S&P/ASX 200 A-REIT
S&P/ASX 200 Resources
S&P/ASX 200 Financials-x-A-REIT

SECTOR FUTURES
S&P/ASX 200 A-REIT Index Futures
S&P/ASX 200 Resources Index Futures
S&P/ASX 200 Financials-x-A-REIT Index Futures

ASX sector futures enable market participants to trade, hedge, equitise and arbitrage exposure to the three largest sectors of the S&P/ASX 200 - Resources, Financials and A-REIT.

Based on the Resources, Financials and A-REIT Indexes

The S&P/ASX 200 A-REIT Index (XPI) contains the listed vehicles classified as Australian Real Estate Investment Trusts (REITs), which own property and derive income from rental returns.

The S&P/ASX 200 Resources Index (XJR) consists of companies from the S&P/ASX 200 index that are classified as belonging to the energy sector or the metals and mining industry.

The S&P/ASX 200 Financials-x-A-REITs Index (XXJ) consists of companies from the S&P/ASX 200 index that are involved in banking, mortgage finance, consumer finance, specialised finance, investment banking and brokerage, asset management and custody, corporate lending, insurance and financial investment, with the exception of those companies that are classified as A-REITs.

Relative performance of the three sector indexes versus the S&P/ASX200 index

Trading strategies

The following trading strategies can be employed to trade sector futures:

Cash equitisation: Investors purchase sector futures for a small percentage of the value of the contract and gain leveraged exposure to a desired market sector while waiting for cash dividends to be paid. Once dividends have been paid, the sector futures position can be closed or exchanged for physical (EFP).

Tilting: Investors holding a portfolio of shares that aims to replicate the ASX200 index can tilt their portfolio toward or against a particular sector they identify as over or undervalued. Instead of buying and selling physical shares, for a lower cost and initial capital outlay investors can buy or sell sector futures to increase or decrease their exposure to particular sectors, depending on their individual objectives.

Hedging: Investors hedge against perceived or actual fluctuations in the three largest sectors of the Australian equity market – Resources, Financials (x-A-REIT) and A-REITs. Investors sell sector futures with an aim to lock in the value of a portfolio of shares they might hold, or buy sector futures to hedge an anticipated purchase of shares.

Investors should seek independent advice as to whether the use of sector futures is appropriate for their individual circumstances.

Key features

The S&P/ASX 200 Resources Index Futures, S&P/ASX 200 Financials-x-A-REIT Index Futures and S&P/ASX 200 A-REIT Index Futures offer:

- The same contract design as ASX SPI 200 Futures and trades on the ASX Trade24® platform.
- Potential arbitrage opportunities between sector futures and sector exchange-traded funds (ETFs), baskets of stock and ASX SPI 200 Futures.
- Margin offsets between the three sector futures and ASX SPI 200 Futures.
- Off-market trading through the Block Trade Facility.
- Liquidity in the form of a dedicated market maker.
- Lower transaction costs than those typically incurred when trading in the underlying securities.
### CONTRACT SPECIFICATIONS

<table>
<thead>
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<th>Contract</th>
<th>Underlying Index Code</th>
<th>Futures Code</th>
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<tr>
<td>S&amp;P/ASX 200 Financials-x-A-REIT Index</td>
<td>XXJ</td>
<td>AF</td>
</tr>
<tr>
<td>S&amp;P/ASX 200 A-REIT Index</td>
<td>XPJ</td>
<td>AA</td>
</tr>
<tr>
<td>S&amp;P/ASX 200 Resources Index</td>
<td>XJR</td>
<td>AR</td>
</tr>
</tbody>
</table>

**Contract Unit:** Valued at A$25 per index point (A$125,000 at 5,000 index points)

**Minimum price movement:** One index point (A$25)

**Minimum fluctuations for quoting futures price:**
- Ordinary trading: 1 index point
- Roll transactions on market (last week prior to contract expiry): 0.1 index point
- Block Trading: 0.1 index point

**Trading Hours:** 9.50am to 4.30pm Sydney time

**Trading Platform:** ASX Trade24

**Final Trading Day:** All trading in expiring contracts ceases at 12.00pm on the third Thursday of the Settlement Month. All other futures contracts will continue to trade as per the trading hours.

**Settlement Value:** The numerical value of the index quoted by the Approved Clearing Facility for that Settlement Day multiplied by A$25.

**Settlement Day:** The second business day after the Final Trading Day in a Settlement Month.

**Settlement Month:** March, June, September, December, up to 4 quarter months ahead.

**Transaction Fee (Excl. GST):** A$0.90

### ASX 24 TRADE EXECUTION RULES

<table>
<thead>
<tr>
<th>Block Trade Minimum Threshold</th>
<th>S&amp;P/ASX 200 Financials-x-A-REITs Index Future: 20 lots</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>S&amp;P/ASX 200 Resources Index Future: 40 lots</td>
</tr>
<tr>
<td></td>
<td>S&amp;P/ASX 200 A-REITs Index Future: 20 lots</td>
</tr>
</tbody>
</table>

**Applicable Contracts:** Closest two quarterly contracts to expiry

**Applicable Agreement Hours:** Block Trades may be agreed during the contract’s day session and up to 10 minutes after the close of trading for that applicable session

**Block restriction:** Only acceptable on the front two quarterly expiry’s. Cannot be used to facilitate roll activity.

**Pre-negotiation rule [4401] (Minimum Volume Threshold 1 lot):**
- Minimum prescribed time between message and entry of Orders: Outright market 10 seconds
- Minimum prescribed time between message and entry of Orders: Custom market 30 seconds
- After prescribed time has elapsed – time allowed for order execution 90 seconds

**Notification to the Exchange:** Within 5 minutes of the agreement between the parties

**Change of Quarterly Month (Trading Days Prior to Expiry):** N/A

**Method Of Registration:** Electronic

**Registration Time:** For Block Trades agreed during the contract’s day session the Trading Participant must complete registration within five minutes of the agreed terms being communicated to the Exchange
Further Information

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