



# ASX Sector Futures

S&P/ASX 200 Resources Index Futures and  
S&P/ASX 200 Financials-x-A-REIT Index Futures

ASX sector futures enable market participants to trade, hedge, equitise and arbitrage exposure to the two largest sectors of the S&P/ASX 200.

The Australian equity market comprises approximately 2,200 issuers, offering participants investment and trading opportunities across a number of industry sectors – with the resources and financial sectors being the two largest.

## S&P/ASX 200 Resources Index

ASX offers exposure to some of the world's leading resource companies along with a growing number of mid-tier producers and exploration companies developing energy and mineral deposits.

The S&P/ASX 200 Resources Index (XJR) consists of companies from the S&P/ASX 200 index that are classified as belonging to the energy sector or the metals and mining industry.

## S&P/ASX 200 Financials-x-A-REITs Index

The Australian economy includes a comparatively large financial sector. Due to compulsory superannuation Australia has one of the largest pension fund pools in the world. This has created a favourable environment for banks and asset management, financial planning and insurance companies.

The S&P/ASX 200 Financials-x-A-REITs Index (XXJ) consists of S&P/ASX 200 companies that are involved in banking, mortgage finance, consumer finance, specialised finance, investment banking and brokerage, asset management and custody, corporate lending, insurance and financial investment. The index comprises all the companies from the S&P/ASX 200 index that are in the financial sector with the exception of those companies that are classified as Australian Real Estate Investment Trusts (A-REITs).

## Sector Futures

The availability of sector futures increases the number of exchange-traded instruments available to market participants to manage Australian equity market exposure. While ASX SPI 200™ Futures enable participants to trade and hedge movements in the broader Australian equity market – as measured by the S&P/ASX 200 Index – sector futures offer a more specific focus.

Futures over the S&P/ASX 200 Resources Index and the S&P/ASX 200 Financials-x-A-REIT Index provide an exchange-traded solution to those participants seeking to obtain and manage exposure to the two largest sectors of the Australian economy.

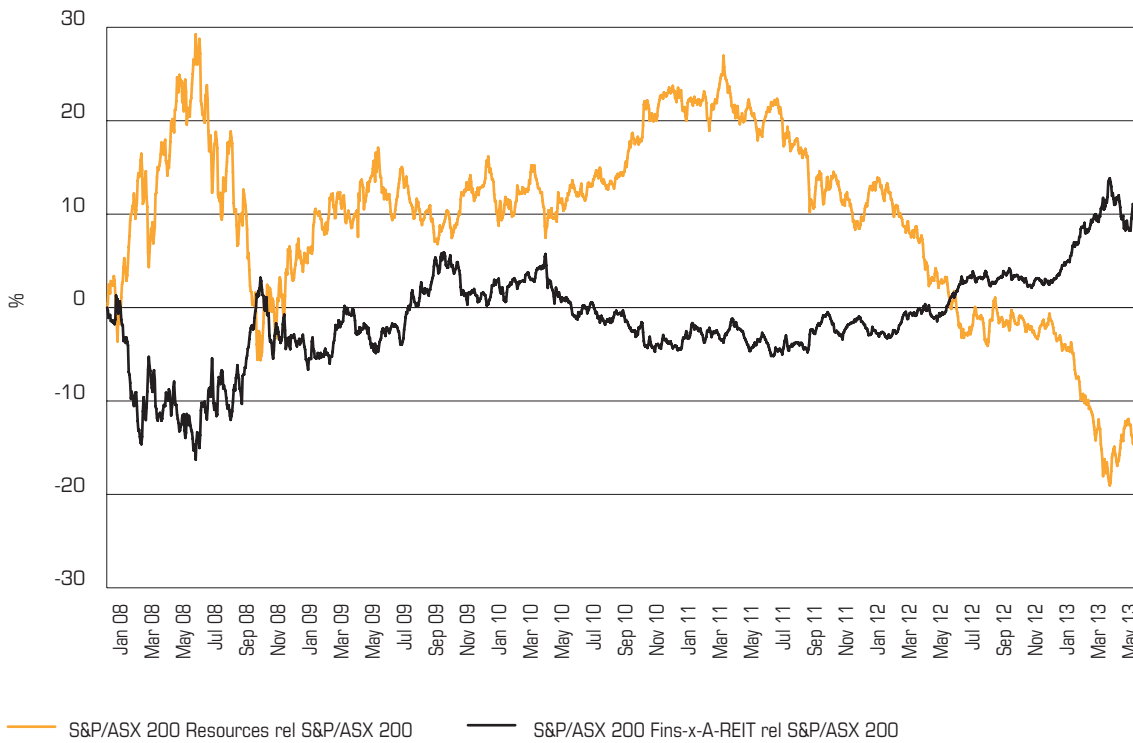
Consistent with ASX SPI 200 Futures sector futures provide a number of efficiencies compared with alternative products. These efficiencies include price transparency and liquidity, immediate execution and confirmation, and reduced counterparty risk.

