



6 June 2023

Australian Securities and Investments Commission  
Mr Nathan Bourne  
Senior Executive Leader, Market Infrastructure  
Level 5, 100 Market Street  
SYDNEY NSW 2000

ASX Market Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

## INVESTOR DAY PRESENTATION SLIDES

Attached is a copy of the slides that will be presented at ASX's investor day briefing being held today.

The briefing will commence at 10am (Sydney time) and will be webcast live. Register to view the briefing [here](#).

The webcast will be archived on [ASX's website](#) for viewing after the live event.

Release of market announcement authorised by:

**Johanna O'Rourke**

Group General Counsel and Company Secretary

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# ASX **A NEW ERA**

Investor Day  
6 June 2023



ASX

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## Summary information

This presentation contains general information about ASX and its related bodies corporate ("ASX Group") and their activities current as at 5 June 2023, unless otherwise stated. It is provided in summary form, does not purport to be complete and may be subject to change at any time without notice. It should be read in conjunction with ASX's other periodic and continuous disclosure announcements which are available at [www.asx.com.au](http://www.asx.com.au).

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# Acknowledging Country

ASX acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to Elders past and present.

Artwork by Lee Ann Hall, *My country My People*



# AGENDA

## Session one: Enterprise view

10.00

Introduction and  
ASX five year strategy

**Helen Lofthouse**  
Chief Executive Officer

10.30

CHES replacement  
update and technology  
modernisation

**Tim Whiteley**  
Chief Information Officer

10.45

Finance update

**Andrew Tobin**  
Chief Financial Officer

11.00

Break

## Session two: Business deep dives

11.05

Data as a growth  
opportunity

**Dan Chesterman**  
Group Executive,  
Technology & Data

11.20

Drivers of interest rate  
derivative volumes

**Darren Yip**  
Group Executive, Markets

11.35

ASX as an attractive  
venue for corporate  
listings and capital raisings

**Blair Beaton**  
Group Executive, Listings

11.55

Closing comments

Helen Lofthouse

12.00

Q&A

ASX Executive  
Leadership team

12.30

Light lunch for attendees and meet and greet with ASX  
Executive Leadership team

# ASX EXECUTIVE LEADERSHIP TEAM

## Presenting today



**Helen Lofthouse**  
Managing Director  
and CEO



**Tim Whiteley**  
Chief Information  
Officer (designate)



**Andrew Tobin**  
Chief Financial Officer



**Dan Chesterman**  
Group Executive,  
Technology and Data



**Darren Yip**  
Group Executive,  
Markets



**Blair Beaton**  
Group Executive,  
Listings

## Other Group Executives



**Group  
Executive,  
People and  
Culture**  
Lisa Green



**Group  
Executive,  
Securities and  
Payments**  
Tim Hogben



**Chief  
Customer and  
Operating  
Officer**  
Val Mathews



**Chief  
Compliance  
Officer**  
Daniel Moran



**Group General  
Counsel and  
Company  
Secretary**  
Johanna  
O'Rourke



**Chief Risk  
Officer**  
Hamish  
Treleven

# WHAT WILL YOU HEAR TODAY?

Where we are today	Our opportunity	Our focus	Where we are headed	What it will take	Immediate actions
<p>Resilient core business, leading position in key markets.</p> <p>Our strengths set us apart.</p>	<p>Strong tailwinds present distinct opportunities for ASX.</p>	<p>We are focused on restoring trust with our stakeholders.</p> <p>Technology modernisation is a multi-year undertaking.</p>	<p>New five year strategy supported by four strategic pillars.</p> <p>Future focused with FY28 outcomes identified and success indicators to measure progress.</p>	<p>Our strategy is set against two horizons and supported by key enablers.</p>	<p>We are progressed on key actions and have a set of priorities for the remainder of the year.</p>

# RESILIENT CORE BUSINESS WITH LEADING POSITION IN KEY MARKETS

Where we are today

Our opportunity

Our focus

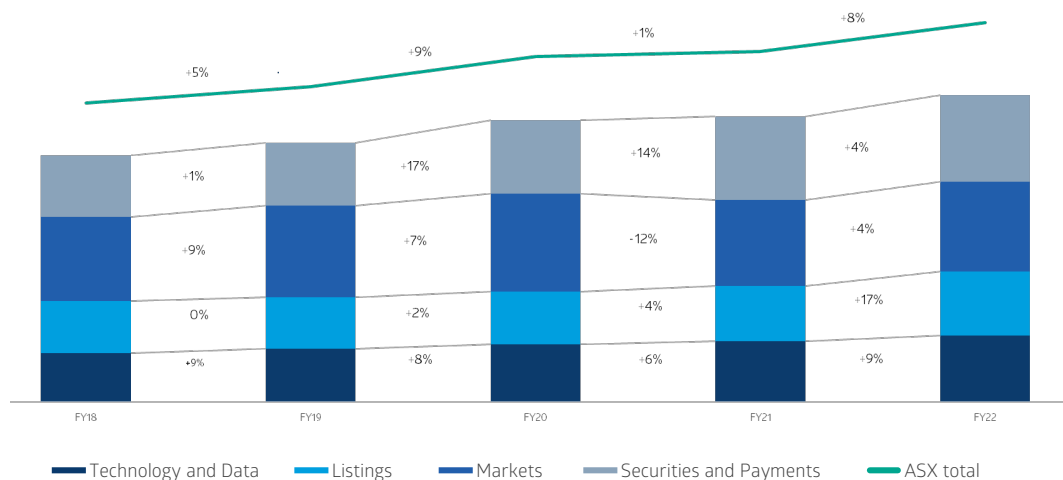
Where we are headed

What it will take

Immediate actions



## Diversified businesses supporting long term revenue growth



Local:

89%

Share of on-market turnover

Market capitalisation of all listed entities: \$2.8 trillion

Regional



Largest interest rate derivatives market in Asia-Pacific<sup>1</sup>

Global:



4<sup>th</sup> largest interest rate derivatives market<sup>1</sup>

8<sup>th</sup>

Largest securities exchange<sup>2</sup>

7 1. World Federation of Exchanges, 2022  
2. By free float market cap and index weighting in the S&P global Broad Market Index (BMI)



# OUR STRENGTHS SET US APART

Where we are today

Our opportunity

Our focus

Where we are headed

What it will take

Immediate actions

1

## Unmatched connectivity and liquidity

Our listed and derivatives markets, deep liquidity, extensive data, breadth of services and deep expertise set us apart.

2

## Trusted regional champion

As the leading exchange for Australia and New Zealand, we have a regional focus with a global customer base.

3

## Deep experience in regulated environments

Our license requirements require excellence. We have a track record in delivering value within highly regulated markets.



# STRONG TAILWINDS PRESENT DISTINCT OPPORTUNITIES FOR ASX

Where we are today

Our opportunity

Our focus

Where we are headed

What it will take

Immediate actions



## Growing Australian capital base

Fifth-largest and fastest growing pension pool in the world  
– \$3.5 trillion asset base / 20-year growth rate of 11.3% pa.<sup>1</sup>

## Increasing demand for technology and data

Exchanges are a data rich environment. Analytical tools that leverage data to create opportunities across business models, asset classes, products and services.



## Decarbonisation

Australian Government's target of 43% emissions reduction by 2030 and net zero by 2050 will require action across multiple fronts.



# THE EXPECTATIONS FOR ASX ARE APPROPRIATELY HIGH AND WE ARE WORKING TO RESTORE TRUST

Where we are today

Our opportunity

Our focus

Where we are headed

What it will take

Immediate actions

## August

ASX commissions external review to understand and assess escalating delays with CHESS replacement

## 17 November

ASX releases external review report, pauses CHESS replacement to reassess solution design

## 14 December

ASIC requests special report on support and maintenance of CHESS

## 15 December

RBA issues letter of expectations (LoE) on various topics including supportability of CHESS, governance for CHESS and CHESS replacement, conflict management arrangements and, response to external review recommendations.

## 16 February

ASX announces CHESS Replacement Partnership Program with a total amount of up to \$70M

## 21 February

ASIC requires two further special reports on: (1) ASX response to external review recommendations, (2) ASX portfolio, program and project management (PPPM) frameworks.

