



SFE NOTICE NO. 118/10

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## Margin Rates for New Zealand Debt Contracts

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

The revised margin parameters will be effective for open contracts as at close of business on **Friday 6 August 2010**, impacting on margin calls made on **Monday 9 August 2010**.

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 SFE Website at [www.asx.com.au](http://www.asx.com.au).

Should you have any queries in relation to the above, please contact the Clearing Risk Management department on 9227-0532 or 9227-0236.

**David Seare,**  
**Manager, Clearing Risk Management**

ASX Limited  
20 Bridge Street  
Sydney NSW 2000  
Australia



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A T T A C H M E N T 1

## NZ Debt Futures

### Price Scanning Range

Contract	Price Scanning Range
10 Year Government Bond	Increase from \$1,055 to \$1,200

### Inter-Month Spread Charge

Contract	Inter-Month Spread Charge
10 Year Government Bond	Decrease from \$1,055 to \$1,200
90 Day Bank Bill	TIERED (see below)

### Span Inter Commodity Concessions

Contracts	Delta Spread Ratio	% Credit per Leg of Spread
3 Year Government Bond : 10 Year Government Bond	3:1	Removed
90 Day Bank Bill : 3 Year Government Bond	1:1	Removed

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

90 Day Bank Bill	Months in Tier	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6
<b>Tier 1</b>	1						
<b>Tier 2</b>	2	\$140					
<b>Tier 3</b>	3	\$250	\$125				
<b>Tier 4</b>	4	\$320	\$210	\$115			
<b>Tier 5</b>	5	\$320	\$320	\$320	\$320		
<b>Tier 6</b>	6 to 12	\$320	\$320	\$320	\$320	\$320	\$320