 contracts. EPLs are hard limits that apply to the spot contract only and come into effect at the end of the trading day prior to the monthly day of expiry (T-1). EPLs are applied at a group level unless an exemption has been sought and granted by the Market Operator.

## 15. Will there be any changes to the listed 90 Day Bank Accepted Bills Options?

No change to the 90 Day Bank Accepted Bills Options. Participants should note that the Serial options will continue to expire into the Quarterly futures. ASX intends to reconfigure the Serial options to expire into the Serial futures but this functionality will not be available at the launch of the Serial futures. ASX will issue further notice once update to this configuration is scheduled.

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