The S&P/ASX 200 Resources Index Futures and S&P/ASX 200 Financials-x-A-REIT Futures offer:

- a familiar contract design. Sector futures have the same contract design as the ASX SPI 200 Futures contract and trade on the ASX Trade24® platform
- the ability to trade in and hedge exposure to the two largest sectors of the Australian equity market
- the ability to more efficiently tailor a portfolio's sector exposure by going over or under weight in these two major sectors, in relation to the broader market
- potential arbitrage opportunities between sector futures and sector exchange-traded funds (ETFs) or baskets of stock
- capital efficiencies associated with the futures margining system. Sector futures may require less capital than that required when holding the underlying basket of stocks or a sector ETF
- lower transaction costs than those typically incurred when trading in the underlying securities
- inter-commodity spread trading opportunities between the two sector futures and ASX SPI 200 Futures
- spread margin concessions between the two sector futures and ASX SPI 200 Futures
- off-market trading through the Block Trade Facility and the Exchange for Physical Facility
- liquidity in the form of a dedicated market maker.

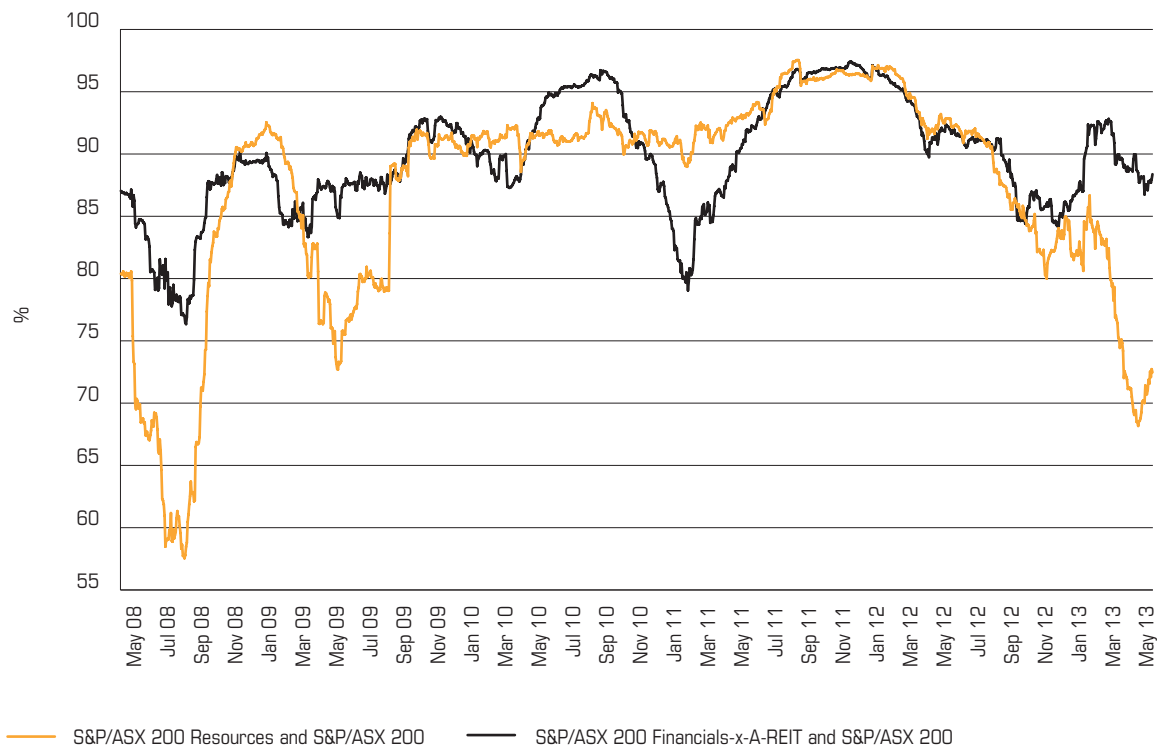
# ASX Sector Futures

## Relative Performance of the Resources and Financials-x-A-REIT Sectors versus the S&P/ASX 200



Source: ASX

## 90 Day Rolling Correlations



Source: ASX

## Contract Specification

CONTRACT	S&P/ASX 200 RESOURCES INDEX FUTURES
Commodity Code	AR
Underlying Index	S&P/ASX 200 Resources Index (XJR)
Contract Multiplier	A\$25 times the S&P/ASX 200 Resources Index Value
Minimum Price Movement	1 point (A\$25)
Contract Months	Next four quarterly months (March, June, September, December)
Trading Hours	9.50am to 4.30pm Sydney time
Trading Platform	ASX Trade24@
Last Trading Day	All trading in the expiring contract ceases at 12.00pm on the third Thursday of the settlement month. Non-expiring contracts will continue to trade as per the stated trading hours.
Final Settlement Price	The settlement price will be the Opening Price Index Calculation (OPIC) for the underlying index calculated to one decimal place. The OPIC is determined using the first traded price of each constituent stock in the underlying index on the expiry day. If a constituent stock does not trade on the expiry day, the last traded price is used.
Settlement Day	The first business day after the Last Trading Day, ASX Clear (Futures) publishes the final settlement price of the contract. On the second business day after expiry, ASX Clear (Futures) settles cash flows as a result of the settlement price.
Transaction Fee (excl. GST)	A\$0.90
Block Trade Threshold	40 lots
Block Trade Fee (excl GST)	A\$7.50

CONTRACT	S&P/ASX 200 FINANCIALS-X-A-REIT INDEX FUTURES
Commodity Code	AF
