



## MARKET NOTICE

**Market Notice: 2018\_2**

**Date: 18 April 2018**

**Subject: Negotiable/Transferable Instruments Conventions - Reporting of Stock Details**

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In its role as administrator of the BBSW benchmark rate the ASX is preparing to transition the primary calculation of the rate from a national best bid and best offer (“NBBO”) methodology to that of a volume weighted average price (“VWAP”). In order for this to be effective a selling counterparty of prime bank paper will be required to report all secondary market trades that occur within the VWAP trade set window, but not through an approved trading venue, to a trade reporting agent: Refer Section 6.5 of the [ASX BBSW Trade and Trade Reporting Guidelines](#).

Supporting ASX endeavours and in order to make this process as efficient as possible, effective 9 April 2018 AFMA’s NTI Conventions (“the Conventions”) have been amended to convey the requirement that the selling counterparty must advise the buying counterparty of details of all transactions dealt within the ASX window, and by not later than 10:10am AEST/AEDT. This reporting requirement will help to ensure that all eligible transactions are included in the BBSW VWAP calculation. Furthermore, and for any transaction dealt for settlement on the next business day, the Conventions now convey the expectation that the selling counterparty will advise the buying counterparty of all details by not later than 8:30am on the day of settlement. This earlier time (previously 8:50am) now coincides with the commencement of the VWAP trade set window. These reporting requirements can be found in Section 4.1 of the [Conventions -Timing-Reporting of Stock Details](#).

Any queries in relation to this convention change should be directed to [Murray Regan](#), Director Markets and Rates.

#### **About AFMA**

The Australian Financial Markets Association (AFMA) is the leading industry association promoting efficiency, integrity and professionalism in Australia’s financial markets and provides leadership in advancing the interests of all market participants. These markets are an integral feature of the economy and perform the vital function of facilitating the efficient use of capital and management of risk. Market participants perform a range of important roles within these markets, including financial intermediation and market making. AFMA represents over 120 members, including Australian and international banks, leading brokers, securities companies, state government treasury corporations, fund managers, traders in electricity and other specialised markets and industry service providers.