

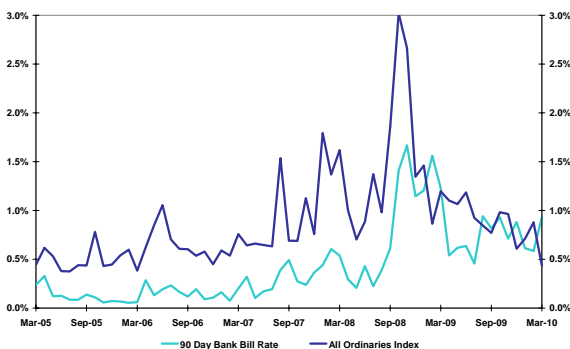
MARKET ANNOUNCEMENT

7 April 2010

ASX Group Monthly Activity Report – March 2010

The value of ASX-listed stocks, as measured by the All Ordinaries Index, rose 5.2% in March to register a small increase (+0.2%) over the first quarter of the calendar year. Most other major global market indices also advanced in March: the UK was up 6.1%; the US 5.9%; Singapore 5.0%; and Hong Kong 3.1%. The largest rises were in Germany (9.9%) and Japan (9.5%) which had both experienced declines in February.

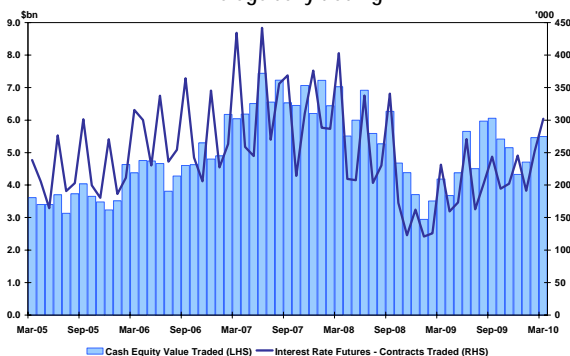
Australian Equity and Interest Rate Market Volatility Average absolute daily percentage change in the month



Volatility fell modestly in March in Australian equity markets (as measured by daily movements in the All Ordinaries Index) with average daily movements of 0.4% (0.9% in February). This was the lowest volatility experienced since December 2006, before the global financial crisis.

Volatility in US markets (S&P 500 Index) was also lower in March with average daily movements of 0.4% in the S&P 500 Index (the lowest level since May 2007). Expectations of future volatility (as measured by the CBOE Volatility Index) also eased over the course of March.

ASX Cash Equity and Interest Rate Futures Average daily trading



The value of cash market trading rose marginally from February levels, with the average traded value rising to \$5.5 billion a day in March, well above the levels experienced in the first quarter a year ago.

Similarly, activity in interest rate futures contracts also rose, with trading in the four main contracts (3 and 10 year bonds, 90 day bank bills, and 30 day cash rate) recording the highest daily average for an expiry month since September 2008.

There was a continued boost in activity in Australia's primary capital raising market, with 5 initial public offerings (IPOs) during March of \$862 million in value, including \$284 million value of scheme/compliance listings for which no cash was raised. Secondary capital raisings remained robust, notwithstanding the decline in secondary raisings compared to the very high levels of a year ago.

Listings and capital raisings

- In March 2010 there were 5 new listings, compared to 2 in the previous corresponding period (pcp). Total listed entities at the end of March 2010 were 2,178¹, down 2% on the 2,215 a year ago.

¹ Entities include companies and trusts with quoted equities (including individual entities that trade as stapled securities) and also other entities with debt securities only.

- Total capital raised in March 2010 amounted to \$3.1 billion, down 48% on the pcp, a period dominated by several large raisings. There was \$0.6 billion of initial capital raised and \$2.5 billion in secondary raisings. For the financial year-to-date, total capital raised is up 8%, with capital raised from IPOs (\$8.4 billion) increasing 420% and secondary raisings (\$58 billion) decreasing 3% on pcp (albeit that comparative was impacted by the huge secondary capital raisings conducted in response to the global financial crisis).