## 29 March

ASIC informs ASX it has commenced investigation into CHESS replacement

## 31 May

Initial CHESS Replacement Partnership Program payments commence

## 5 June

ASX publishes special report on support and maintenance of CHESS

## From today

## 30 June

ASX to deliver special report to ASIC on ASX's response to the CHESS replacement external review recommendations

## July

ASX expects to publish results from conflict management review and governance statement

## August

ASX to publish special report on response to CHESS replacement external review recommendations

CHESS Partnership Program rebate payments due

## 30 September

ASX to deliver special report to ASIC on PPPM frameworks

## November

ASX to publish special report on PPPM frameworks

20  
22

20  
23

# TECHNOLOGY MODERNISATION IS A MULTI-YEAR UNDERTAKING TO DELIVER THE FOUNDATIONS FOR GROWTH

Where we are today

Our opportunity

Our focus

Where we are headed

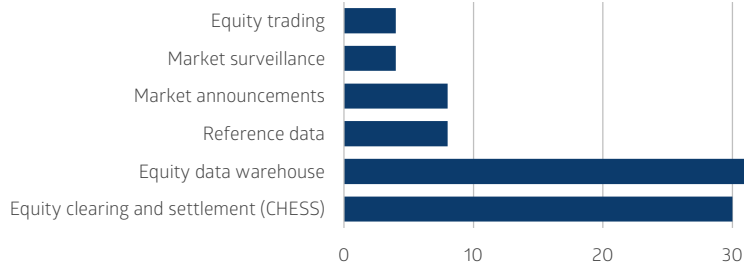
What it will take

Immediate actions

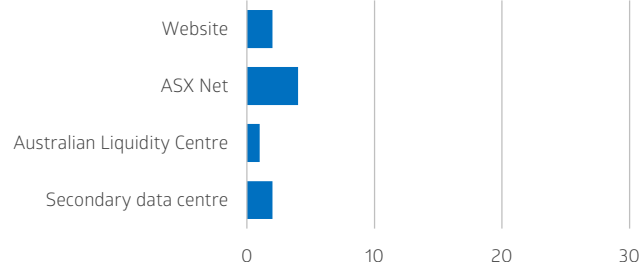


Years since last major refresh\*

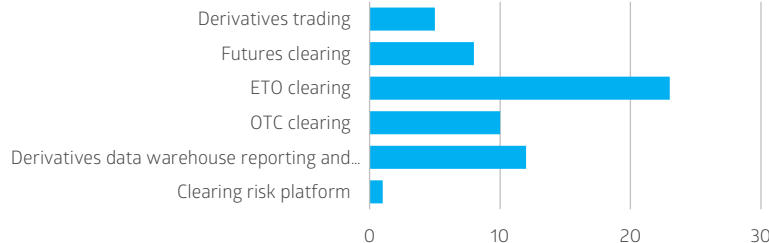
## Equities



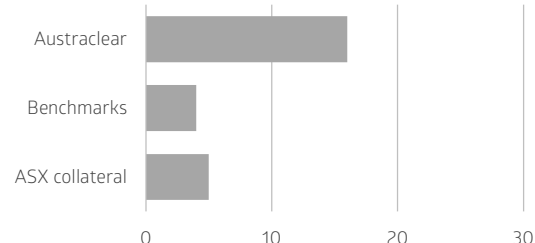
## Core infrastructure



## Derivatives



## Fixed income



# A NEW FIVE YEAR STRATEGY SUPPORTED BY FOUR STRATEGIC PILLARS

Where we are today

Our opportunity

Our focus

Where we are headed

What it will take

Immediate actions

## PURPOSE:

TO POWER A STRONGER ECONOMIC FUTURE  
BY ENABLING A FAIR AND DYNAMIC MARKETPLACE FOR ALL

## VISION:

ASX is in a new era.  
We are the market's  
choice, inspiring  
confidence and trust

## PILLARS:

ONE ASX



GREAT  
FUNDAMENTALS



CUSTOMER  
DRIVEN



DIGITAL BY  
DESIGN



# WE ARE FUTURE FOCUSED AND WILL TRACK OUR PROGRESS

Where we are today

Our opportunity

Our focus

Where we are headed

What it will take

Immediate actions

## PILLARS

### ONE ASX

- New era ASX values, capabilities and career development
- Empowering people with clear accountability for great outcomes

### GREAT FUNDAMENTALS

- Simplified, modern technology stack
- Risk, compliance and operating frameworks maintained at an appropriately high standard
- Sustainable shareholder value

### CUSTOMER DRIVEN

- Working effectively with our customers, solving challenges and delivering solutions.
- Growth and improved market quality delivered for the market

### DIGITAL BY DESIGN

- Customer and people experiences with ASX are easy
- High quality data and analytics inform decisions and drive value

## FY28 OUTCOMES



- Employer brand
- Engagement score



- Risk and operating frameworks consistently meet target state
- Return on Equity



- Customer satisfaction
- Revenue growth



- Customer effort score
- Process automation

## KEY RESULTS



# OUR ROADMAP IS SET ACROSS TWO HORIZONS WITH WORK UNDERWAY

Where we are today

Our opportunity

Our focus

Where we are headed

What it will take

Immediate actions

## HORIZON 1 – RESET

*Restore trust, focus on fundamentals*

## HORIZON 2 – EMBED AND GROW

*Increase speed, quality and value, drive future growth*

STRATEGIC ENABLERS

Robust risk and regulatory capability

Technology platforms, data and enhanced delivery

Our talented people

Vibrant culture

# OUR ACTIONS SHOW PROGRESS AGAINST OUR STRATEGIC PRIORITIES

Where we are today

Our opportunity

Our focus

Where we are headed

What it will take

Immediate actions

## GREAT FUNDAMENTALS

### Technology modernisation

- Current CHES investment roadmap defined
- CHES replacement solution design roadmap in place
- Prioritised technology modernisation plan

### Operating frameworks

- New executive leadership
- Board renewal
- Increased stakeholder engagement: Partnership Program, CHES replacement Technical Committee
- Published special report on CHES

### Sustainable shareholder value

- Information services business – new product developments and commercial model evolution
- Divestment of Yieldbroker<sup>1</sup>
- Consultation on mFund
- Developed five year strategy
- Flexible capital management framework



Actions taken



By end 2023

- CHES replacement solution design planned for Q4
- Platform modernisation roadmap iteration

- Special report on ASX response to CHES replacement external review and PPPM special report
- Conflict management review
- Governance statement

- Continue portfolio review
- Expense management initiatives
- Focus on ROE

# CHESS REPLACEMENT UPDATE AND TECHNOLOGY MODERNISATION

**Tim Whiteley**  
Chief Information Officer<sup>1</sup>

<sup>1</sup> Designate

# CHESS REPLACEMENT SOLUTION DESIGN UPDATE

## CONSIDERING OPTIONS IN FOUR AREAS



### Fix CHESS DLT solution

Review options to solve the six core issues of the existing DLT-based solution



### Build custom solution

Consider options to build a solution from the ground-up with more conventional technologies



### Product based solution

Review mature product-based software solutions locally and internationally



### Iterate existing CHESS

Explore options to upgrade the technology of the existing solution and build new functionality and interfaces

# REDESIGN PLAN UPDATE

## CURRENT PROGRESS

	CY Q1	CY Q2	CY Q3 / Q4
Product Definition & Business Case	<ul style="list-style-type: none"> <li>✓ Business Vision &amp; Strategy</li> <li>✓ Program Objectives</li> </ul>	<ul style="list-style-type: none"> <li>❑ Scope and business requirements refined</li> </ul>	<ul style="list-style-type: none"> <li>❑ Scope and business requirements baselined</li> <li>❑ Business case submitted</li> </ul>
Solution Assessment	<ul style="list-style-type: none"> <li>✓ Current state evaluation</li> <li>✓ Solution decision framework developed</li> </ul>	<ul style="list-style-type: none"> <li>✓ Solution decision framework approved</li> <li>✓ Solution options refinement</li> <li>❑ Solution options evaluated</li> </ul>	<ul style="list-style-type: none"> <li>❑ Solution design finalised</li> <li>❑ Project estimation completed</li> </ul>
Sourcing & Commercial	<ul style="list-style-type: none"> <li>✓ Market Scan</li> <li>✓ Vendor solution RFI</li> </ul>	<ul style="list-style-type: none"> <li>✓ Vendor RFI evaluation</li> <li>✓ Vendor RFP issued and responses received</li> <li>❑ System integrator RFP</li> </ul>	<ul style="list-style-type: none"> <li>❑ Vendor commercial and contracting processes</li> <li>❑ System integrator selection and contracting</li> </ul> <div>★ Target announcement for solution design</div>
Testing & Implementation	<ul style="list-style-type: none"> <li>✓ Implementation options review</li> </ul>	<ul style="list-style-type: none"> <li>❑ Implementation impact assessment</li> <li>❑ High level test strategy</li> </ul>	<ul style="list-style-type: none"> <li>❑ Implementation strategy</li> <li>❑ Test strategy &amp; approach completed</li> </ul> <div>Market engagement on readiness and implementation planning</div>

### Key dependency for announcement

Commercial and contracting processes may impact the timeline for a Q4 announcement on a solution design

# MARKET ENGAGEMENT

## NEW INDUSTRY FORUM ESTABLISHED TO FOSTER INDUSTRY ENGAGEMENT

The CHES Replacement Technical Committee was established as a direct result of the need to increase industry engagement.

