

One-Session Options on Futures

One-Session Options on Futures are European style options that trade for one SYCOM® session. Overnight Options (ONOs) were introduced by SFE in 1993. Intra-Day Options (IDOs) were launched in April 2002, due to market demand following the continued success of ONOs.

Products Available	Contract Months	Trading Hours
Intra-Day Options on Australian 3 Year Treasury Bond Futures and 10 Year Treasury Bond Futures	Put and call options available on futures contracts for the nearest quarter month ahead	Available for the duration of one trading session between 8.30am to 4.10pm Australian Eastern Standard time
Overnight Options on Australian 3 Year Treasury Bond Futures and 10 Year Treasury Bond Futures	Put and call options available on futures contracts for the nearest quarter month ahead	Available for duration of one trading session between 5.10pm to 7.00am Australian Eastern Standard Time (7.30am Daylight Savings Time)

Please refer to the SFE website www.sfe.com.au for complete contract specifications.

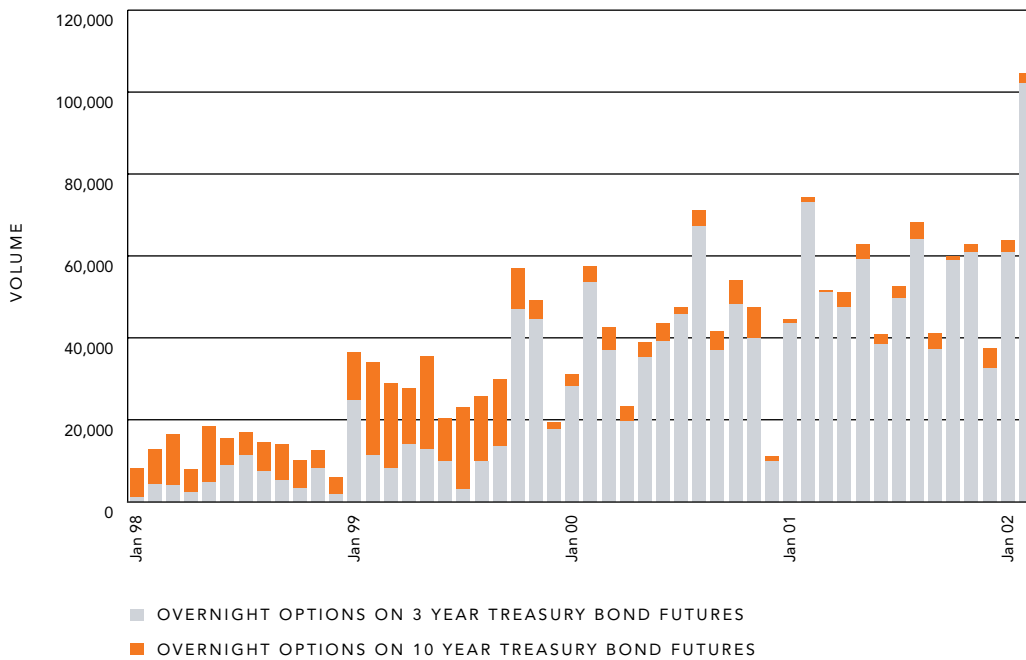
Key Features and Benefits

- Approved for trading by the US Commodities Futures Trading Commission (CFTC) and UK Financial Services Authority (FSA)
- One-Session Options are European style options that are only valid for the duration of the SYCOM® session in which they are traded
- One-Session Options expire prior to the start of the next SYCOM® session
- One-Session Options on 3 and 10 Year Treasury Bond Futures are cost effective, providing investors and traders with additional flexibility in the bond market. For instance, One-Session Options can be used to:
 - **Manage short term exposure**
Traders can protect their bond positions against short term price movements
 - **Hedge positions from event risk**
More specifically, a trader's bond positions can be protected against event risk. This risk occurs when official cash rate announcements and economic data such as employment figures, GDP or inflation results are released domestically or in offshore markets.
 - **Profit through outright trading**
Traders can profit by anticipating short term price movements in the bond market
 - **Take a position on events**
More specifically, a position can be taken if the outcome of an event is anticipated by a trader
 - **Put the equivalent of a stop loss order in place**
For example, a trader who has a bought position in the market could buy Overnight put options which would provide a firm exit price in the event of a market decline
- One-Session Options on 3 and 10 Year Treasury Bond Futures are quoted in yield per cent per annum in multiples of 0.005 per cent
- Exercise prices for One-Session Options are set at intervals of 0.01 per cent per annum yield. The option exercise prices available for trading will be announced prior to the opening of each session

- All One-Session Options, which are in-the-money, are automatically exercised at settlement. Exercise of an option results in the holder receiving a futures position at the options strike price. All at-the-money and out-of-the-money options expire worthless
- No initial margin is required for One-Session Options. However, normal margin requirements will apply if an option is exercised, resulting in a futures position
- Trade One-Session Options via SFE's electronic trading system
- Market integrity is maintained through sound marketplace regulation and the certainty of contract fulfilment.

Market Data

MONTHLY VOLUMES FOR OVERNIGHT OPTIONS ON TREASURY BOND FUTURES



Vendor Access Codes

Vendor	Intra-Day Option Codes		Overnight Option Codes	
	3 Year Treasury Bonds	10 Year Treasury Bonds	3 Year Treasury Bonds	10 Year Treasury Bonds
SFE code	YD	XD	YO	XO
Bloomberg	YYA<CMDTY>	XDA<CMDTY>	OOA<CMDTY>	SOA<CMDTY>
Derivatives.com.au	YDmmyy strikep/c	XDmmyy strikep/c	YOmmyy strikep/c	XOmmyy strikep/c
MarketCast	YD	XD	YO	XO
Moneyline Telerate	au@YD+yym	au@XD+yym	au@YO+yym	au@XO+yym
Resource Data	YD	XD	YO	XO
Reuters "Beacon"	DYD	DXD	FYO	FXO
Reuters "Reuters 2000"	0#YYDmy+	0#YXDmy+	0#YYOmy+	0#YXOmy+

ABOUT BELL COMMODITIES

Bell Commodities is a long established futures broker in Australia. We provide clients with:

- Australian and international futures and option execution services
- Expertise in formulating hedging programmes
- 24 hour access to the futures and bullion markets around the world, as well as to the margined foreign exchange market.

Bell Commodities is dedicated to serving the needs of its customers and providing a high level of specialised and personal service.

ABOUT SFE

SFE Corporation Limited (SFE) and its subsidiary companies, Sydney Futures Exchange, New Zealand Futures and Options Exchange, SFE Clearing Corporation and Austraclear, provide exchange-traded and over-the-counter (OTC) financial services for institutions globally. During 2001, on average more than 141,000 futures and options contract were traded each day, with an annual turnover of nearly 37 million contracts, positioning SFE as a significant derivatives exchange in the Asian region.

SFE is a public company whose shareholders include many of Australia's and the world's leading banks, brokers and other financial institutions.

FOR FURTHER INFORMATION

For further information please call Bell Commodities on 1800 805 906.

Alternatively, visit www.bellcommodities.com.au or www.sfe.com.au

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