

CIRCULAR TO: SYDNEY CLEARING MEMBERS NO. 53/00
NZ CLEARING MEMBERS

NEW FORMAT FOR THE INTEREST EARNED STATEMENT – MARGINS
REPORT

In developing the Electronic Reporting facility on behalf of the Members, the SFECH took the opportunity to review a number of report formats with the aim of simplifying the information provided and the format of the reports.

In respect of the **Interest Earned Statement – Margins** report for Clearing Members, a number of members felt that the current format was confusing and should be simplified to clearly display the “Effective Rate” of interest earned on the Initial Margins and Excess Cash placed with the SFECH.

Accordingly, SFECH has amended the existing report format. The new format will detail:

- Effective Date of funds placed with SFECH.
- The total principal amount (Initial Margin and Excess Cash) per currency held with the SFECH by the Member.
- Effective Rate of interest earned per currency.
- Interest Earned.

The Effective Rate is based on representing the existing calculations as a single figure. The Effective Rate is calculated via the following steps:

- A weighted average interest rate will be calculated on the SFECH’s investments to determine the SFECH’s daily ‘base’ interest rate.
- Clearing Members are subject to an interest free tranche of \$100,000 on Initial Margins, which is applied to the Client Clearing Account first.
- Above this level all Clearing members will receive the interest rate as set by the SFECH Board. The SFECH Board determines the interest rate level to be applied to the Initial Margins and Excess Cash from time to time.
- The total interest is then calculated and the Effective Rate of interest is then determined as a proportion of the total Initial Margins and Excess Cash that is held (which is rounded to 5 decimal places).

The existing Interest Earned Statement – Margins shall be decommissioned on the weekend of 24th/25th June 2000, with the new report being issued from the 26th of June, 2000.

Attached is an example of the new report.

For further information please contact the Project Manager for Electronic Reports Ron Perry on (02) 9256 0569.

A handwritten signature in black ink, appearing to read 'Martin Stockley-Smith', written over a horizontal line.

Martin Stockley-Smith
General Manager - Clearing House

SYDNEY FUTURES EXCHANGE CLEARING HOUSE PTY. LTD.

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(The clearing house for the Sydney Futures Exchange
& The New Zealand Futures and Options Exchange)
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INTEREST EARNED STATEMENT - MARGINS

Date/Time 13/Apr/00
2:47:56 PM

Exchange : SFE/NZF
House/Client Account

Currency: AUD/NZD/EUR/HKD/JPY

Clearing Member: ZZZ
ZZZ Futures Pty Ltd
Address: Level 1, Grosvenor Place
225 George Street
Sydney NSW 2000

Period: 01/Apr/00 to 13/Apr/00

Date	Principal	Effective Rate	Interest Earned
01/Apr/00	\$13,014,357.00	4.95165%	\$3,531.10
03/Apr/00	\$11,787,945.00	4.94768%	\$1,597.89
04/Apr/00	\$12,091,667.00	4.94874%	\$1,639.41
05/Apr/00	\$11,767,916.00	5.19549%	\$1,675.07
06/Apr/00	\$10,533,724.00	5.19025%	\$1,497.88
07/Apr/00	\$12,318,275.00	5.19746%	\$5,262.23
10/Apr/00	\$11,852,849.00	5.19577%	\$1,687.25
11/Apr/00	\$11,699,930.00	5.19520%	\$1,665.30
12/Apr/00	\$14,318,726.00	5.21334%	\$2,045.16
13/Apr/00	\$14,752,486.00	5.20447%	\$2,103.53
Total			\$22,704.82