



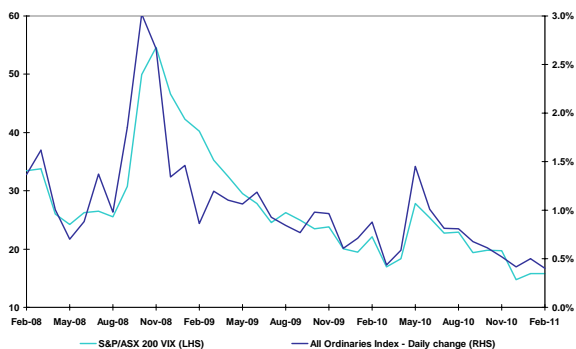
MARKET ANNOUNCEMENT

4 March 2011

ASX Group Monthly Activity Report – February 2011

The value of ASX-listed stocks, as measured by the All Ordinaries Index, rose 1.5% in February. A number of other global markets also rose during the month including: Japan up 3.8%, the US up 3.2%, and the UK up 2.2%. Moving against this trend were other Asian markets: Singapore fell 5.3% and Hong Kong was down 0.5%.

Australian Equity Market Volatility
Monthly average

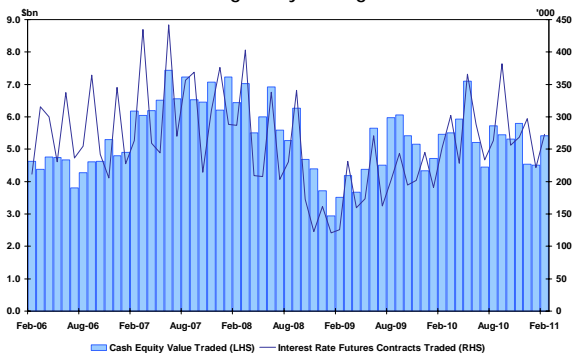


Volatility in the Australian equity market eased slightly in February compared to January:

- Current volatility (as measured by average daily movements in the All Ordinaries Index) was 0.4% in February (0.5% in January).
- Expected future volatility (as measured by the S&P/ASX 200 VIX) was unchanged between January and February and continued to indicate that expectations of future volatility remained subdued.

Volatility in US markets (S&P 500 Index) was relatively steady in February with average daily movements of 0.6% (0.5% in January). Expectations of future volatility in the US remained low.

ASX Cash Equity and Interest Rate Futures
Average daily trading



The value of daily cash market trading in February was up on the previous month, with an average traded value of \$5.4 billion a day.

Activity in interest rate futures contracts continued to trend higher, with trading in the four main contracts (3 and 10 year bonds, 90 day bank bills, and the 30 day cash rate) reaching a daily average of 272,945 contracts traded.

AUSTRALIAN SECURITIES EXCHANGE

Listings and capital raisings

- In February 2011 there were 16 new listings, 45% higher than the 11 in the previous corresponding period (pcp).
- Total listed entities at the end of February 2011 were 2,229, up 2% on the 2,178 a year ago.
- There was \$1.4 billion of initial capital raised in February 2011, compared to \$191 million in the pcp. There was also \$1.8 billion of other capital raised including scrip-for-scrip in February 2011.
- Secondary capital raisings in February remained robust, notwithstanding the decline in secondary raisings compared to the pcp. There was \$1.1 billion in secondary capital raised in February 2011, compared to \$2.8 billion in the pcp.
- Total capital raised in February 2011 amounted to \$2.5 billion, down 16% on the \$3.0 billion raised in the pcp which was dominated by a number of large placements and other secondary raisings, but lower levels of IPO activity.
- For the financial year-to-date, total capital raised is down 32%, with capital raised from IPOs \$22.9 billion and from secondary raisings \$20.3 billion.

| Listings and Capital Raisings | Feb 2011 Month | Feb 2010 Month | Feb 2011 Financial YTD | Feb 2010 Financial YTD |
|--|-------------------|-------------------|------------------------------|------------------------------|
| New listed entities admitted | 16 | 11 | 113 | 66 |
| Change on pcp | 45% | | 71% | |
| Total listed entities (at end of month) | 2,229 | 2,178 | | |
| Change on pcp | 2% | | | |
| Initial capital raised (\$million) | 1,401 | 191 | 22,918 | 7,775 |
| Secondary capital raised (\$million) | 1,134 | 2,835 | 20,285 | 55,381 |
| Total capital raised (\$million) | 2,534 | 3,026 | 43,203 | 63,156 |
| Change on pcp | (16%) | | (32%) | |
| Other capital raised including scrip-for-scrip (\$million) | 1,807 | 219 | 15,909 | 3,421 |

Trading – Cash markets (including equities, interest rates and warrants trades)

The All Ordinaries Index closed at 4923.6 points, a rise of 1.5% over the course of the month. The index has risen 1.6% in the calendar year-to-date. The market was halted 72 minutes prior to the normal close on 28 February due to a software issue with ASX Trade.

