



MARKET ANNOUNCEMENT

5 January 2017

ASX GROUP MONTHLY ACTIVITY REPORT – DECEMBER 2016

The value of ASX-listed stocks, as measured by the All Ordinaries Index, rose 3.9% in December 2016. This performance was lower than some major markets, including Germany up 7.9%, the UK up 5.3%, and Japan up 4.4% but stronger than the US up 1.8%. Declines were observed in Hong Kong down 3.5% and Singapore down 0.8%.

Volatility measures for the Australian equity market decreased during December:

- Volatility (as measured by the average daily movement in the All Ordinaries Index) was 0.6% in December, down on the previous month (0.7%).
- Expected future volatility (as measured by the S&P/ASX 200 VIX) fell in December to an average of 11.9 (compared to 15.2 in November).

LISTINGS AND CAPITAL RAISINGS

- In December 2016, total capital raised was \$6.5 billion, down 25% on the previous corresponding period (pcp).
- In calendar year 2016, 133 new listed entities listed, compared to 126 in calendar year 2015. Total capital raised in calendar year 2016 totalled \$60.9 billion, compared to \$104.9 billion in calendar year 2015.

| Listings and Capital Raisings | December 2016 Month | December 2015 Month | December 2016 Financial YTD | December 2015 Financial YTD |
|--|------------------------|------------------------|-----------------------------------|-----------------------------------|
| New listed entities admitted | 17 | 25 | 86 | 77 |
| De-listings | 9 | 8 | 75 | 59 |
| Total Listed entities (at end of month) | 2,215 | 2,238 | | |
| Change on pcp | -1% | | | |
| Initial capital raised (\$million) | 1,026 | 2,562 | 11,080 | 13,477 |
| Change on pcp | -60% | | -18% | |
| Secondary capital raised (\$million) | 5,340 | 5,826 | 23,619 | 35,597 |
| Other capital raised including scrip-for-scrip (\$million) | 156 | 263 | 2,137 | 5,501 |
| Total secondary capital raised (\$million) | 5,496 | 6,089 | 25,756 | 41,098 |
| Change on pcp | -10% | | -37% | |
| Total capital raised including other (\$million) | 6,522 | 8,651 | 36,836 | 54,575 |
| Change on pcp | -25% | | -33% | |



TRADING – CASH MARKETS (INCLUDING EQUITIES, INTEREST RATE AND WARRANTS TRADES)

- In December 2016, the average daily number of trades was 13% higher than the pcp. The average daily value traded on-market of \$4.2 billion was 11% higher than the pcp.
- In calendar year 2016, the average daily number of trades was 1,015,083 which was 24% higher than in calendar year 2015, and the average daily value traded on-market was \$4.2 billion which was 3% higher.

| Cash Markets | December 2016 Month | December 2015 Month | December 2016 Financial YTD | December 2015 Financial YTD |
|---|------------------------|------------------------|--------------------------------|--------------------------------|
| Total trading days (Cash market includes equity, warrant and interest rate market transactions) | 20 | 21 | 129 | 130 |
| Cash market volume | | | | |
| Total trades | 20,100,667 | 18,694,940 | 130,984,207 | 110,090,882 |
| Change on pcp | 8% | | 19% | |
| Average daily trades | 1,005,033 | 890,235 | 1,015,381 | 846,853 |
| Change on pcp | 13% | | 20% | |
| Cash market value | | | | |
| Open trading (\$billion) | 56.029 | 57.231 | 371.262 | 390.115 |
| Auctions trading (\$billion) | 20.292 | 18.051 | 113.659 | 103.701 |
| Centre Point (\$billion) | 8.548 | 5.180 | 54.034 | 35.725 |
| Trade reporting* (\$billion) | 10.611 | 10.207 | 76.518 | 75.727 |
| Total value (\$billion) | 95.480 | 90.669 | 615.473 | 605.268 |
| Change on pcp | 5% | | 2% | |
| Average daily value on-market (\$billion) | 4.243 | 3.831 | 4.178 | 4.073 |
| Change on pcp | 11% | | 3% | |
| Average daily value (\$billion) | 4.774 | 4.318 | 4.771 | 4.656 |
| Change on pcp | 11% | | 2% | |
| Average value per trade (\$) | 4,750 | 4,850 | 4,699 | 5,498 |
| Change on pcp | -2% | | -15% | |
| Non-billable value (above cap) (\$billion) | 1.013 | 1.364 | 7.589 | 8.752 |
| Total billable value (\$billion) | 94.467 | 89.304 | 607.884 | 596.515 |
| *Trade reporting means the value of trades executed outside the order books of ASX or Chi-X that is subsequently reported to ASX for publication. | | | | |



