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INTEREST RATE SWAP FUTURES CONTRACT SETTLEMENT DAY AND QUOTE CHANGE

A change to the settlement day and quote of the 3 Year and 10 Year Interest Rate Swap Futures contracts is proposed to be introduced for the September 2003 contract month.

After the changes come into affect the new settlement day for the 3 Year and 10 Year Interest Rate Swap Futures contract will occur on the Business Day preceding the second Friday of the expiry month and will coincide with the 90 Day Bank Bill Futures contracts settlement day.

The receive and pay quotations for the 3 Year and 10 Year Interest Rate Swap Futures settlement price calculations will no longer be provided as a spread to bonds but quoted by the settlement price providers as an outright swap yield.

The currently listed June 2003 contracts will continue to settle on 16th June 2003. Provided there is no open interest for the September 2003 contracts, the following table outlines the new settlement days for the 3 Year and 10 Year Interest Rate Swap Futures:

Contract Month	Existing Settlement Date	New Settlement Date
June 03	16 June 2003	16 June 2003
September 03	15 September 2003	11 September 2003
December 03	15 December 2003	11 December 2003
March 04	15 March 2004	11 March 2004

All other specifications for these products will remain unchanged. Please refer to the attached contract specifications for details.

Should you have any queries please contact:
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Peter Hiom
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Attachment: Revised SFE Interest Rate Swap Futures Contract Specifications (changes highlighted)

Please note, changes to the contract specifications are currently subject to regulatory approval.

3 Year Interest Rate Swap Futures

Contract Unit	AUD100,000 swap based on a 6.5% coupon and a term to maturity of three years.
Contract Months	March/ June/September/December up to two quarter months ahead
Contract Code	YS
Minimum Price Movement	Prices are quoted in yield per cent per annum in multiples of 0.01%. For quotation purposes the yield is deducted from an index of 100. The minimum fluctuation of 0.01% equals approximately \$28 per contract, varying with the level of interest rates.
Last Trading Day	The Business Day preceding the second Friday of an expiry month. Trading ceases at 12:00 noon.
Settlement Day	The business day following the last permitted day of trading.
Settlement Method	The arithmetic mean of quotes, taken at 9.45 am, 10.30 am and 11.15 am on the last day of trading, provided by eight dealers randomly selected for each time, at which they would receive and pay a swap that exchanges quarterly fixed rate payments against quarterly floating rate payments for a term of 3 years for that contract month. The highest and lowest receiving quotations and the highest and lowest paying quotations for each swap contract are excluded. Quotes are to be provided as an outright swap yield. All bought and sold contracts in existence as at the close of trading in the contract month shall be settled by the SFE Clearing Corporation at the cash settlement price.
Trading Hours	5.10pm - 7.00am and 8.30am - 4.30pm (during US daylight saving time) 5.10pm - 7.30am and 8.30am - 4.30pm (during US non daylight saving time)

10 Year Interest Rate Swap Futures

Contract Unit	AUD100,000 swap based on a 6.5% coupon and a term to maturity of ten years.
Contract Months	March/ June/September/December up to two quarter months ahead
Contract Code	XS
Minimum Price Movement	Prices are quoted in yield per cent per annum in multiples of 0.005%. For quotation purposes the yield is deducted from an index of 100. The minimum fluctuation of 0.005% equals approximately \$36 per contract, varying with the level of interest rates.
Last Trading Day	The Business Day preceding the second Friday of an expiry month. Trading ceases at 12:00 noon.
Settlement Day	The business day following the last permitted day of trading.
Settlement Method	The arithmetic mean of quotes, taken at 9.45 am, 10.30 am and 11.15 am on the last day of trading, provided by eight dealers randomly selected for each time, at which they would receive and pay a swap that exchanges semi-annual fixed rate payments against semi-annual floating rate payments for a term of 10 years for that contract month. The highest and lowest receiving quotations and the highest and lowest paying quotations for each swap contract are excluded. Quotes are to be provided as an outright swap yield. All bought and sold contracts in existence as at the close of trading in the contract month shall be settled by the SFE Clearing Corporation at the cash settlement price.
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