SFE NOTICE NO. 127/05

Date of Issue: 14th September 2005
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September 2005 New Zealand Bond Expiry Quotes

Further to SFE Clearing Bulletin 19/05 the NZ Bond expiry price calculation and data points are provided to further increase transparency in the Expiry Prices determination process. Included data specifically relates to the September 2005 New Zealand Bond Contracts expiry.

Should you have any queries please contact Business Operations helpdesk on (612) 9256 0677.

David Raper

David Raper
Manager – Business Operations, Derivatives

NZ Bond Expiry: September 2005

TY 3 Year NZ Government Bond

Short Dated Stock Maturity	**15/07/08**	**from Determinations 6.28.1 Item 5(a)**
Far Dated Stock Maturity	**15/07/09**	**from Determinations 6.28.1 Item 5(a)**
Theoretical Stock Maturity	**14/09/08**	**Final Trading Day + 3 years**

9am Quotes	**Jul-08**				**Jul-09**			
	Bid	**Ask**	**Spread**	**Mid**	**Bid**	**Ask**	**Spread**	**Mid**
AMP	**5.72**	**5.71**	0.01	5.715	**5.72**	**5.71**	0.01	5.715
DBA	**5.73**	**5.71**	0.02	5.720	**5.72**	**5.70**	0.02	5.710
BNZ	**5.72**	**5.70**	0.02	5.710	**5.72**	**5.70**	0.02	5.710
NBN	**5.73**	**5.71**	0.02	5.720	**5.72**	**5.70**	0.02	5.710
SSB	**5.73**	**5.71**	0.02	5.720	**5.72**	**5.70**	0.02	5.710
WPC	**5.73**	**5.70**	0.03	5.715	**5.73**	**5.70**	0.03	5.715

MidRates Used in Calculation 5.720 5.710
Indicative Yield 5.72
Indicative Settlement Price 94.28

9.30am Quotes	**Jul-08**				**Jul-09**			
	Bid	**Ask**	**Spread**	**Mid**	**Bid**	**Ask**	**Spread**	**Mid**
AMP	**5.72**	**5.71**	0.01	5.715	**5.72**	**5.71**	0.01	5.715
DBA	**5.73**	**5.71**	0.02	5.720	**5.72**	**5.70**	0.02	5.710
BNZ	**5.72**	**5.70**	0.02	5.710	**5.72**	**5.70**	0.02	5.710
NBN	**5.73**	**5.71**	0.02	5.720	**5.72**	**5.70**	0.02	5.710
SSB	**5.73**	**5.71**	0.02	5.720	**5.72**	**5.70**	0.02	5.710
WPC	**5.73**	**5.70**	0.03	5.715	**5.72**	**5.69**	0.03	5.705

MidRates Used in Calculation 5.720 5.710
Indicative Yield 5.72
Indicative Settlement Price 94.28

10am Quotes	**Jul-08**				**Jul-09**			
	Bid	**Ask**	**Spread**	**Mid**	**Bid**	**Ask**	**Spread**	**Mid**
AMP	**5.72**	**5.71**	0.01	5.715	**5.72**	**5.71**	0.01	5.715
DBA	**5.73**	**5.71**	0.02	5.720	**5.72**	**5.70**	0.02	5.710
BNZ	**5.72**	**5.70**	0.02	5.710	**5.72**	**5.70**	0.02	5.710
NBN	**5.73**	**5.71**	0.02	5.720	**5.72**	**5.70**	0.02	5.710
SSB	**5.73**	**5.71**	0.02	5.720	**5.72**	**5.70**	0.02	5.710
WPC	**5.73**	**5.70**	0.03	5.715	**5.72**	**5.69**	0.03	5.705

MidRates Used in Calculation 5.720 5.710
Indicative Yield 5.72
Indicative Settlement Price 94.28

For each Quotation Period
Quotations with a spread greater than 0.05 have been discarded
The highest and lowest mid-rates have been discarded