44

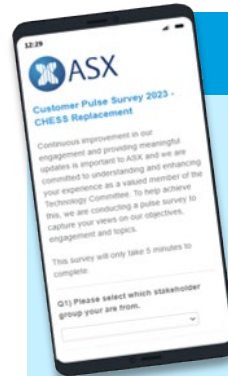
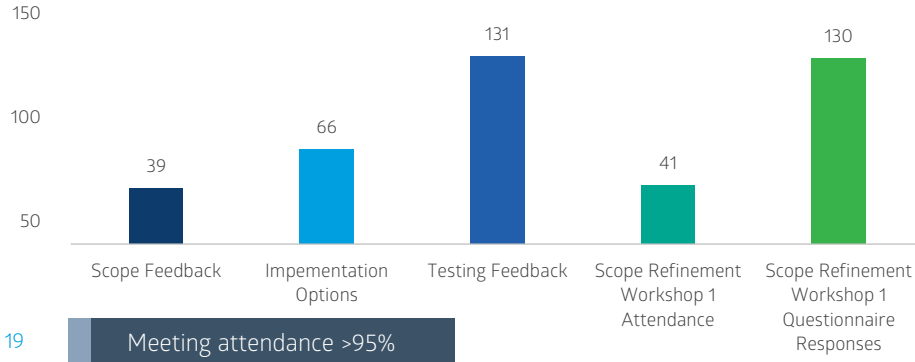
- Clearing and Settlement Participants
- Authorised Market Operators (AMO)
- Share registries
- Third party software providers
- Observers – regulatory agencies & industry associations, plus ASX Independent Assurer (EY)

4

Technical Committee meetings held to date



Technical Committee: Items of engagement and attendance at workshops



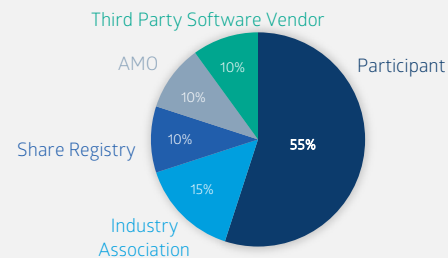
Questions on market engagement, effectiveness of the TC meeting.

Six improvement actions taken

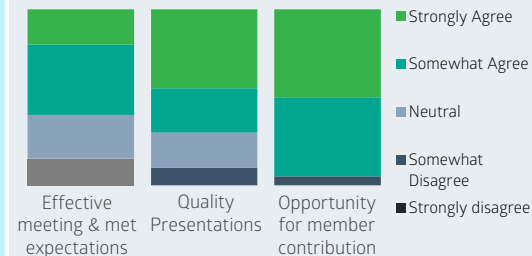
Next pulse – July

Q1 pulse survey of TC members (as at March 2023)

Responses by organisation type



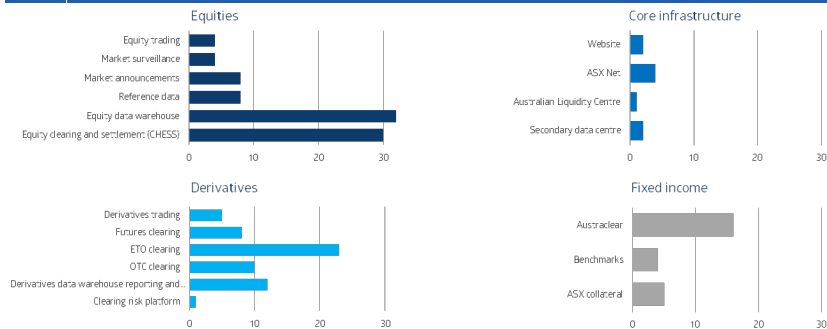
TC forum meeting effectiveness



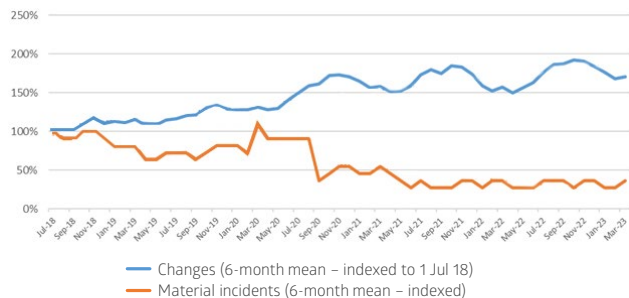


# CHALLENGES: INDUSTRY AND ASX DRIVERS

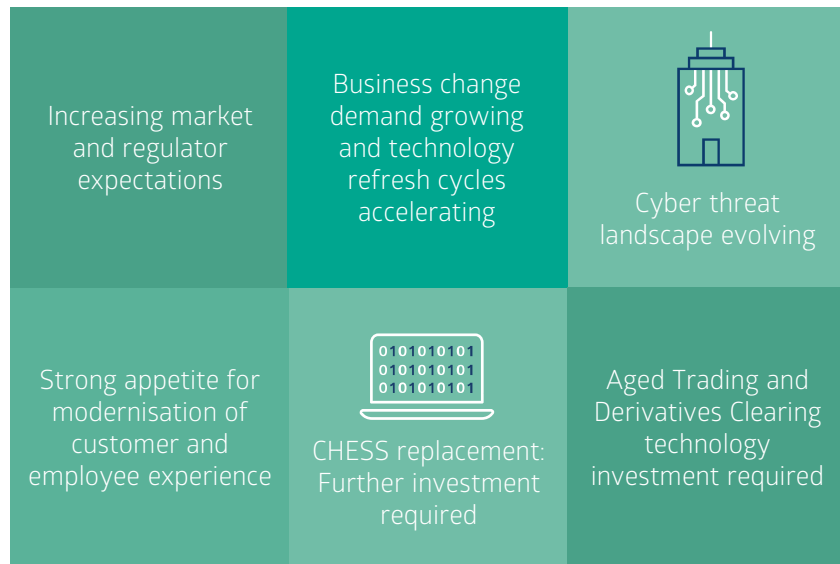
## Years since major refresh



## Technology volumes and material incidents



## Drivers of technology modernisation



# TECHNOLOGY DELIVERY STRATEGY



## Technology platforms

- Data and APIs, Cloud, Identity
- Reduce technology complexity
- Automate and digitise



## Enterprise planning and delivery governance

- Enterprise wide architectures and planning
- Reusable APIs and data services
- Uplift delivery framework and processes



## Capability uplift to support faster execution

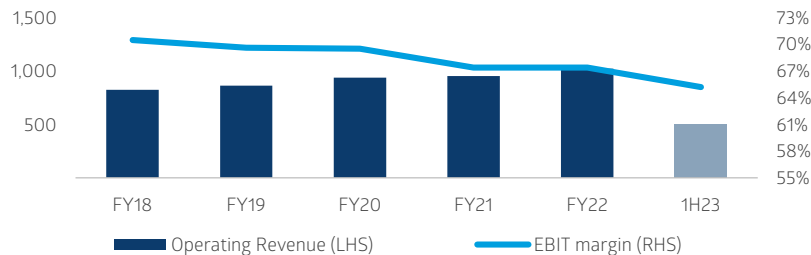
- Strengthen engineering talent
- Enhance partner strategy

# FINANCE UPDATE

Andrew Tobin  
Chief Financial Officer

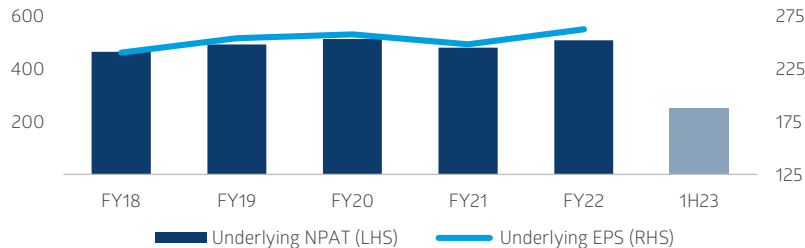
# CONSISTENT HISTORICAL PERFORMANCE

Operating revenue (\$ million) and EBIT margin (%)



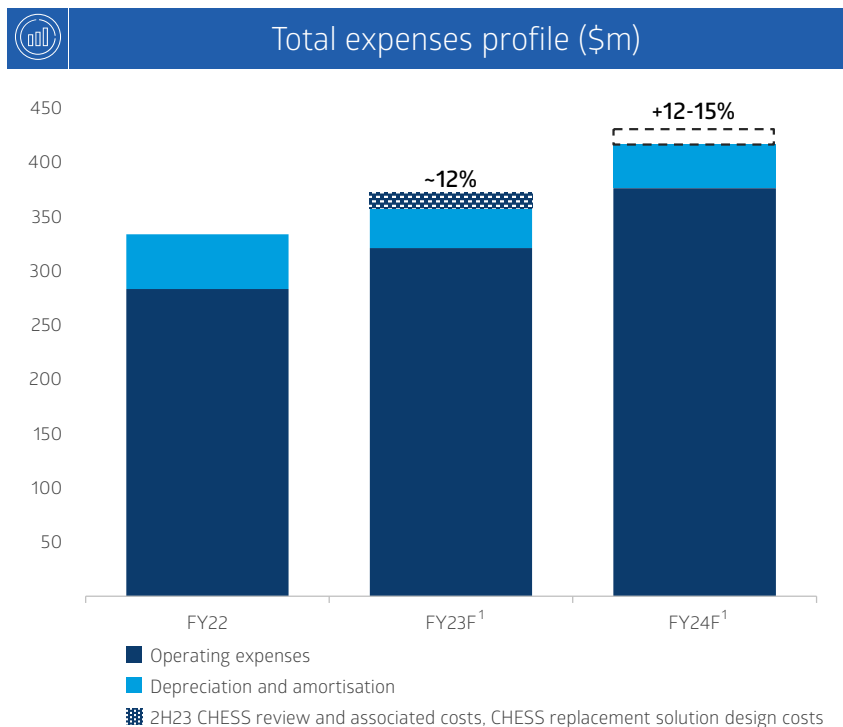
- Diversified business model has generated consistent historical revenue growth
- EBIT margin has declined over past 5 years due to higher expense growth, however it continues to benchmark favourably to global exchange peers

