



# ASX 30 Day Interbank Cash Rate Futures

Interest Rate Markets Fact Sheet | Australia

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ASX's 30 Day Interbank Cash Rate Futures contract, based on the Interbank Overnight Cash Rate published by the Reserve Bank of Australia, allows users to hedge against fluctuations in the overnight cash rate and better manage their daily cash exposures.

The ASX 30 Day Interbank Cash Rate Futures contracts can specifically be used for:

- Managing interest rate risk at the short end of the yield curve
- Managing balance sheet mismatches
- Hedging against anticipated fluctuations in the overnight cash rate
- Outright trading on anticipated changes, or lack of changes, in the official cash rate
- Trading on anticipated changes in the yield curve shape
- Income enhancement opportunities for portfolios with cash exposures
- Spread trading against 90 Day Bank Bill Futures

Attractive margin concessions are available on calendar spreads as well as inter-commodity spreads for offsetting positions held in the 90 Day Bank Bill Futures and 3 Year Government Bond Futures.

The 30 Day Interbank Cash Rate Futures are approved for trading by:

- US Commodity Futures Trading Commission (CFTC)
- UK Financial Services Authority (FSA)
- Monetary Authority of Singapore (MAS) and
- Hong Kong Securities and Futures Commission (SFC Hong Kong)

## 30 Day Cash Rate Futures

### Features

- Monthly contracts available up to 18 months ahead
- Minimum price increment of 0.005 basis points. A 0.01 basis point move is equal to AUD24.66
- Cash Settled against the monthly average of the Interbank Overnight Cash Rate as published by the Reserve Bank of Australia for that contract month
- Official Market Makers provide two way quotes in all 18 months

### Benefits of Exchange Traded Markets

Trading on ASX 24 offers the following specific benefits of exchange traded markets, such as:

- Price transparency and liquidity
- Immediate execution and confirmation
- Reduction of counterparty risk
- Centralised clearing supported by a clearing guarantee



## Contract Specifications For 30 Day Interbank Cash Rate Futures

30 DAY INTERBANK CASH RATE FUTURES	
Commodity Code	IB
Option Style	–
Contract Unit	Average monthly Interbank Overnight Cash Rate payable on a notional sum of AUD 3,000,000.
Contract Months	Monthly up to 18 months ahead
Minimum Price Movement <sup>1</sup>	Quoted in yield percent per annum in multiples of 0.005 per cent. For quotation purposes yield is deducted from 100. A one basis point move of 0.01 per cent is equal to AUD24.66
Exercise Prices	–
Contract Expiry <sup>1</sup>	Trading shall cease at 4.30pm on the last business day of the expiry month
Settlement Method <sup>1</sup>	The Cash Settlement Price is equal to 100 minus the cash settlement rate, where the cash settlement rate is the monthly average of the Interbank Overnight Cash Rate (OCR) for that contract month calculated by taking the sum of the daily OCR, as published by the Reserve Bank of Australia, divided by the number of days for that month. On weekends and public holidays, when no OCR is published the Cash Rate published on the previous business day will be used for settlement price calculation. The Cash Settlement Price is rounded to the nearest multiple of 0.001. The Cash Settlement Price shall be announced to the market by 12.00pm on the first business day following the Last Trading Day. All bought and sold contracts in existence as at the close of trading in the contract month shall be settled by ASX Clear (Futures) at the Cash Settlement Price.
Trading Hours <sup>1</sup>	5.14pm to 7.00am and 8.34am to 4.30pm (for period from second Sunday in March to first Sunday in November) 5.14pm to 7.30am and 8.34am to 4.30pm (for period from first Sunday in November to second Sunday in March)
Settlement Day	The second business day following the last permitted day of trading.

<sup>1</sup> Unless otherwise indicated, all times are Australian Eastern Standard Time / Australian Eastern Daylight time. For full contract specifications refer to [www.asx.com.au](http://www.asx.com.au)



## 30 Day Interbank Cash Rate Futures Data Vendor Access Codes<sup>2</sup>

	IB FUTURES	RBA OVERNIGHT CASH RATE
ASX Code	IB	–
Bloomberg	IBA <CMDTY>	RBA16; RBACOR <INDEX>
Bourse Data	IB	–
CQG	IBCR	–
Interactive Data	IBmy	–
Interactive Data RTS	17mlBmy	–
FutureSource/eSignal	DAY : AIB FULL: ASB	– –
IRES Market Technology	IBmy	CASH
Reuters	FULL: 0#YIB: DAY: 0#2YIB: NIGHT: 0#1YIB:	RBA36 AUCASH=RBAA
Telekurs	3,IBym,359 I	–
Thomson Reuters	IB/YYM	–

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For this contract the market is operated by Australian Securities Exchange Limited ABN 83 000 943 377

<sup>2</sup> Data vendor codes are current as at November 2017. The most recent data codes are available at [asx.com.au/prices/asx24-data\\_vendor\\_codes.htm](http://asx.com.au/prices/asx24-data_vendor_codes.htm)