



SFE NOTICE NO.

186/08

Date of Issue: 4 December 2008

Effective Date: 4 December 2008

Open Interest – Market Information Update

It has come to the attention of Futures Compliance & Surveillance that one or more Participants have not been following the Best Practice outlined in the Practice Note attached to Operating Rule 46.5 of SFE Clearing, regarding Daily Close-Outs of Matched Positions (including Back-to-Back Open Positions).

In this regard, one or more Participants have identified that they are maintaining back-to-back holdings within their clearing accounts and have confirmed that they intend to close out the majority of their back-to-back holdings in 90-Day Bank Bill Contracts today. Expect Open Interest within this commodity to reduce heavily at today's close. This reduction will be independent of any true change in market depth, and the Exchange reiterates that Open Interest should not be used by traders as an absolute measure of liquidity in contracts.

Should you have any queries relating to this matter, please call Nick Gaut, Senior Market Analyst, Futures Compliance & Surveillance on (02) 9227-0226 or contact him by e-mail at nick.gaut@asx.com.au

A handwritten signature in black ink, appearing to read 'R. Coaldrake', is positioned above the printed name.

Robert Coaldrake
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