- Total cash market trades for February 2011 were 11.1 million, up 6% on the pcp.
- Average daily trades for February 2011 of 556,600 were also 6% higher than the pcp.
- Total cash market traded value was \$108.3 billion in February 2011, up 1% on the pcp, with a daily average value of \$5.4 billion, also up 1% on the pcp.
- In February 2011 the average value per trade was \$9,730, down 5% on the pcp of \$10,197. The percentage of traded value crossed was the same as pcp at 27%.

| Cash Markets | Feb 2011 Month | Feb 2010 Month | Feb 2011 Financial YTD | Feb 2010 Financial YTD |
|--|-------------------|-------------------|------------------------------|------------------------------|
| Total trading days | 20 | 20 | 169 | 169 |
| Cash market volume | | | | |
| Total trades | 11,131,994 | 10,536,281 | 91,439,874 | 85,547,829 |
| Change on pcp | 6% | | 7% | |
| Average daily trades | 556,600 | 526,814 | 541,064 | 506,200 |
| Change on pcp | 6% | | 7% | |
| Cash market value (including value of crossed trades) | | | | |
| Total value (\$billion) | 108.318 | 107.438 | 869.320 | 864.834 |
| Change on pcp | 1% | | 1% | |
| Average daily value (\$billion) | 5.416 | 5.372 | 5.144 | 5.117 |
| Change on pcp | 1% | | 1% | |
| Cash market behaviour statistics | | | | |
| Turnover crossed (%) | 27% | 27% | 28% | 29% |
| Off-market crossings represent 13% and on-market 14% of turnover | | | | |
| Total value crossed (\$billion) | 29.733 | 29.145 | 245.020 | 247.601 |
| Non billable value (above cap) (\$billion) | 2.593 | 2.670 | 25.635 | 29.064 |
| Total billable value (\$billion) | 105.725 | 104.768 | 843.685 | 835.770 |
| Billable value – off-market crossings (%) | 12% | 12% | 13% | 13% |
| Billable value – on-market crossings (%) | 14% | 14% | 13% | 13% |
| Cash market includes equity, warrant and interest rate market transactions | | | | |

Trading – Financial derivatives markets

- Trading activity in the major ASX interest rate futures contracts was solid across all benchmark contracts in February, with volatility in the interest rate market driving activity. The volatility was driven by the potential impact on the economy of the recent natural disasters and headline economic results on retail sales and employment.
- The RBA's decision to leave the cash rate unchanged at 4.75% at the February meeting was anticipated by the market. The cash rate curve shape and level did not change substantially during the month, resulting in lower trading volumes in February, compared to prior months. The 3 and 10 year bond futures yields rallied during the first half of the month, before selling off during the remainder of the month following the release of employment data and the RBA parliamentary testimony which indicated the domestic economy continued to be strong. The market saw the recent natural disasters as having little long-term effect on the market.
- Equity derivatives volume (excluding the ASX SPI 200) for February 2011 was 1.9 million contracts, up 11% on the pcp, with a daily average of 95,774 contracts, also up 11% on pcp.
- Total futures and options on futures contracts volume (excluding equity derivatives and CFDs) for February 2011 was 6.7 million, up 11% on the pcp, with a notional value of \$2.8 trillion. Average daily contracts volume during February of 335,744 was also up 11% on the pcp.

- A total of 7,033 ASX CFD trades were transacted in February 2011, comprising a volume of 17.2 million contracts. The total notional value of all CFD trades for February was \$326.7 million, an increase of 21% on the pcp, while the value of CFD open interest at the end of February was \$95 million, an increase of 14% on the pcp.

| Derivatives Markets | Feb 2011 Month | Feb 2010 Month | Feb 2011 Financial YTD | Feb 2010 Financial YTD |
|--|-------------------|-------------------|------------------------------|------------------------------|
| Derivatives total trading days (Derivatives includes exchange traded options, commodities, and index options and futures) | 20 | 20 | 169 | 169 |
| Derivatives volume | | | | |
| Total contracts | 1,915,484 | 1,726,262 | 14,062,174 | 13,421,539 |
| Change on pcp | 11% | | 5% | |
| Average daily contracts | 95,774 | 86,313 | 83,208 | 79,417 |
| Change on pcp | 11% | | 5% | |
| Futures and options total trading days (Futures and options includes interest rate, ASX SPI 200 and energy contracts) | 20 | 20 | 170 | 170 |
| Futures volume | 6,346,282 | 5,840,061 | 54,008,978 | 43,241,948 |
| Change on pcp | 9% | | 25% | |
| Average daily contracts | 317,314 | 292,003 | 317,700 | 254,364 |
| Change on pcp | 9% | | 25% | |
| Options on futures volume | | | | |
| Total contracts | 368,588 | 217,538 | 2,640,192 | 1,794,760 |
| Change on pcp | 69% | | 47% | |
| Average daily contracts | 18,429 | 10,877 | 15,531 | 10,557 |
| Change on pcp | 69% | | 47% | |
| Total futures and options on futures volume | | | | |
| Total contracts | 6,714,870 | 6,057,599 | 56,649,170 | 45,036,708 |
| Change on pcp | 11% | | 26% | |
| Average daily contracts | 335,744 | 302,880 | 333,230 | 264,922 |
| Change on pcp | 11% | | 26% | |
| Contracts for difference market | | | | |
| Total trades | 7,033 | 10,711 | 65,347 | 83,182 |
| Total contracts traded | 17,183,233 | 13,857,901 | 115,639,412 | 103,992,811 |
| Notional value traded (\$million) | 326.7 | 271.1 | 2,449.0 | 2,449.8 |
| Total open interest value as at 28 February (\$million) | 95.0 | 83.5 | | |