Trading – Cash markets (including equities, interest rates and warrants trades)

The All Ordinaries Index closed at 4,893.1 points, a rise of 5.2% over the course of the month. The index is 57.2% higher than its low in early March 2009.

- Total cash market trades for March 2010 were 11.4 million, up 28% on the pcp.
- Average daily trades for March 2010 of 494,963 were 23% higher than the pcp.
- Total cash market traded value was \$126.4 billion in March 2010, up 41% on the pcp, with a daily average value of \$5.5 billion, up 35% on the pcp.
- In March 2010 the average value per trade increased to \$11,105, up 10% on the pcp of \$10,084. The percentage of traded value crossed was 30% (28% pcp).

Trading – Financial derivatives markets

Trading activity in the major interest rate futures contracts continued its recent strength during March and contract volumes in this expiry month were the strongest for 18 months. Overall activity in interest rate futures products is moving back towards pre-GFC levels.

There was strong trading in all futures contracts compared to recent months, particularly the 30 day cash rate contract following the Reserve Bank of Australia (RBA) announcing a 25 basis point increase in the cash rate, to 4.0%, in early March.

Short and long-term yields also rose over the month with 90 day bank bill rates up around 30 basis points, and 3 year and 10 year Commonwealth bond yields up around the same order of magnitude. The bond yield curve flattened during March.

- Equity derivatives volume (excluding ASX SPI 200) for March 2010 was 2.0 million contracts, up 11% on the pcp, with a daily average of 89,073 contracts, up 6% on pcp.
- Total futures and options on futures contracts volume (excluding equity derivatives and CFDs) for March 2010 was 8.5 million, up 24% on the pcp, with a notional value of \$3.4 trillion. Average daily contracts volume during March of 367,475 was up 19% on the pcp, with daily average options traded up 45% on pcp and 69% on a year-to-date basis.
- ASX SPI 200 Index futures contract volume traded in March 2010 was 1.1 million, down 21% on the pcp.
- A total of 8,921 ASX CFD trades were transacted in March 2010, comprising a volume of 12,225,954 contracts. The total notional value of all CFD trades for March was \$254 million, up 55% on the pcp, while the value of CFD open interest at the end of March was \$95 million, an increase of 157% on the pcp.

Trading – Commodity derivatives markets

- Australian electricity futures and options volume of 12,358 contracts in March was an increase of 42% on the pcp.
- The ASX grain futures and options market continued to experience strong activity levels with 40,101 contracts traded during the month. The Western Australia Wheat contract, listed in September 2009, traded a total of 18,068 contracts in March.

Clearing

All on-market trades (equities and derivatives markets) are novated to ASX's two central counterparty clearing subsidiaries, which act as counterparties to those trades and replace bilateral counterparty exposures.

- Total margins (including additional margins held against stress testing exposures and concentrated large positions) averaged \$3.0 billion over March 2010 (including excess cash collateral but excluding equity securities lodged in excess of the margin requirement), with cash margins lodged averaging \$2.4 billion.

Settlement

There were no delays with the completion of batch settlement in the equities market during March 2010, and fixed income settlement through Austraclear was conducted normally.

The levels of total debt holdings in Austraclear rose over the course of March 2010 by \$11.4 billion to \$1.137 trillion, with the largest increases being in Treasury Bills (up \$5.9 billion), Corporate Bonds (up \$4.4 billion) and Semi-Government Bonds (up \$8.2 billion). Holdings of Electronic Bank Accepted Bills and Electronic Promissory Notes decreased by \$4.5 billion and \$3.1 billion respectively. All other holdings increased by \$0.5 billion. The amount of Guaranteed Certificates of Deposit on issue represents approximately 2.2% of the total Electronic Certificates of Deposit on issue as at 31 March 2010 compared to 2.6% at the end of February 2010, and a peak of approximately 6.3% as at the end of February 2009.

