

SCREEN DEALING BULLETIN NO. 18/00



INTER-COMMODITY SPREADS

TN/TY CONTRACTS

Members are advised that an inter-commodity spread will be listed between the New Zealand Ten Year Government Stock futures contract (TN) and the Three Year Government Stock futures contract (TY), effective from trading date 10/5/00.

The base commodity will be the TY, therefore when trading this spread, a bid order will mean buying the TY and selling the TN and vice-versa for an ask order.

The differential will be priced TY minus TN. The ratio will commence at 10:27 and be revised on a daily basis according to the variable tick factor. Therefore, an order for 1 lot will be equivalent to 10 TN contracts and 27 TY contracts when traded. The ratio will be displayed in the market window.

SPI® 200 CONTRACT

As previously advised, the Exchange will list a lagged spread between the AO and AP contracts in order to allow Members to roll from the SPI® June Contract into the SPI® 200 September Contract.

This facility will be available from Friday evening's session (trading date 15/5/00).

Members should be aware that this inter-commodity spread will be treated in the same manner as standard inter-commodity spreads, therefore a bid order will mean buying the AP Sep 00 contract and selling the AO June 00 contract and an ask order will mean selling the AP Sep 00 contract and buying the AO June 00 contract.

NB: It should be noted that an inter-commodity facility will not create implied orders into the outright market.

GEORGE MAGANAS
SCREEN DEALING MANAGER

31 AUGUST 2000