



SFE NOTICE NO. 152/09

Date of Issue: 31 August 2009
Effective Date: 4 September 2009

SFE Initial Margin Rates – Young Cattle & Wool Contracts

SFE Clearing Corporation has reviewed the price volatility of the Young Cattle and Wool contracts and has approved the margin changes as shown in Attachment 1.

The adjustments follow SFECC's ongoing review of these contracts and reflect current market conditions. Moreover, Participants are advised that further rate changes may be required at short notice as SFECC continually monitors ongoing market volatility.

The revised margin parameters will be effective for open contracts as at close of business on **Friday 4 September 2009**, impacting on margin calls made on **Monday 7 September 2009**.

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 9227-0532 or 9227-0236.

Gavin Strelitz
Risk Analyst, Clearing Risk Operations

ASX Limited
20 Bridge Street
Sydney NSW 2000
Australia

NOTICE CONTINUED

A T T A C H M E N T 1

Price Scanning Range

| Contract | Price Scanning Range |
|---------------------------|----------------------------------|
| Broad Wool | Decrease from \$430 to \$290 |
| Fine Wool | Decrease from \$1,265 to \$1,210 |
| Wool Deliverable (Greasy) | Decrease from \$885 to \$820 |
| Young Cattle | Decrease from \$745 to \$670 |

Inter-Month Charge

| Contract | Price Scanning Range |
|--------------|------------------------------|
| Broad Wool | Decrease from \$430 to \$290 |
| Fine Wool | Increase from \$210 to \$350 |
| Young Cattle | Decrease from \$690 to \$680 |

Tiered Inter-Month Spread Details

| | Wool Deliverable | Months in Tier | Tier 1 | Tier 2 | Tier 3 |
|---|------------------|----------------|--------|--------|--------|
| 1 | Tier 1 | 1 | | | |
| 2 | Tier 2 | 2 to 5 | \$315 | \$230 | |
| 3 | Tier 3 | 6 to 9 | \$315 | \$230 | \$230 |