Calculation yield = i1 + (i2 - i1) x (n1 / n2)

i1	average mid-rate of short dated stock	5.720
i2	average mid-rate of far dated stock	5.710
n1	days between short dated stock and theoretical stock	61
n2	days between short dated stock and far dated stock	365

yield = 5.72 + (5.71 - 5.72) x (61 / 365)

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Yield 5.72 Final Settlement Price 94.28

TN 10 Year NZ Government Bond

Short Dated Stock Maturity	**15/04/13**	**from Determinations 6.28.1 Item 5(a)**
Far Dated Stock Maturity	**15/04/15**	**from Determinations 6.28.1 Item 5(a)**
Theoretical Stock Maturity	**14/09/15**	**Final Trading Day + 10 years**

9am Quotes	**Apr-13**				**Apr-15**			
	Bid	**Ask**	**Spread**	**Mid**	**Bid**	**Ask**	**Spread**	**Mid**
AMP	**5.71**	**5.70**	0.01	5.705	**5.72**	**5.70**	0.02	5.710
DBA	**5.68**	**5.66**	0.02	5.670	**5.70**	**5.68**	0.02	5.690
BNZ	**5.69**	**5.67**	0.02	5.680	**5.71**	**5.69**	0.02	5.700
NBN	**5.68**	**5.66**	0.02	5.670	**5.71**	**5.69**	0.02	5.700
SSB	**5.68**	**5.66**	0.02	5.670	**5.70**	**5.68**	0.02	5.690
WPC	**5.69**	**5.66**	0.03	5.675	**5.71**	**5.68**	0.03	5.695

MidRates Used in Calculation 5.670 5.700
Indicative Yield 5.71
Indicative Settlement Price 94.29

9.30am Quotes	**Apr-13**				**Apr-15**			
	Bid	**Ask**	**Spread**	**Mid**	**Bid**	**Ask**	**Spread**	**Mid**
AMP	**5.69**	**5.67**	0.02	5.680	**5.70**	**5.68**	0.02	5.690
DBA	**5.68**	**5.66**	0.02	5.670	**5.70**	**5.68**	0.02	5.690
BNZ	**5.69**	**5.67**	0.02	5.680	**5.71**	**5.69**	0.02	5.700
NBN	**5.69**	**5.67**	0.02	5.680	**5.71**	**5.69**	0.02	5.700
SSB	**5.67**	**5.65**	0.02	5.660	**5.70**	**5.68**	0.02	5.690
WPC	**5.69**	**5.66**	0.03	5.675	**5.71**	**5.68**	0.03	5.695

MidRates Used in Calculation 5.680 5.690
Indicative Yield 5.69
Indicative Settlement Price 94.31

10am Quotes	**Apr-13**				**Apr-15**			
	Bid	**Ask**	**Spread**	**Mid**	**Bid**	**Ask**	**Spread**	**Mid**
AMP	**5.69**	**5.67**	0.02	5.680	**5.70**	**5.68**	0.02	5.690
DBA	**5.68**	**5.66**	0.02	5.670	**5.70**	**5.68**	0.02	5.690
BNZ	**5.69**	**5.67**	0.02	5.680	**5.71**	**5.69**	0.02	5.700
NBN	**5.69**	**5.67**	0.02	5.680	**5.71**	**5.69**	0.02	5.700
SSB	**5.67**	**5.65**	0.02	5.660	**5.70**	**5.68**	0.02	5.690
WPC	**5.69**	**5.66**	0.03	5.675	**5.71**	**5.68**	0.03	5.695

MidRates Used in Calculation 5.680 5.690
Indicative Yield 5.69
Indicative Settlement Price 94.31

For each Quotation Period
Quotations with a spread greater than 0.05 have been discarded
The highest and lowest mid-rates have been discarded

Calculation yield = i1 + (i2 - i1) x (n1 / n2)

i1	average mid-rate of short dated stock	5.677
i2	average mid-rate of far dated stock	5.693
n1	days between short dated stock and theoretical stock	882
n2	days between short dated stock and far dated stock	730

yield = 5.677 + (5.693 - 5.677) x (882 / 730)

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Yield 5.70 Final Settlement Price 94.30