TRADING – FUTURES

- In December 2016, average daily futures and options on futures volumes were up 22% on the pcp. Average daily futures volume was up 22% on the pcp and average daily options volume was down 18% on the pcp.
- In calendar year 2016, average daily futures and options on futures volume was 556,331 which was 10% higher than in calendar year 2015.

| Futures | December 2016 Month | December 2015 Month | December 2016 Financial YTD | December 2015 Financial YTD |
|--|------------------------|------------------------|-----------------------------------|-----------------------------------|
| Futures and options total trading days (includes interest rate, ASX SPI 200, commodities and energy contracts) | 20 | 21 | 129 | 130 |
| Futures volume | | | | |
| Total contracts | 13,840,765 | 11,888,725 | 68,330,699 | 62,521,482 |
| Change on pcp | 16% | | 9% | |
| Average daily contracts | 692,038 | 566,130 | 529,695 | 480,934 |
| Options on futures volume | | | | |
| Total contracts | 103,350 | 132,947 | 708,145 | 919,685 |
| Change on pcp | -22% | | -23% | |
| Average daily contracts | 5,168 | 6,331 | 5,489 | 7,075 |
| Total futures and options on futures volume | | | | |
| Total contracts | 13,944,115 | 12,021,672 | 69,038,844 | 63,441,167 |
| Change on pcp | 16% | | 9% | |
| Average daily contracts | 697,206 | 572,461 | 535,185 | 488,009 |
| Change on pcp | 22% | | 10% | |

Volume of futures trading by individual contract is available at the following link
<http://www.asx.com.au/data/market-reports/MonthlyFuturesMarketsReport161230.pdf>



CLEARING – OTC MARKETS

- In December 2016, the notional value of OTC interest rate derivative contracts centrally cleared was \$346 billion, compared to \$104 billion in the pcp.
- In calendar year 2016, the notional value of OTC interest rate derivative contracts centrally cleared was \$4,084.2 billion compared to \$1,521.6 billion in calendar year 2015.

| OTC Markets | December 2016 Month | December 2015 Month | December 2016 Financial YTD | December 2015 Financial YTD |
|---|------------------------|------------------------|-----------------------------------|-----------------------------------|
| Total notional cleared value* (\$billion) | 346.225 | 104.045 | 2,159.682 | 817.445 |
| Open notional cleared value* (\$billion) (at end of month) | 1,916.342 | | | |

* Cleared notional value is double sided

TRADING – EQUITY OPTIONS

- In December 2016, the average daily number of exchange-traded options increased 21% on the pcp. Single stock options average daily contracts traded were up 26% on the pcp and index options average daily contracts traded were down 12% on the pcp.
- In calendar year 2016, the average daily number of exchange-traded options was 403,316 which was 4% lower than in calendar year 2015.

| Equity Options | December 2016 Month | December 2015 Month | December 2016 Financial YTD | December 2015 Financial YTD |
|--|------------------------|------------------------|-----------------------------------|-----------------------------------|
| Exchange-traded options total trading days (includes single stock equity options and index options) | 20 | 21 | 129 | 130 |
| Single stock equity options volume | | | | |
| Total contracts | 8,706,994 | 7,229,768 | 45,240,859 | 44,050,123 |
| Change on pcp | 20% | | 3% | |
| Average daily contracts | 435,350 | 344,275 | 350,704 | 338,847 |
| Index options volume | | | | |
| Total contracts | 883,216 | 1,058,211 | 5,579,948 | 6,201,309 |
| Change on pcp | -17% | | -10% | |
| Average daily contracts | 44,161 | 50,391 | 43,255 | 47,702 |
| Total options volume | | | | |
| Total contracts | 9,590,210 | 8,287,979 | 50,820,807 | 50,251,432 |
| Change on pcp | 16% | | 1% | |
| Average daily contracts | 479,511 | 394,666 | 393,960 | 386,549 |
| Change on pcp | 21% | | 2% | |



CLEARING – EXCHANGE-TRADED MARKETS

- Participant margin balances held on balance sheet at month-end totalled \$5.8 billion in December 2016 compared to \$4.2 billion in December 2015.

| ASX Clearing Corporation | December 2016 | December 2015 | December 2016 | December 2015 |
|--|---------------|---------------|---------------|---------------|
| Collateral Balances – At End of Month | Month | Month | Financial YTD | Financial YTD |
| Cash margins held on balance sheet: | | | | |
| - ASX Clear (\$billion) | 0.4 | 0.6 | | |
| - ASX Clear (Futures) (\$billion) | 5.2 | 3.4 | | |
| Cash equivalents held on balance sheet – ASX Clear (Futures) (\$billion) | 0.2 | 0.2 | | |
| Collateral cash cover held off balance sheet (equities and guarantees) – ASX Clear (\$billion) | 3.8 | 3.5 | | |
| Total billable cash market value cleared (\$billion) | 94.491 | 87.452 | 599.285 | 581.030 |

