



Market Notice

Number: Y1170
Date 4 June 2013

Negative Real yields

Currently the SBSI10 is trading at a real yield of 0.7 (close to a zero yield). The instrument will mature on 03 July 2013 and the trend is that it will soon trade at zero or at a negative real yield.

Nutron system and Strate do not accept a negative (or zero) yield for any bonds. In the event that the SBSI10 spreads are zero or negative, the instrument will have to be converted to a price traded instrument on both Nutron and Strate systems and be traded and reported on consideration or all-in-price.

In this way no negative or zero yields will be generated and the trade will match on the system Trades are settled on the consideration and not on the yield

Should you require any further information, please do not hesitate to contact:
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