

SFE NOTICE NO. 124/06

Date of Issue: 18 October 2006

Effective Date: 31 October 2006

INTRODUCTION OF SFE CBOT®* MINI-SIZED DOWSM** 1-DAY OPTION CONTRACTS

Introduction

SFE is pleased to announce the launch of the SFE CBOT mini-sized DowSM 1-Day Option contract based on the spot quarter CBOT mini-sized DowSM Futures contract based on the Dow Jones Industrial AverageSM. The SFE CBOT mini-sized DowSM 1-Day Option contract has CFTC approval and is a new tool for customers to hedge daily market risk on their underlying futures contract or speculate on the direction of the market on any given day.

SFE CBOT mini-sized DowSM 1-Day Option contracts will be cash settled and valid during:

Australian Summer Time

3:00pm until 8:15am the next day Australian Eastern Standard Time (10:00pm until 3:15pm the next day – Chicago Time)

Australian Summer/Winter Transition (Last Sunday in March to first Sunday in April)

3:00pm until 7:15am the next day Australian Eastern Standard Time (11:00pm until 3:15pm the next day – Chicago Time)

Australian Winter Time

3:00pm until 6:15am the next day Australian Eastern Standard Time (12:00am (midnight) until 3:15pm the next day – Chicago Time)

Trading will begin at 3:00pm on 31 October 2006 (10:00pm on 30 October 2006 Chicago Time).

Expiry and Settlement

The settlement price for the SFE CBOT mini-sized DowSM 1-Day Option will be the daily settlement price for the CBOT mini-sized DowSM Index Futures contract which will be determined at 3:15pm Chicago Time.

Commodity Code

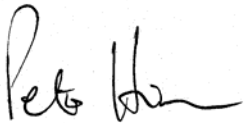
The SFE Commodity Code for SFE CBOT mini-sized DowSM 1-Day Option is MX and will be displayed on SYCOM as MXmy Overnight Option.

Exchange Fees

Exchange transaction fees of AUD1.10 (excluding GST) per contract per side will apply to the SFE CBOT mini-sized DowSM 1-Day Option. An exercise fee of AUD1.10 (excluding GST) will also apply to in-the-money options.

Further Information

Contract Specifications and Data Vendor Codes are attached. Should you have any further questions please contact David Cambridge, Manager, Equity Derivatives Development on +61 2 9227 0155. (dcambridge@sfe.com.au).



Peter Hiom
Group Executive, Business Development

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endorsed, sold or promoted by Dow Jones or the Chicago Board of Trade, and neither Dow Jones or the Chicago Board of Trade make any representation regarding the advisability of trading in such product(s).

SFE CBOT® mini-sized DowSM 1-Day Option

Contract	SFE CBOT mini-sized Dow SM 1-Day Options
Commodity Code	MX
Listing Date	31st October 2006.
Contract Unit	US\$5 per index point.
Option Style	European. Put and Call options available on the underlying CBOT mini-sized Dow SM futures contract.
Minimum Price Movement	1 index point (US\$5).
Exercise Price	Set at intervals of 20 index points. Eleven option strike prices are initially made available - one at-the-money and 5 strikes either side. Additional strike prices can be listed at the discretion of the Trading Manager or the Chief Executive of SFE.
Underlying	The Option shall be available for the CBOT mini-sized Dow SM futures contract for the nearest quarterly month until five days (i.e. the Friday) prior to expiry of the underlying CBOT mini-sized Dow futures contract when the option will be available for the second quarter month ahead.
Settlement	Options are cash settled with all trading ceasing at the settlement of each US day trading session (3:15pm Chicago time). The final settlement price is the daily settlement price for the underlying CBOT mini-sized Dow SM futures contract based on the Dow Jones Industrial Average SM at 3:15pm Chicago time. Only options that expire in-the-money will be settled. Out-of-the-money and at-the-money options will be abandoned.
Trading Hours	Australian Summer Time (Last Sunday in October to last Sunday in March) 3:00pm until 8:15am the next day (17:15 hours continuous trading) AEDT ¹ . 10:00pm until 3:15pm the next day, Chicago time. Australian Summer/Winter Transition (Last Sunday in March to first Sunday in April) 3:00pm until 7:15am the next day (16:15 hours continuous trading) AEST ² . 11:00pm until 3:15pm the next day, Chicago time. Australian Winter Time (First Sunday in April to last Sunday in October) 3:00pm until 6:15am the next day (15:15 hours continuous trading) AEST ³ . 12:00am until 3:15pm the next day, Chicago time.

¹ AEDT = Australian Eastern Daylight Saving Time

² AEST = Australian Eastern Standard Time

³ AEST = Australian Eastern Standard Time

MARKET DATA VENDOR CODES

SFE CODE	MX
Bourse Data	MXmyy
FutureSource/e-signal	MX[month][year][P/C][strike]-SFE
IRESS	MXmyc+
MarketCast	MXym
Reuters	0#YMXmy+
Telekurs	MXymcstrikes,359 MXympstrikes,359
Telecommunications Systems	YMXmy+
Thomson Financial	MX/O.SY*