Underlying Index	S&P/ASX 200 Financials-x-A-REIT Index (XXJ)
Contract Multiplier	A\$25 times the S&P/ASX 200 Financials-x-A-REIT Index value
Minimum Price Movement	1 point (A\$25)
Contract Months	Next four quarterly months (March, June, September, December)
Trading Hours	9.50am to 4.30pm Sydney time
Trading Platform	ASX Trade24
Last Trading Day	All trading in the expiring contract ceases at 12.00pm on the third Thursday of the settlement month. Non-expiring contracts will continue to trade as per the stated trading hours.
Final Settlement Price	The settlement price will be the Opening Price Index Calculation (OPIC) for the underlying index calculated to one decimal place. The OPIC is determined using the first traded price of each constituent stock in the underlying index on the expiry day. If a constituent stock does not trade on the expiry day, the last traded price is used.
Settlement Day and Settlement	The first business day after the Last Trading Day, ASX Clear (Futures) publishes the final settlement price of the contract. On the second business day after expiry, ASX Clear (Futures) settles cash flows as a result of the settlement price.
Transaction Fee (excl GST)	A\$0.90
Block Trade Threshold	20 lots
Block Trade Fee (excl GST)	A\$7.50

## Further information

**Brian Goodman**  
Product Development Manager  
+61 2 9227 0106  
[brian.goodman@asx.com.au](mailto:brian.goodman@asx.com.au)

**Graham O'Brien**  
Manager, Equity Derivative Sales  
+61 2 9227 0672  
[graham.obrien@asx.com.au](mailto:graham.obrien@asx.com.au)

## About ASX

ASX is a multi-asset class, vertically integrated exchange group, and one of the world's top-10 listed exchange groups measured by market capitalisation.

ASX's activities span primary and secondary market services, central counterparty risk transfer, and securities settlement for both the equities and fixed income markets. It functions as a market operator, clearing house and payments system facilitator. It monitors and enforces compliance with its operating rules, promotes standards of corporate governance among Australia's listed companies and helps to educate retail investors.

ASX's diverse domestic and international customer base includes issuers of securities and financial products, investment and trading banks, fund managers, hedge funds, commodity trading advisers, brokers and proprietary traders, market data vendors and retail investors.

By providing its systems, processes and services reliably and fairly, ASX generates confidence in the markets that depend on its infrastructure. This is integral to ASX's long-term commercial success.

More information on ASX can be found on our website [www.asx.com.au](http://www.asx.com.au)

## About S&P Dow Jones Indices

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Exchange Centre, 20 Bridge Street, Sydney NSW 2000 Telephone: 131 279 [www.asx.com.au](http://www.asx.com.au)

