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INTRODUCTION OF HALF TICKS IN THE DECEMBER 2004 3 YEAR INTEREST RATE SWAP FUTURES CONTRACTS

SFE will be reducing the minimum tick size in the 3 Year Interest Rate Swap Futures contracts from 1 basis point to 0.5 basis points on Friday, 12 November at the commencement of the SYCOM night session at 5pm (Trade Date 15 November 2004).

The contract months immediately affected by these changes are outlined below:

- Dec04 3 Year Interest Rate Swap Futures (YSZ4) – the new tick size of 0.5 basis points will be introduced at 5pm on Friday, 12 November (this contract will remain open for trade at 1 basis point tick size until this time).
- Mar05 3 Year Interest Rate Swap Futures (YSH5) – the new tick size of 0.5 basis points will be introduced at 5pm on Friday, 12 November (this contract will remain open for trade at 1 basis point tick size until this time).

Please note these changes do not affect the 10 Year Interest Rate Swap Futures contract specifications which is already available to trade at a minimum tick size of 0.5 basis points. The revised contract specifications for the 3 Year Interest Rate Swap Futures contracts are provided in Appendix A of this Bulletin. Commodity codes for the 3 and 10 Year Interest Rate Swap Futures contracts are provided in Appendix B.

For further information on the 3 and 10 Year Interest Rate Swap Futures contracts please contact the following:

Business Development: Maurice Farhart on 612 9256 0183 or mfarhart@sfe.com.au
Business Operations: Business Operations Help Desk on 612 9256 0677 or sycom@sfe.com.au

A handwritten signature in black ink, appearing to read 'Peter Hiom'.

Peter Hiom
General Manager, Exchange Business Development

APPENDIX A: REVISED 3 YEAR INTEREST RATE SWAP FUTURES CONTRACT SPECIFICATIONS**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 0.005%. For quotation purposes the yield is deducted from an index of 100. The minimum fluctuation of 0.005% equals approximately \$14 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)

SFE takes no responsibility for any errors or omissions contained in this bulletin and will not be liable for any reason including without limitation negligence, for losses, consequential or otherwise, arising from or in connection with decisions made in reliance upon this information. This information does not substitute for the Operating Rules and in the case of inconsistency the Operating Rules prevail. Before acting on any matter contained in this bulletin readers should discuss the matter with their own professional advisers.

APPENDIX B: 3 AND 10 YEAR INTEREST RATE SWAP FUTURES COMMODITY CODES

INTEREST RATE SWAP FUTURES (6.5% COUPON)			
	THREE YEAR SWAP	TEN YEAR SWAP	BANK BILL STRIP BASIS YS
SFE Code	YS	XS	YI
Bloomberg	XIA <CMDTY>	XJA <CMDTY>	C1Z3 <CMDTY> CT <GO>
Bourse Data	YS	XS	-
Derivatives.com.au	YSMMYY	XSMMYY	-
FT Interactive Data	YSmy	XSmy	Ylmy
FutureSource	AYS	AXS	-
IRESS	YSmy	XSmy	Ylmy
MarketCast	YSym	XSym	-
Moneyline Telerate	Day: AU@YS.1 Night: AU@SY.1 Full: AU@YSC.1	Day: AU@XS.1 Night: AU@SX.1 Full: AU@XSC.1	Day: AU@YI.1 Night: AU@IY.1 Full: AU@YIC.1
Reuters	Full: 0#YYYS: Night: 0#1YYYS: Day: 0#2YYYS:	Full: 0#YXS: Night: 0#1YXS: Day: 0#2YXS:	Full: 0#YYI: Night: 0#1YYI: Day: 0#2YYI:
Comstock	1mYSmy	1mXSmy	1mYlmy
Telekurs	3,YSym,359	3,XSym,359	-
TeleCommunication Systems Inc	-	-	-
Thomson Financial	YS	XS	-