ASX
AUSTRALIAN SECURITIES EXCHANGE

SFE NOTICE NO. 196/09

Date of Issue: 12 November 2009

Effective Date: 20 November 2009

SFE Clearing Initial Margin Rates – Bond Spread and Interest Rate Swap Futures Margin Rates

SFE Clearing Corporation has reviewed the price volatility of the Bond Spread and Interest Rate Swap Futures contracts and has approved margin rate changes show in **Attachment 1**. Intercommodity Concessions have been removed for a number of contracts and Intermonth Spread charges increased where there is no open interest.

The revised margin parameters will be effective for open contracts as at close of business on **Friday 20 November 2009**, impacting on margin calls made on **Monday 23 November 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.

David Seare
Manager, Clearing Risk Operations

ASX Limited
20 Bridge Street
Sydney NSW 2000
Australia

ASX AUSTRALIAN SECURITIES EXCHANGE

N O T I C E   C O N T I N U E D

A T T A C H M E N T   1

Price Scanning Range

Contract	Price Scanning Range
10 Year Interest Rate Swap Futures 6.5% Coupon	Decrease from $2,710 to $2,130

Inter-Month Spread Charge

Contract	Inter Month Spread Charge
Australian / US 10 Year Bond Spread	Increase from $500 to $1,330
3 Year Interest Rate Swap Futures 6.5% Coupon	Increase from $120 to $1,160
10 Year Interest Rate Swap Futures 6.5% Coupon	Increase from $70 to $2,130

Inter Commodity Concessions

	Contracts	Delta Spread Ratio	% Credit per leg of Spread
1	10 Year Interest Rate Swap Futures 6.5% Coupon : 3 Year Interest Rate Swap Futures 6.5% Coupon	-	0%
2	10 Year Government Bond 6% Coupon : 10 Year Interest Rate Swap Futures 6.5% Coupon	1:1	85%
3	3 Year Government Bond 6% Coupon : 3 Year Interest Rate Swap Futures 6.5% Coupon	-	0%
4	3 Year Interest Rate Swap Futures 6.5% Coupon : 90 Day Bank Accepted Bill	-	0%