

SCREEN DEALING No: 32/99 BULLETIN



To: **All Members**
SYCOM Managers

XB/YB Inter-Commodity Spreads

On Tuesday morning, 9 August 1999, the Exchange experienced an additional problem with the XB/YB inter-commodity spread which created a choice market under different circumstances to the earlier reported incident.

Trading was suspended in the Three Year Bond futures and Ten Year Bond futures contracts for a period of 10 minutes to allow for the cancellation of inter-commodity orders in the system.

This problem has been given the highest priority and has been referred to the Exchange's developers for resolution.

Preliminary investigations have indicated that this problem is related to ratio spreads greater than 1:1, therefore all other inter-commodities will be available. Until such time, the XB/YB inter-commodity spread facility will be disabled.

SYCOM® IV MODIFICATION FACILITY

Members are advised that whilst modifying an order, the order remains live in the system. Therefore, should an order trade whilst it is being modified, the re-entry of the order following modification will not take that execution into account. Accordingly, Members should monitor their confirmed trades to be aware of any activity which occurred during the commission of the modification.

The Exchange is investigating implementing additional safeguards to this feature.

George Maganas
Screen Dealing Manager

10/08/99