Underlying NPAT (\$ million) and Underlying EPS (cents)<sup>1</sup>



- Consistent underlying NPAT and EPS profile

# FY23 AND FY24 EXPENSE GROWTH GUIDANCE



## FY23 total expense profile:

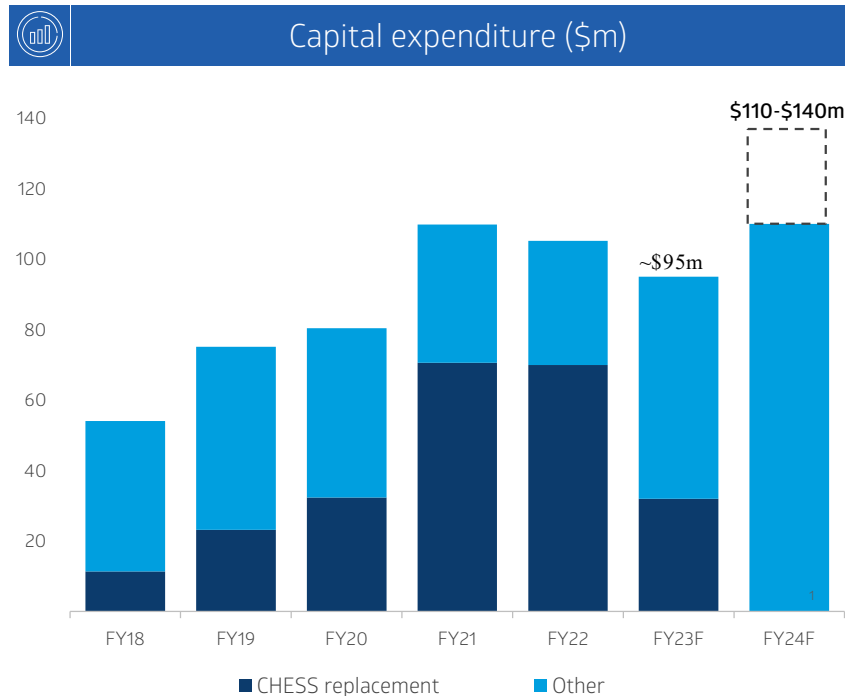
- FY23 expense growth forecast of ~12%<sup>1</sup>
  - Increased spend in 2H23 driven by CHESS related review and associated costs and CHESS replacement solution design.
- CHESS Partnership Program – up to \$70m classified as significant item
  - \$15m rebate provided for in FY23
  - ~\$20m allocated from the development incentive pool in FY23 with balance in future periods

## FY24 total expense profile:

- FY24 expense growth guidance of 12-15%<sup>1</sup> supporting the reset horizon of the strategy and ongoing CHESS-related reviews and associated costs
- Expense management review in FY24 to reduce expense growth rate in FY25:
  - Workforce mix
  - Process simplification and automation
  - Strategic procurement
  - Equity investment portfolio review

# FY23 AND FY24 CAPITAL EXPENDITURE GUIDANCE

## PRIMARILY DRIVEN BY TECHNOLOGY MODERNISATION ROADMAP

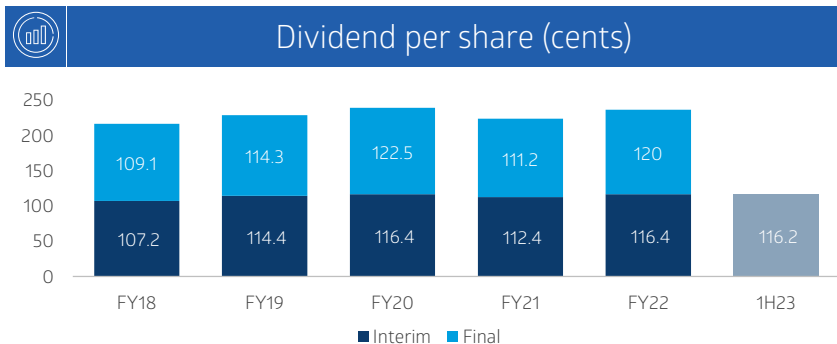


- Increasing capital expenditure profile over past 5 years has been driven by CHESS replacement as well as technology and regulatory capability uplift
- FY23 capital expenditure guidance of ~\$95 million
- FY24 capital expenditure guidance of \$110 - \$140 million supporting technology modernisation, regulatory and risk plans
- Capital expenditure expected to remain around FY24 levels for the medium term to support technology modernisation roadmap

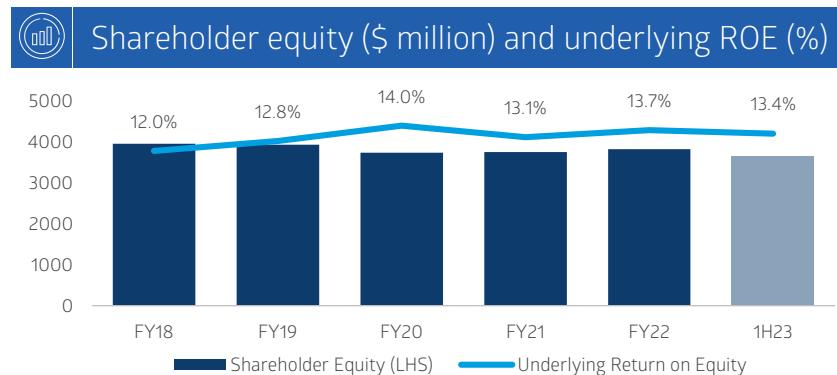


# CAPITAL MANAGEMENT

## AIM TO PROVIDE FLEXIBILITY IN BALANCING INVESTMENT AND SHAREHOLDER RETURNS



- Intend to maintain 90% payout ratio for final FY23 dividend
- FY24 dividend policy to be modified to a range of 80-90% of underlying profit after tax<sup>1</sup>
- Considering the re-activation of dividend reinvestment plan



- Strong balance sheet with S&P long term credit rating of AA-
- Existing \$300m working capital bank facility retained
- Corporate bond to be issued in 1H24 (\$200 - \$300 million) to support the forward capital expenditure program<sup>2</sup>
- Introduction of medium term underlying ROE performance metric target of 13.0% - 14.5%

# TECHNOLOGY AND DATA

## DATA AS A GROWTH OPPORTUNITY

Dan Chesterman  
Group Executive, Technology and Data

# TECHNOLOGY AND DATA

## STRUCTURAL AND STRATEGIC GROWTH OPPORTUNITY FOR ASX

### AGENDA

1

Overview: ASX Technology and Data business

2

ASX Information Services – products, customers and revenue drivers

3

Structural tailwinds and strategic growth opportunities

# OVERVIEW: ASX TECHNOLOGY AND DATA BUSINESS

PROVIDING DATA, CONNECTIVITY AND HOSTING SOLUTIONS FOR ASX CUSTOMERS

ASX Technology and Data creates value for our customers by reducing cost, complexity and risk, enabling them to focus on their business priorities and achieve their goals



## Information Services

Information Services business offers a range of market data products including pricing data, trading data and benchmarks



## Technical Services

Technical Services business facilitates market access, connectivity, hosting and co-location services in ASX's data centre, the Australian Liquidity Centre and via global distribution through ASX Net

1,500 global customers

Sell-side, buy-side, corporates, custodians, traders, vendors

Customers may consume direct or via re-distributors (market data vendors)

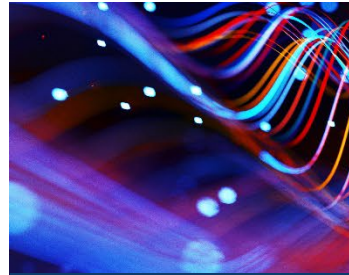
100s of local and global customers

Sell-side, buy-side, market makers, proprietary traders, financial institutions

Market data vendors, software providers and telecoms operators

# INFORMATION SERVICES – PRODUCTS

## WELL ESTABLISHED RANGE OF DATA PRODUCTS



### ASX MarketSource

- ASX Market Data
- ASX24 Market Data



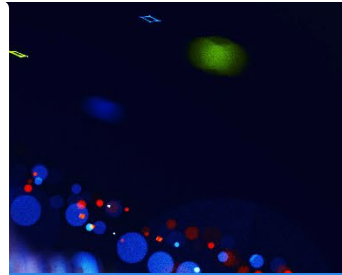
### ASX ReferencePoint

- Reference data
- Numbering services
- Corporate actions and market activity



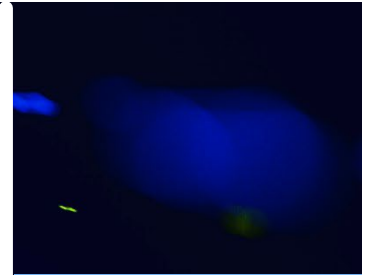
### ASX ComNews

- Listed company disclosures



### ASX Benchmarks

- Bank Bill Swap rate (BBSW)