SETTLEMENT

- The value of securities held in CHES was 13% higher than the pcp. The number of dominant settlement messages in December 2016 was 1% lower than the pcp.
- The value of securities held in Austraclear was 5% higher than the pcp.

| ASX Settlement | December 2016 | December 2015 | December 2016 | December 2015 |
|--|---------------|---------------|---------------|---------------|
| | Month | Month | Financial YTD | Financial YTD |
| Value of CHES holdings – period end (\$billion) | 1,767.5 | 1,564.8 | | |
| Dominant settlement messages (million) | 1.4 | 1.5 | 9.4 | 8.4 |
| Austraclear Settlement and Depository | | | | |
| Austraclear securities holdings – period end (\$billion) | 1,947.3 | 1,849.0 | | |



LISTINGS COMPLIANCE ACTIVITY

| Listing Compliance Activity | December 2016 Month | December 2015 Month | December 2016 Financial YTD | December 2015 Financial YTD |
|---|------------------------|------------------------|-----------------------------------|-----------------------------------|
| Total company announcements | 9,296 | 9,718 | 66,981 | 66,291 |
| Price queries by ASX ¹ | 21 | 23 | 209 | 135 |
| Other continuous disclosure queries by ASX ² | 19 | 15 | 151 | 165 |
| Aware letters sent by ASX ³ | 8 | 6 | 54 | 43 |
| Announcements made following a price query | 14 | 16 | 133 | 109 |
| Number of trading halts | 111 | 110 | 782 | 674 |
| Number of suspensions | 43 | 32 | 241 | 221 |

PARTICIPANTS

- During the month of December TransMarket Antipode LCC was admitted as an ASX Futures Participant.

| ASX Market Participants ⁴ | December 2016 Month | December 2015 Month |
|--|------------------------|------------------------|
| New admissions | 0 | 0 |
| Resignations and removals | 0 | 0 |
| Market/Clearing/Settlement Participants at month end | 121 | 120 |
| ASX Futures Participants | | |
| New admissions | 1 | 0 |
| Resignations and removals | 0 | 0 |
| Trading/Clearing Participants at month end | 52 | 54 |

¹ Price queries are enquiries made by ASX (either by letter or phone) to a listed entity if it detects unusual movements in a listed entity's security price or trading volumes to ask if the entity is aware of any information that has not been announced which, if know, might explain the movements.

² Other continuous disclosure queries are queries (other than price queries) raised by ASX with listed entities when ASX has concerns the entity may not be in compliance with its continuous disclosure obligations under Listings Rules 3.1, 3.1A and 3.1B. Examples include a query made following a media report or an announcement lodged with ASX.

³ Aware letters are sent by ASX following an announcement by a listed entity and ask for details of when the listed entity became aware of the material information contained in the announcement.

⁴ Figures exclude Special Settlement Participants set up to effect a specific corporate action as their participation is only temporary.



ENFORCEMENT

| Referrals to ASIC ⁵ | December 2016 Month | December 2015 Month | December 2016 Financial YTD | December 2015 Financial YTD |
|---------------------------------|------------------------|------------------------|-----------------------------------|-----------------------------------|
| Continuous disclosure referrals | 2 | 0 | 14 | 14 |
| Other referrals | 0 | 0 | 2 | 5 |
| Total referrals to ASIC | 2 | 0 | 16 | 19 |

| Enforcement Matters | December 2016 Month | December 2015 Month |
|--|------------------------|------------------------|
| Open ASX enforcement matters at month start | 3 | 0 |
| New enforcement matters commenced during the month | 0 | 0 |
| Enforcement matters concluded during the month | 0 | 0 |
| Open ASX enforcement matters at month end | 3 | 0 |
| Fines imposed during the month (excluding GST) | Nil | Nil |

ASX RULE CHANGES, WAIVERS AND EXEMPTIONS

- Details of rule and guidance note changes can be assessed online at: <http://www.asx.com.au/regulation/rules/recent-rule-amendments.htm>
- Details of waivers and exemptions granted by ASX can be accessed online at: <http://www.asx.com.au/regulation/rules-guidance-notes-and-waivers.htm>

The weekly Australian Cash Market Report is available here: <http://www.asx.com.au/services/trading-services/australian-cash-market-report.htm>

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⁵ ASX is required, under sections 792B(2)(c) and 821B(2)(c) of the Corporations Act 2001, to refer a matter to ASIC if it has reason to suspect that a person has committed, is committing, or is about to commit a significant contravention of the ASX Group's Operating Rules or the Corporations Act. It should be noted that a single referral may relate to more than one potential contravention. It should also be noted that the fact a matter has been referred to ASIC does not necessarily mean that a contravention has been committed or that ASIC will take enforcement proceedings in relation to it.