

3 Year Bond Future ‘Tick’ Change

3 Year Treasury Bond Futures Minimum Price Increment ‘Tick’ Change Pricing Fact Sheet | June 2025

Introduction

ASX will re-establish the minimum price increment (‘tick’) for the 3 Year Treasury Bond Futures contract at 0.005% or 0.5 basis points, from 0.01% or 1 basis point. The change will be effective at the commencement of the night session on 18 July 2025 (for Trade Date 21 July 2025), subject to participant readiness.

The purpose of this document is to provide further information on the impact of the changes to tradeable prices outside and inside the Bond Roll Period.

Roll Period

The Roll period, for the purpose of the tick increment changes, is defined at the 8th of the expiry month (Trade Date 9th to the 15th of the expiry month), or next business day, if the 15th is not a business day.

Overview of Impact on 3 Year Bond Futures Prices

Minimum Price (‘Tick’) Increments by Contract

Contract	Minimum Price Increment (per cent)
3 Year Treasury Bond Futures	0.005
Calendar Spread (Intra-Commodity Spread) – 3 Year Treasury Bond Futures	0.005*
Inter-Commodity Spread – 90 Day Bank Accepted Bill Futures / 3 Year Treasury Bond Futures (IRYT)	0.005
Inter-Commodity Spread – 3 Year Treasury Bond Futures / 5 Year Treasury Bond Futures (YTVT)	0.005
Inter-Commodity Spread – 3 Year Treasury Bond Futures / 10 Year Treasury Bond Futures (YTXT)	0.005

*Except during the Roll period, where the Minimum Price Increment is 0.002, as per ASX 24 Operating Rules Procedure 4022(a)(i)(f).

Price Examples

The following table provides examples of outright futures prices and related spread prices for the 3 Year Bond Futures Contract:

Outright Futures (YT) Prices	Calendar Spread Prices (Outside Bond Roll)	Calendar Spread Prices (Inside Bond Roll)	Inter-Commodity Spread Prices
95.740	0.005	0.002	0.005
95.745	0.010	0.004	0.010
95.750	- 0.005	- 0.002	- 0.005
95.755	- 0.010	- 0.004	- 0.010

Intra-Commodity Spread (Calendar-Spread) Trade Leg Price Determination

Calendar Spreads (Intra-Commodity Spreads) Outside Roll Period

Outside the Bond Roll Period, the minimum price increment for the Intra-Commodity Spreads for the 3 Year Treasury Bond Futures is equal to the minimum price increment of the outright Futures (both at 0.005 % or 0.5 basis points).

As both the anchored-leg price and spread price will always be at the same minimum price increment, all leg prices will be executed at the minimum price increment (0.005).

Leg prices of calendar spread trades will be calculated at intervals of the minimum price increment as per the below examples.

Example	Anchored-Leg Price	Spread Price	Floating-Leg Price
1. Positive Spread Price	97.740	0.005	97.735
2. Positive Spread Price	97.745	0.015	97.730
3. Negative Spread Price	97.745	- 0.010	97.755

Calendar Spreads (Intra-Commodity Spreads) Inside Roll Period

During the Bond Roll Period, the minimum price increment for the Intra-Commodity Spreads for the 3 Year Treasury Bond Futures is different to the minimum price increment of the outright futures (at 0.002 and 0.005, respectively). As such, the leg prices of intra-commodity spreads may price at a finer tick increment, whilst maintaining the net spread price. The combination of the two minimum price increments may result in a leg with a price multiple of 0.001 that is neither at the 0.002 or 0.005 increment, as illustrated in examples 2 and 3 below.

Example	Anchored-Leg Price	Spread Price	Floating-Leg Price
1. Positive Spread Price	97.740	0.002	97.738
2. Positive Spread Price	97.745	0.004	97.741
3. Negative Spread Price	97.745	- 0.004	97.749
4. Negative Spread Price	97.745	- 0.010	97.755

Auction Algorithm and Open Price Determination

During the 5-day Roll period, the trading platform is configured to allow trades in the outright bond futures to execute at the finer 'roll' tick. This is primarily to allow for leg executions resulting from calendar spreads to be priced at the finer tick increment. With this configuration, the finer tick increment is eligible and considered by the opening auction algorithm. It is therefore possible that the auction equilibrium price can result in an auction trade price (open price) being printed at a finer tick increment than is allowable for order entry in the outright market. For the 3 Year Treasury Bond Future, this means that the auction trade price may be printed at a price multiple of 0.001 during the Roll period.

Further enquiries:**Domestic**

T 131 279

E futures@asx.com.au**International**

T +61 2 9338 0000

W asx.com.au

Disclaimer

This document provides general information only and may be subject to change at any time without notice. ASX Limited (ABN 98 008 624 691) and its related bodies corporate ("ASX") makes no representation or warranty with respect to the accuracy, reliability or completeness of this information. To the extent permitted by law, ASX and its employees, officers and contractors shall not be liable for any loss or damage arising in any way, including by way of negligence, from or in connection with any information provided or omitted, or from anyone acting or refraining to act in reliance on this information. The information in this document is not a substitute for any relevant operating rules, and in the event of any inconsistency between this document and the operating rules, the operating rules prevail to the extent of the inconsistency.