### Indices

- Cobranded index suite with S&P Dow Jones Indices
- Licencing for ASX data within third party indices

# INFORMATION SERVICES - CUSTOMERS

DIVERSE RANGE OF OVER 1,500 CUSTOMERS AROUND THE WORLD



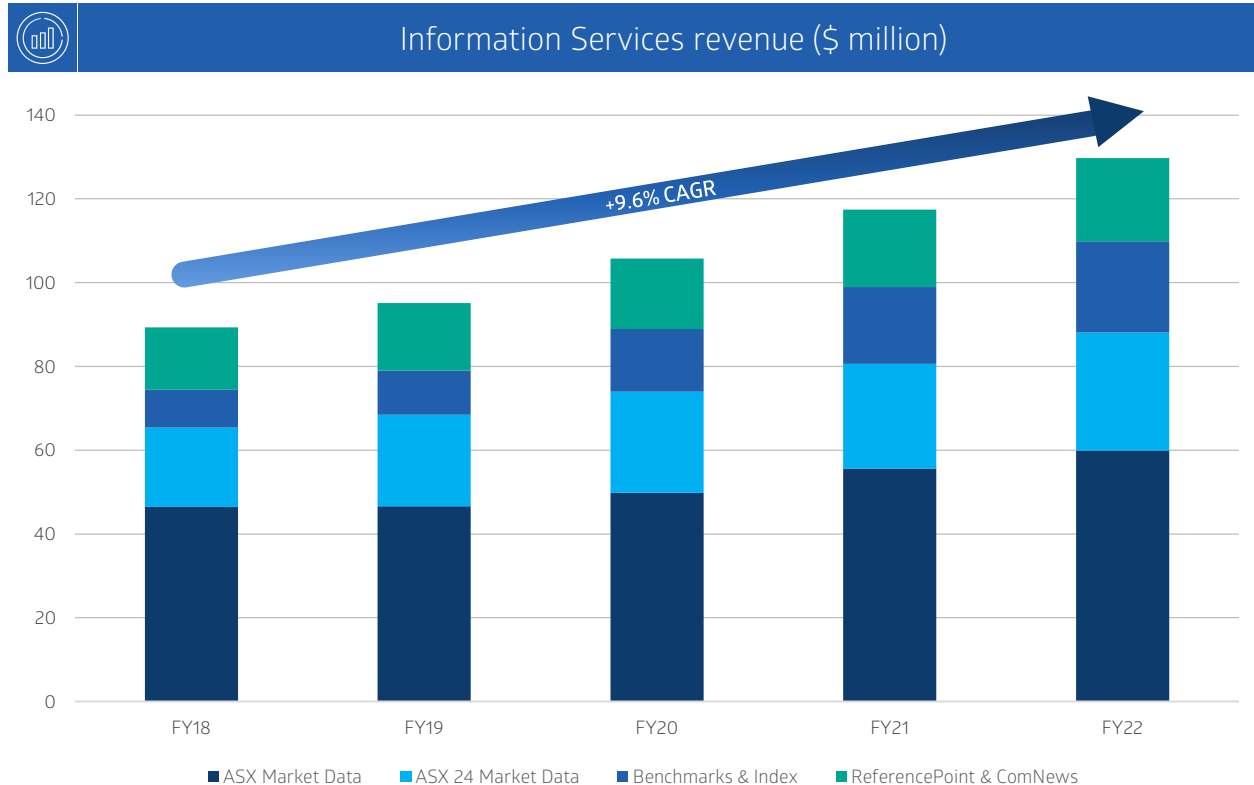
Provider of solutions  
to all types of  
participants in the  
Australian market

- Trading, clearing and settlement participants
- Professional traders, investors and risk managers
- Structured product providers
- Data vendors
- Custodians
- Regulators
- Compliance service providers
- News services
- FinTechs



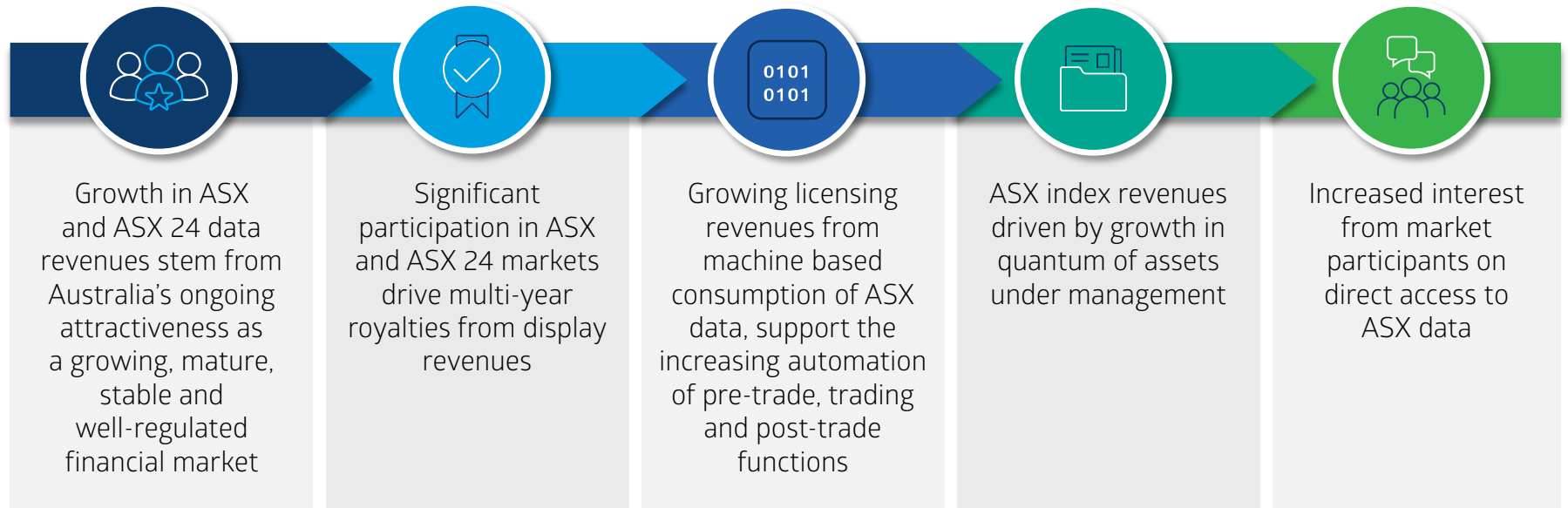
# INFORMATION SERVICES REVENUE GROWTH: FY18 – FY22

## STRONG PERFORMANCE IN ALL MARKET CONDITIONS



# FACTORS THAT HAVE DRIVEN HISTORIC REVENUE GROWTH

## ONGOING STRONG DEMAND FOR DATA



# STRUCTURAL TAILWINDS

## GROWTH OF EXISTING MARKETS AND EMERGING NEW OPPORTUNITIES

### 1 Market growth

- Growth of Australian capital base
- New investment strategies

### 2 New markets require new data

- Carbon
- ESG
- Digital assets

### 3 Technology

- AI and data analytics
- Non-display data consumption

# STRATEGIC GROWTH OPPORTUNITIES

## TECHNOLOGY MODERNISATION, INNOVATION, LEVERAGING DATA AND CUSTOMER RELATIONSHIPS

1

Technology modernisation driving new product development opportunities

Investment in DataSphere capability provides the platform, people and skills required to seize new opportunities

2

Creating new data solutions from existing ASX datasets not previously made available

Build new data solutions from ASX's reference data, clearing, settlement and disclosure businesses

3

Customer driven growth by responding to market needs

ASX data solutions to power increased automation of trading lifecycle

4

Initiatives to drive innovation including Synfini, indices partnership with S&P Global, data analytics with Google

Leverage strong relationships in order to complement our own capability

# DRIVERS OF ASX INTEREST RATE DERIVATIVES VOLUME

Darren Yip  
Group Executive, Markets

# MARKETS

ASX IS THE PROMINENT REGIONAL EXCHANGE FOR FIXED INCOME PRODUCTS

## AGENDA

1

Overview: ASX Markets business

2

Interest rates derivatives - market size, ASX product offering and participants

3

Drivers of interest rate derivatives market volume

4

Where we are today

5

What ASX's five year strategy means for the Markets business

# OVERVIEW: ASX MARKETS BUSINESS

## AT THE HEART OF AUSTRALIA'S FINANCIAL MARKETS

Operates multiple markets within the ASX ecosystem:



### Cash market trading

- Shares
- ETOs
- ETPs
- Warrants
- Hybrids
- AGBs



### Derivatives market trading and clearing

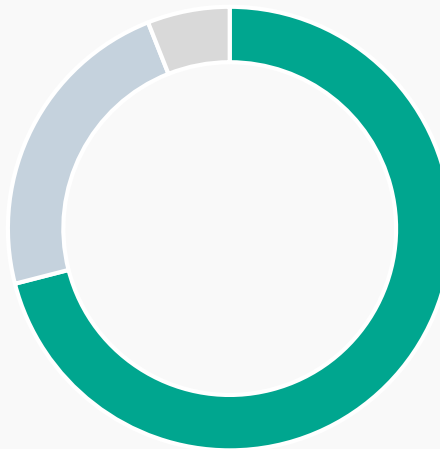
- Interest rate derivatives
- OTC clearing
- Commodity derivatives
- Equity derivatives



