

SFE NOTICE NO. 137/06

Date of Issue: 21 November 2006
Effective Date: 8 December 2006

Permanent Implementation of 3 Year Half Basis Point Trading and Removal of "At-best" (F5) Functionality during December 2006 Roll Period

3 Year Treasury Bond Futures – Permanent Introduction of Half Basis Point Trading

Participants and all SFE customers are reminded that effective 5.00pm on 8 December 2006 (Trade Date 11 December 2006) **half basis point trading will be permanently implemented in 3 Year Treasury Bond Futures contract**. Half basis point pricing will therefore be available in the outright spot and next contract months, as well as through intra- and inter-commodity spreads and in permitted strategies in the Custom Market.

Timed to coincide with half basis point trading, Market Depth will be permanently increased from 3 to 5 price levels at 5.00pm on 8 December 2006 (Trade Date 11 December 2006)

Calculation of Option Expiry Prices

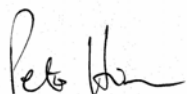
From 5.00pm 8 December 2006, the Expiry Settlement Prices for 3 Year Quarterly, Serial, Overnight and Intra-day Options will be calculated to four decimal places and rounded to the next highest multiple of 0.005. Where the third and fourth decimal places are 2 and 5 or 7 and 5, the Expiry Settlement Price will be rounded up to the next highest multiple of 0.005.

Removal of "At-best" Functionality

SFE will again temporarily switch off the "At-best" functionality for both the spot and next month 3 and 10 Year Treasury Bond Futures contracts for the December roll period. The "At-best" functionality will not be available for the outright, intra-and inter-commodity (YT-IR and XT-YT spreads) markets from 5.00pm on 8 December 2006 to 5.00pm on 15 December 2006.

The "At-best" functionality will continue to be available on the 3 and 10 Year Treasury Bond Options contracts, including the One Session Options.

Should you have any technical questions or require assistance please contact the Service Desk on 02 9256 0677 or servicedesk@sfe.com.au. For product related enquiries please contact Maurice Farhart on 02 9227 0117 or maurice.farhart@asx.com.au



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