



BUSINESS COMMITTEE REPORT TO THE FORUM

BUSINESS COMMITTEE MEETING

At its 15 June 2016 meeting, the Business Committee was updated on:

- Market consultation that supported Labour Day in Victoria, bank holiday in NSW, Labour Day in NSW and Melbourne Cup Day will now be settlement days from 1 January 2017.
- Benefits that had flowed from the implementation of a T+2 settlement cycle including a reduction in risk, capital savings and operational changes.
- Work being done on the investigation of the possible use of distributed ledger technology as a replacement for the existing CHES system. No 'show stoppers' had been identified from the work to-date.
- The indicative timing of the new ASX trading platform noting the predicted go-live for derivatives of October/November 2016 and for equities, go-live won't be before February 2017.
- ASX's proposed consultation on changes to minimum core capital requirements.
- ASX's proposed collateral haircut setting changes.
- ASX proposed spread, liquidity and concentration multiplier changes.

KEY RECOMMENDATIONS

There were no recommendations arising from the meeting.

KEY ISSUES DISCUSSED

- ASX's investigation of distributed ledger technology for CHES replacement. Timing around ASX's decision making on whether to proceed.
- ASX's proposed changes to minimum core capital requirements for clearers; collateral haircuts rates and Initial Margin.



AGREED ACTIONS

1. The next monthly update on the new trading platform for equities to include a timeline for implementation.
2. A further update in relation to proposed changes to minimum core capital requirements for clearers; collateral haircuts rates and Initial Margin to be provided at the next Committee meeting.