28%

of total ASX  
FY22 revenue

### Markets revenue



- Futures and OTC
- Cash Market Trading
- Equity Options

# MARKET SIZE AND ASX PRODUCT OFFERING

ASX IS THE PRIMARY EXCHANGE FOR AUSTRALIAN AND NEW ZEALAND INTEREST RATE DERIVATIVES

## Size of the market<sup>1</sup>

**\$50**trillion

traded value in AUD interest  
rate futures and options  
(single counted)

**\$2.5**trillion

traded value in NZD interest  
rate futures and options  
(single counted)



**4<sup>th</sup>**

ASX is the 4th largest  
interest rates derivatives  
market in the world<sup>2</sup>

## Interest rates derivatives

### Short-term interest rate futures and options

- AUD 90-day Bank Bill futures ASX NZD 90-day Bank Bill Futures
- ASX 30 Day Cash Rate Futures

### Australian treasury bond futures and options

- ASX 3yr Bond Futures
- ASX 5yr Bond Futures
- ASX 10yr Bond Futures
- ASX 20yr Bond Futures

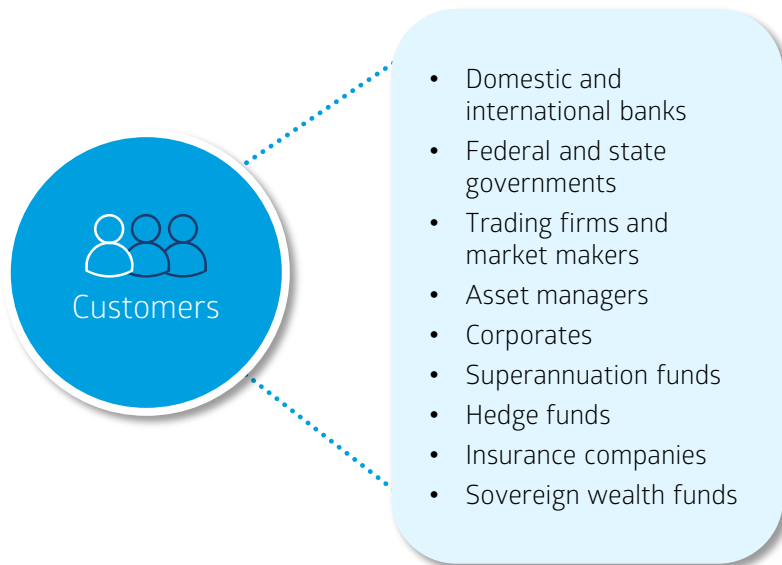
### Central clearing of OTC interest rate derivatives

- AUD and NZD Interest Rate and Overnight Index Swaps
- AUD Basis Swaps



# RATES MARKET PARTICIPANTS

## SERVICE A WIDE RANGE OF CUSTOMERS AND REQUIREMENTS

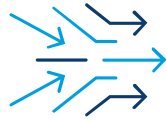


### Key uses of our products

- Hedging interest rate risk
- Managing counterparty credit risk
- Trading on expectations of future interest rate moves
- Price formation and transparency in physical bond and swap markets through exchange for physical transactions

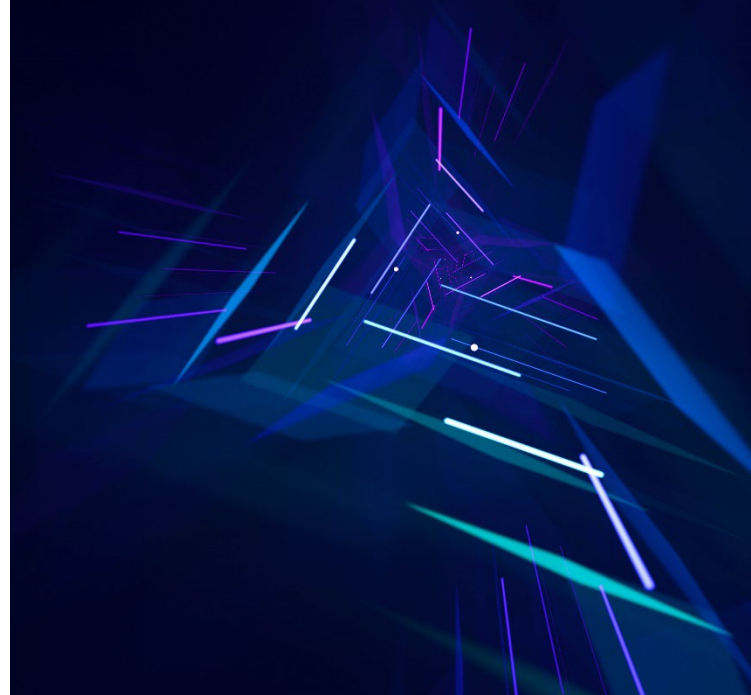
# DRIVERS OF RATES VOLUMES

MANY FACTORS DRIVE VOLUME, WHICH CAN INTERACT AND INFLUENCE EACH OTHER



## Interest rate derivatives activity drivers

- Monetary policy
- Macroeconomic sentiment
- Market volatility
- Market participants' needs
- Risk appetite
- Regulatory changes
- AOFM bond issuance and turnover
- Evolving market structure, clearing access and product development

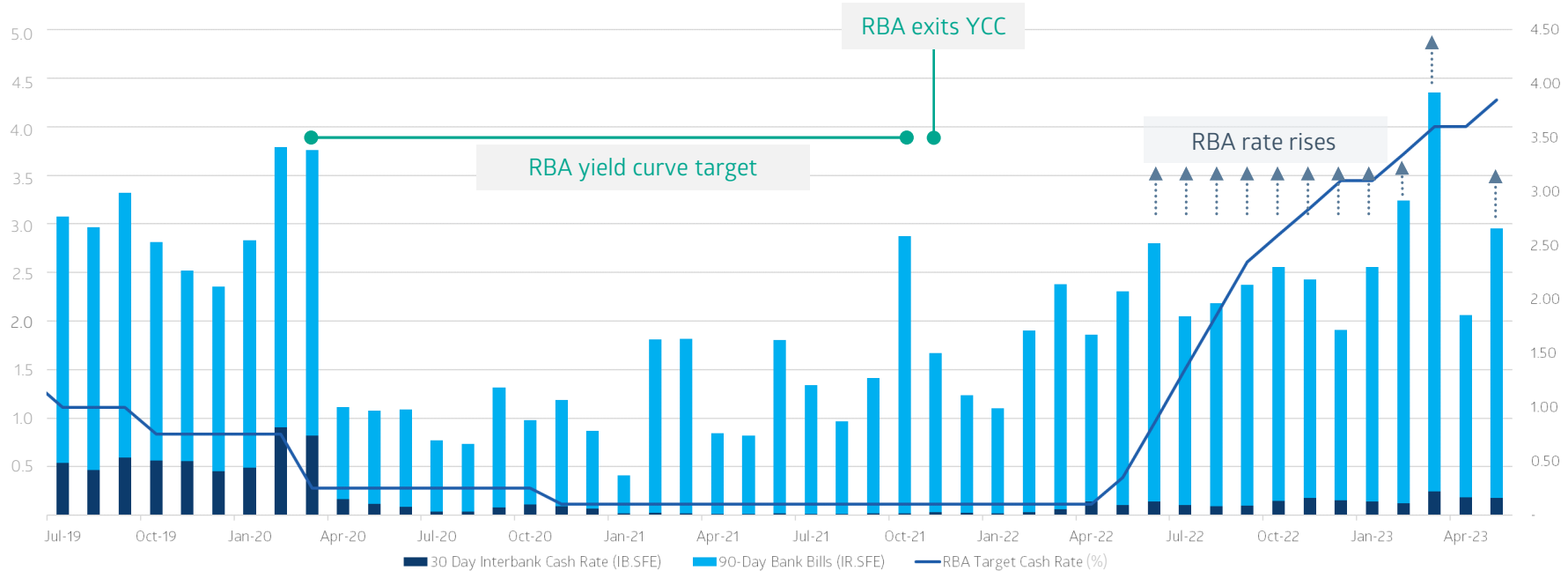


# ASX SHORT-DATED FUTURES PERFORMANCE SINCE JULY 2019

## UNPRECEDENTED CIRCUMSTANCES RESULTED IN PROLONGED ELEVATED VOLATILITY



ASX – AUD short-term interest rate futures volume (million)

