



SFE NOTICE NO. 162/08

Date of Issue: 29 October 2008
Effective Date: 30 October 2008

Margin Rates for New Zealand Denominated Contracts

SFE Clearing Corporation has reviewed the price volatility of all New Zealand denominated contracts and has approved the margin changes as shown in **Attachment 1**.

The adjustments follow SFECC's ongoing review of New Zealand denominated contracts given current market volatility and price levels.

The revised margin parameters will be effective for open contracts as at close of business on **Thursday 30 October, 2008**, impacting on margin calls made on **Friday 31 October, 2008**.

Participants are encouraged to advise all relevant clients of this Initial Margin change on a timely basis.

Initial margin rates for all SFE contracts are available on the ASX Website at www.asx.com.au.

Should you have any queries in relation to the above, please contact the Clearing Risk Operations department on 9227-0236 or 9227 0375.

A handwritten signature in black ink, appearing to read 'Thomas Cameron', is positioned above the printed name and title.

Thomas Cameron
Risk Analyst

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20 Bridge Street
Sydney NSW 2000
Australia



NOTICE CONTINUED

A T T A C H M E N T 1

NZ Equity Options

Price Scanning Range

Contract	Price Scanning Range
Contact Energy Ltd	Decrease from \$105 to \$90
Fletcher Building Ltd	Decrease from \$100 to \$70
The Warehouse Group Ltd	Increase from \$60 to \$70

NZ Index and Debt Futures

Price Scanning Range

Contract	Price Scanning Range
The ZIF (NZSE 15 Index futures Contract)	Increase from \$2,630 to \$3,650
30 Day Official Cash Rate Futures	Increase from \$610 to \$1,100

Inter-Month Spread Charge

Contract	Inter-Month Spread Charge
The ZIF (NZSE 15 Index Futures Contract)	Increase from \$290 to \$995
90 Day Bank Bill	TIERED (see below)
3 Year Government Bond (8% Coupon)	Decrease from \$525 to \$130
10 Year Government Bond (8% Coupon)	Decrease from \$600 to \$415

Volatility Scanning Range

Contract	Volatility Scanning Range
90 Day Bank Bill	Decrease from 0.10% to 0.07%



NOTICE CONTINUED

Span Inter Commodity Concessions

Contracts	Delta Spread Ratio	% Credit per Leg of Spread
3 Year Government Bond (8% Coupon): 10 Year Government Bond (8% Coupon)	3:1	75%
90 Day Bank Bill : 3 Year Government Bond (8% Coupon)	1:1	45%
30 Day Official Cash Rate Futures : 90 Day Bank Bill	1:1	60%

Tiered Inter-Month Spread Details – 90 Day Bank Accepted Bill

90 Day Bank Bills	Months in Tier	Tier 1	Tier 2	Tier 3	Tier 4
Tier 1	1				
Tier 2	2 to 3	\$ 330	\$ 190		
Tier 3	4 to 8	\$ 815	\$ 730	\$ 280	
Tier 4	9 to 12	\$ 890	\$ 805	\$ 335	\$ 110