Equity settlement delivery fail rates continue to average well below 1% daily, which is low by global standards for developed equity settlement systems.

A detailed activity statement for ASX group markets for March 2010 is attached.

A separate **ASX Markets Supervision Quarterly Activity Report** (March 2010 quarter) is also being released today.

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	Mar 2010	Mar 2009	Mar 2010 Financial YTD	Mar 2009 Financial YTD
Cash Markets				
Total Trading Days	23	22	192	192
Cash Market Volume				
Total Trades	11,384,142	8,863,632	96,931,971	79,163,972
Change on PCP	28%		22%	
Average Daily Trades	494,963	402,892	504,854	412,312
Change on PCP	23%		22%	
Cash Market Value (including Value of Crossed Trades)				
Total Value (\$billion)	126.420	89.381	991.255	850.440
Change on PCP	41%		17%	
Average Daily Value (\$billion)	5.497	4.063	5.163	4.429
Change on PCP	35%		17%	
Cash Market Behaviour Statistics				
Turnover Crossed (%)	30%	28%	29%	26%
Off-Market Crossings Represent 16% and On-Market 14% of Turnover				
Non Billable Value (Above Cap) (\$billion)				
Total Billable Value (\$billion)	5.875	4.009	34.939	28.017
Billable Value - Off-Market Crossings (%)	120.545	85.372	956.316	822.423
Billable Value - On-Market Crossings (%)	15%	15%	14%	11%
Billable Value - On-Market Crossings (%)	14%	12%	13%	13%
Note: Cash Market includes Equity, Warrant and Interest Rate Market Transactions				
Derivatives Markets				
Equity Derivatives Total Trading Days	23	22	192	192
Equity Derivatives Volume (excluding SPI 200)				
Total Contracts	2,048,678	1,852,932	15,470,217	14,562,500
Change on PCP	11%		6%	
Average Daily Contracts	89,073	84,224	80,574	75,846
Change on PCP	6%		6%	
Futures & Options Total Trading Days				
	23	22	193	193
Futures Volume (including SPI 200)				
Total Contracts	8,188,122	6,622,301	51,430,401	46,953,434
Change on PCP	24%		10%	
Average Daily Contracts	356,005	301,014	266,479	243,282
Change on PCP	18%		10%	
Options on Futures Volume				
Total Contracts	263,801	174,296	2,058,561	1,215,545
Change on PCP	51%		69%	
Average Daily Contracts	11,470	7,923	10,666	6,298
Change on PCP	45%		69%	
Total Futures & Options (Derivatives) Volume				
Total Contracts	8,451,923	6,796,597	53,488,962	48,168,979
Change on PCP	24%		11%	
Average Daily Contracts	367,475	308,936	277,145	249,580
Change on PCP	19%		11%	
CFD Market				
Total Trades	8,921	7,175	92,103	63,509
Notional Value Traded (\$million)	254.0	164.3	2,703.8	1,420.9
Total Open Interest Value as at 31 March (\$million)	95.0	37.0	95.0	37.0
Total Contracts	12,225,954	8,114,047	116,218,765	53,197,400
Listings and Capital Raisings				
New Listed Entities Admitted	5	2	71	42
Change on PCP	150%		69%	
Total Listed Entities (at End of Month)	2,178	2,215		
Change on PCP	(2%)			
Initial Capital Raised (\$million)	578	37	8,353	1,606
Secondary Capital Raised (\$million)	2,549	5,945	57,930	59,715
Total Capital Raised (\$million)	3,127	5,982	66,284	61,320
Other Capital Raised including Scrip for Scrip (\$million)	284	204	3,705	31,620
Margin Balances - at End of Month				
Cash Margins Held on Balance Sheet (\$billion)	1.9	4.0		
Cash Equivalents Held on Balance Sheet (\$billion)	0.2	1.2		
Collateral Cash Cover Held (Equities and Guarantees) (\$billion)	4.3	3.0		