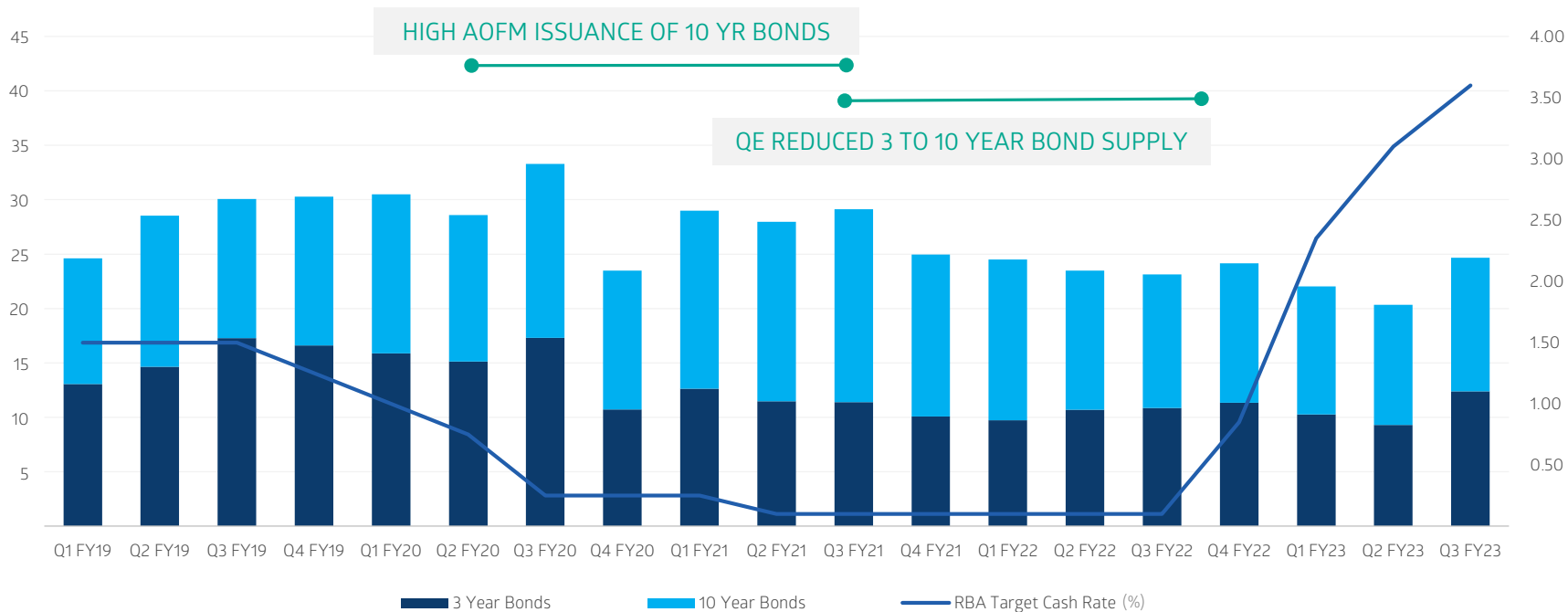


# ASX LONG-DATED VOLUME DRIVERS

## BOND ISSUANCE AND TURNOVER CAN IMPACT VOLUME



ASX bond futures contracts – quarterly (million)



# RATES FUTURES VOLUME – WHERE WE ARE TODAY

OVERALL RATES FUTURES VOLUMES IMPROVING, BUT NOT CONSISTENTLY ACROSS THE PORTFOLIO

ASX short term rates futures volumes have improved in FY23 to date vs FY22



AUD 90-day bank bill futures delivered record volume in March 2023



ASX 30 Day Cash Rate Futures



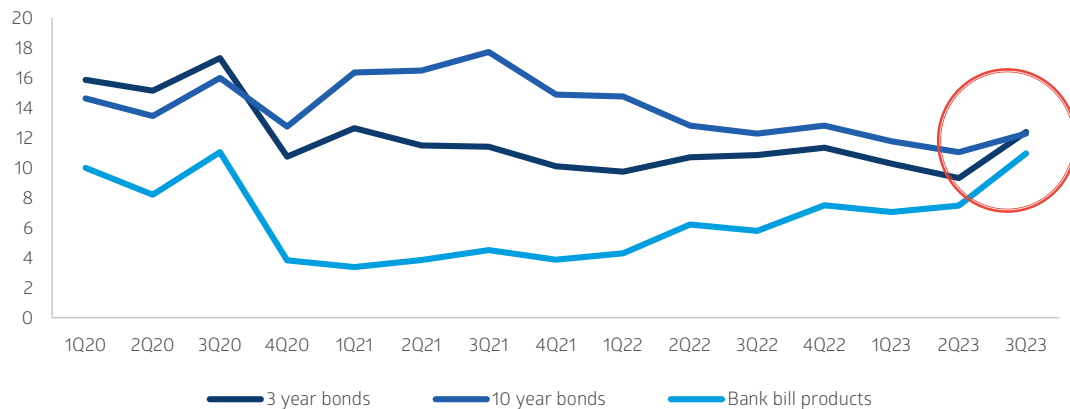
ASX 3yr Bond Futures



ASX 10yr Bond Futures

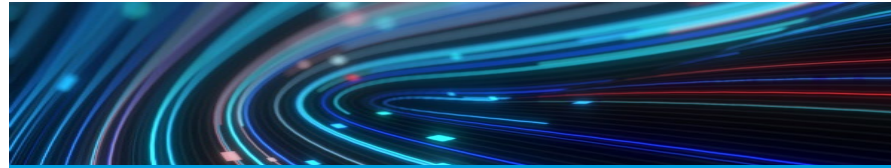


Rates futures volumes (million)



# ASX FIVE YEAR STRATEGY – WHAT IT MEANS FOR MARKETS

## STRUCTURAL TAILWINDS AND STRATEGIC DRIVERS FOR MARKETS



### Structural tailwinds

#### Growing Australian capital base

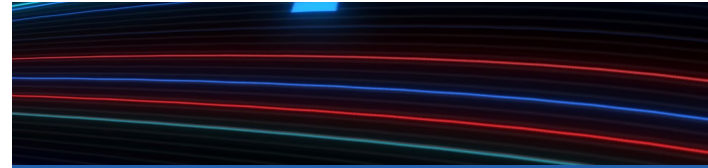
- Growing demand for our products

#### Decarbonisation

- Supporting the decarbonisation of the Australian economy by exploring carbon futures and green bond products

#### Dynamic regulatory environment

- Drive for on-market trading and centrally cleared products to improve transparency and efficiency



### Strategic drivers

#### Technology modernisation

- Support the delivery of fair, orderly and transparent markets, run critical market infrastructure
- Meet changing economic conditions

#### Customer driven growth

- Engaging, listening, responding to feedback that delivers a better market place for all
- Deliver new products, by responding to customer needs faster

# WHAT MAKES ASX AN ATTRACTIVE MARKET FOR CORPORATE LISTINGS AND CAPITAL RAISINGS

Blair Beaton  
Group Executive, Listings

# LISTINGS

## ATTRACTIVE MARKET FOR DOMESTIC AND FOREIGN CORPORATE LISTINGS

### AGENDA

1

Virtuous circle of capital, liquidity, regulatory settings and investor appetite

2

Capital raising activity relative to global exchange peers

3

Some key benefits – index inclusion, valuation, regulatory framework

4

Attractive venue for foreign listings

5

What the ASX five year strategy means for the Listings business



# VIRTUOUS CIRCLE OF CAPITAL, LIQUIDITY, REGULATORY SETTINGS AND INVESTOR APPETITE



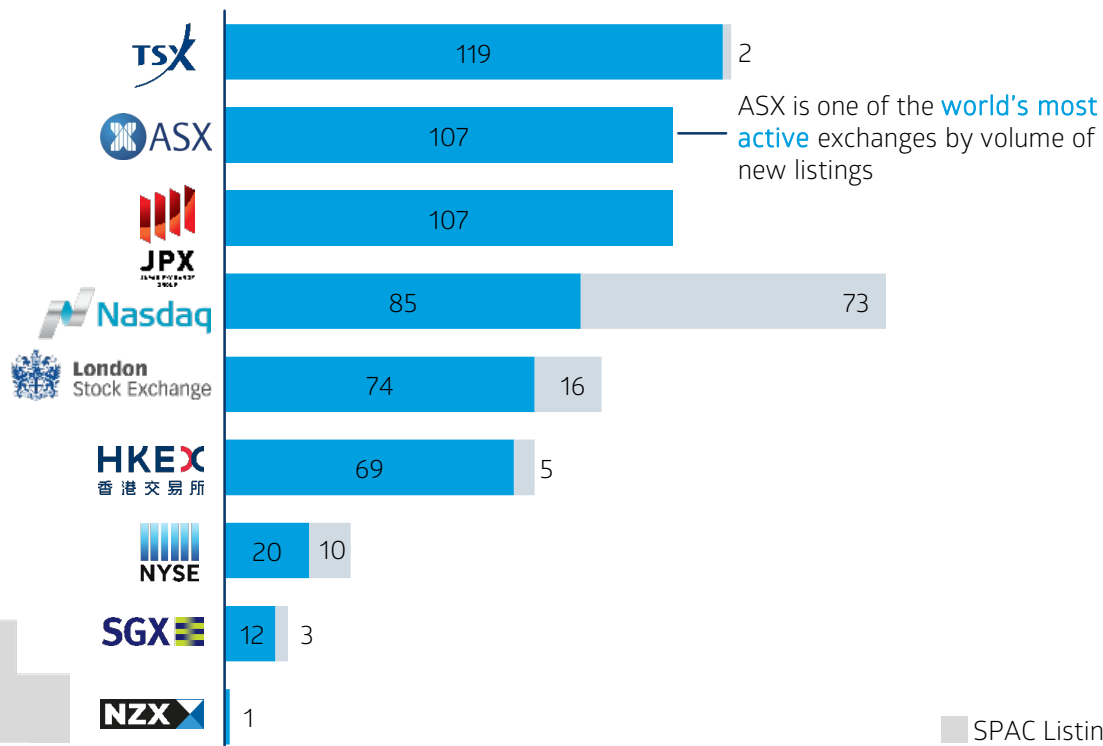
<sup>1</sup>Willis Towers Watson Global Pension Assets Study 2022