Trading – Energy and agricultural derivatives markets

- A total of 25,514 Australian electricity futures and options contracts were traded in February 2011, an increase of 117% on the pcp and a new monthly record. Calendar year-to-date volume of 47,376 contracts is an 80% increase on the same period last year. Total open interest was 50,128 contracts at the end of February 2011.
- The ASX grain futures and options market traded 26,698 contracts (533,960 tonnes) during the month, down 42% on the pcp. Open interest at the end of February 2011 of 89,947 futures contracts represents 1.79 million tonnes of Australian grain and oilseed.

ASX CLEARING CORPORATION

Clearing

All on-market trades (equities and derivatives markets) are novated by ASX's two central counterparty clearing subsidiaries, ASX Clear and ASX Clear (Futures), which act as counterparties to those trades and replace bilateral counterparty exposures.

- Total margins (including additional margins held against stress testing exposures and concentrated large positions) averaged \$2.8 billion during February 2011 (including excess cash collateral but excluding equity securities lodged in excess of the margin requirement), with cash margins lodged averaging \$2.3 billion.
- There were four intraday margin calls in February 2011 totalling \$1.1 million and none in January 2011.

| ASX Clearing Corporation | Feb 2011 Month | Feb 2010 Month | Feb 2011 Financial YTD | Feb 2010 Financial YTD |
|--|-------------------|-------------------|------------------------------|------------------------------|
| Collateral Balances – At End of Month | | | | |
| Cash margins held on-balance sheet: | | | | |
| - ASX Clear (\$billion) | 0.2 | 0.3 | | |
| - ASX Clear (Futures) (\$billion) | 1.9 | 2.3 | | |
| Cash equivalents held on-balance sheet – ASX Clear (Futures) (\$billion) | 0.0 | 0.0 | | |
| Collateral cash cover held off-balance sheet (equities and guarantees) – ASX Clear (\$billion) | 4.4 | 4.1 | | |
| Total billable value cleared (\$billion) | 85.819 | 87.335 | 676.647 | 690.059 |

ASX SETTLEMENT CORPORATION

ASX Settlement

There were no delays to the completion of batch settlement in the equities market during February 2011.

- Total equity settlement delivery fail rates averaged 0.5% per day during February 2011.

| ASX Settlement Corporation | Feb 2011 Month | Feb 2010 Month | Feb 2011 Financial YTD | Feb 2010 Financial YTD |
|---|-------------------|-------------------|------------------------------|------------------------------|
| ASX Settlement | | | | |
| Gross value of novated settlements (\$billion) | 78.8 | 79.2 | 624.0 | 622.3 |
| Net value of novated settlements (\$billion) | 36.1 | 31.8 | 260.8 | 264.0 |
| Gross value of non-novated settlements (\$billion) | 133.1 | 133.1 | 1,045.5 | 1,113.7 |
| Total value of settlements post netting (\$billion) | 169.2 | 164.9 | 1,306.3 | 1,377.7 |
| Value of Chess holdings – period end (\$billion) | 1,253.9 | 1,153.1 | | |

Austraclear Settlement

There were no disruptions to the Austraclear settlement sessions during February 2011.

- The levels of total debt holdings in Austraclear increased over the course of February by \$19.3 billion to \$1.214 trillion. Electronic Certificates of Deposit decreased \$4.1 billion, whilst there were increases in Treasury Bonds \$4.7 billion, Floating Rate Notes \$5.2 billion, Corporate Bonds \$6.6 billion, and Semi-Government Securities \$6.1 billion. Holdings of Electronic Bank Accepted Bills increased by \$1.2 billion and Asset Backed Securities decreased by \$83.8 million. All other holdings decreased by \$243.4 million.

| Austraclear Settlement and Depository | Feb 2011 Month | Feb 2010 Month |
|--|-------------------|-------------------|
| Austraclear securities holdings – period end (\$billion) | 1,213.6 | 1,126.1 |

A separate **ASX Compliance** activity report for February 2011 has also been released today.

For further information:

Media

Leeanne Bland

Corporate Relations Executive

(BH) +61 2 9227 0410

leeanne.bland@asx.com.au

www.asxgroup.com.au/media-releases.htm

Investor Relations

Ramy Aziz

Chief Financial Officer

(BH) +61 2 9227 0027

ramy.aziz@asx.com.au

www.asxgroup.com.au/investor-relations.htm