48 <sup>2</sup>Five-year annual average

<sup>3</sup>12 month rolling average to December 2022 across ASX & Cboe

# ACTIVE IPO PLATFORM

## NUMBER OF NEW LISTINGS BY EXCHANGE: 2022



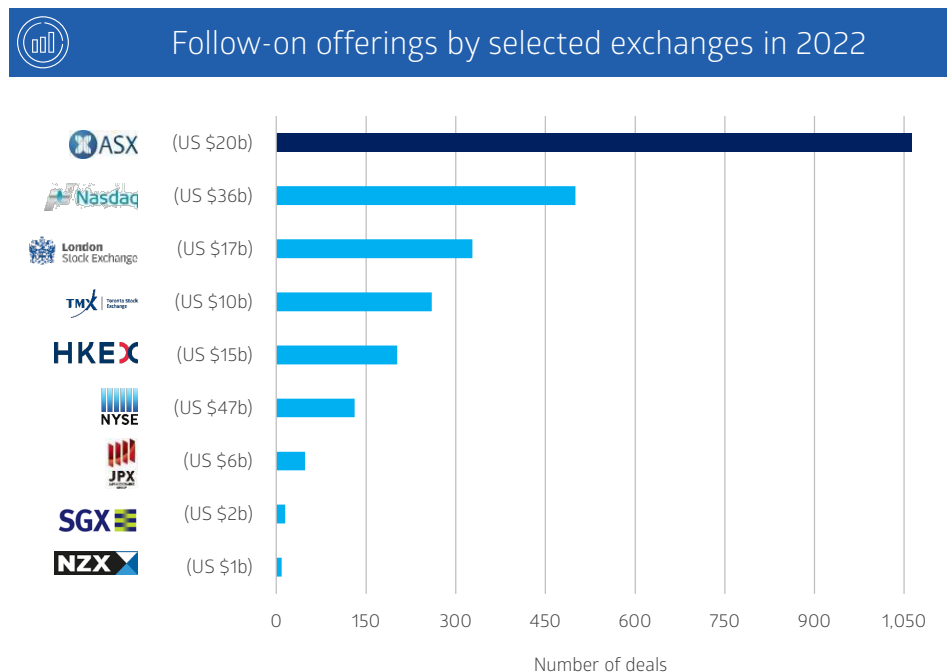
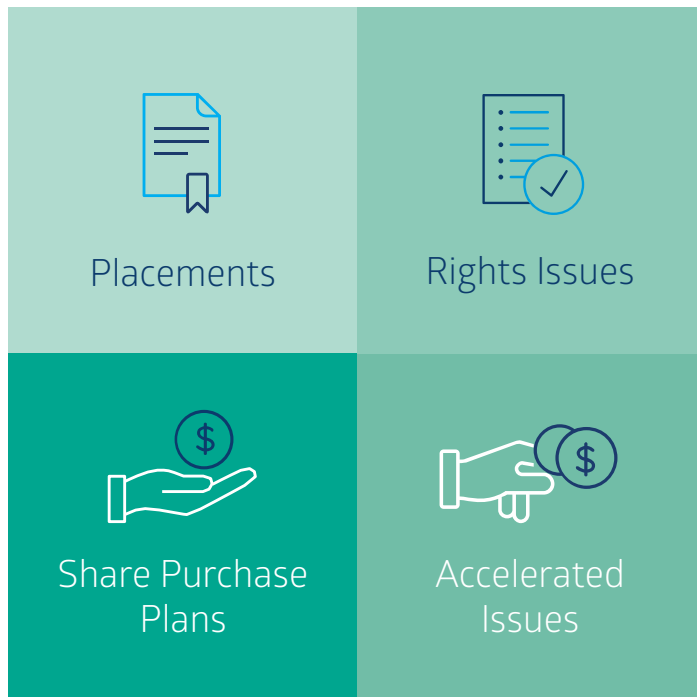
Selected exchanges as at 31 December 2022.

New listings data sourced from exchange website. NZX data from Business Desk. SPAC data sourced from Dealogic.

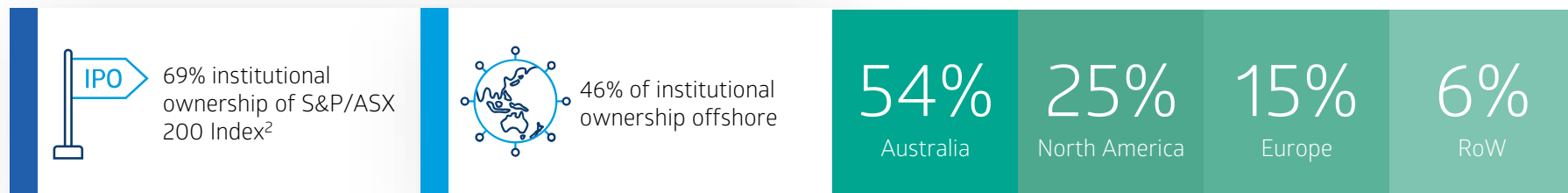
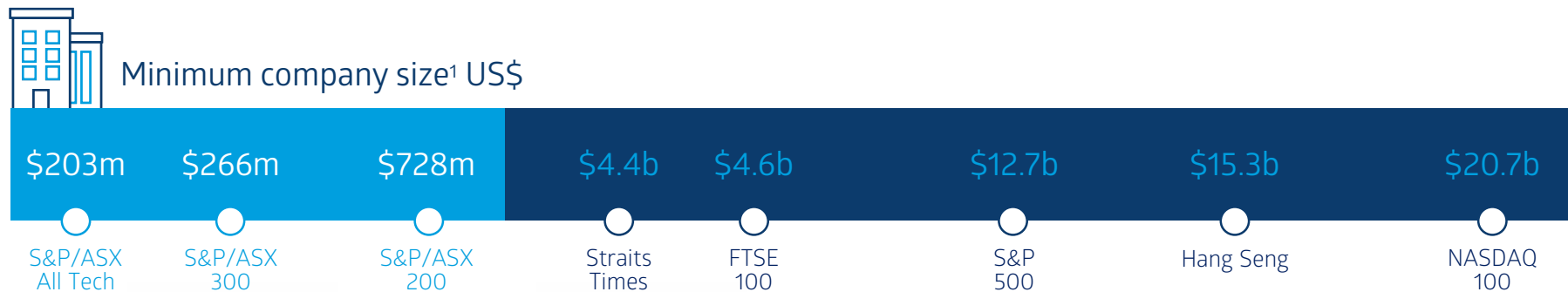
ASX includes stapled securities and debt listings; Includes junior markets where applicable.

Volume of IPOs over time: Dealogic Ranking Reports, 30 April 2023.

# 1<sup>ST</sup> GLOBALLY BY NUMBER OF FOLLOW-ON OFFERINGS, 5<sup>TH</sup> BY CAPITAL RAISED FIFTH CONSECUTIVE YEAR AS THE LEADING EXCHANGE BY VOLUME



# BENCHMARK INDEX ACCESS AT AN EARLIER STAGE



# VALUATION METRICS COMPARE FAVOURABLY TO OTHER MAJOR EXCHANGES



- Demand from:
  - Australian institutional investors
  - International institutions (US/Europe/Asia)
- Retail/HNW investors
- Critical mass and growth of Australian superannuation funds
- Investor knowledge and sophistication
- Sector specialisation
- Multiple drop-off outside main US indices



## Index composition and valuation indicators

Index	Price/Sales (forward)	EV/Sales (forward)	Number of constituents	Average market cap (US\$b)	Median market cap (US\$b)
S&P/ASX 50	2.5	2.6	50	\$25.7	\$10.9
S&P/ASX 200	2.2	2.3	200	\$8.6	\$2.7
S&P/ASX 300	2.1	2.3	299	\$6.0	\$1.5
S&P/ASX All Technology	4.6	4.2	37	\$2.7	\$0.6
S&P/ASX 300 Info Tech	5.2	4.5	20	\$3.6	\$0.7
S&P 500 Info Tech	6.0	5.4	66	\$138.7	\$36.7
S&P MidCap 400 Info Tech	1.0	1.1	42	\$5.8	\$5.3
S&P SmallCap 600 Info Tech	1.3	1.5	67	\$1.7	\$1.4
NASDAQ 100	4.0	3.8	101	\$172.7	\$55.2
S&P 500	2.3	2.5	503	\$76.2	\$30.4
FTSE 100	1.2	1.4	100	\$28.2	\$11.2
HANG SENG	1.3	2.0	76	\$51.9	\$24.9

■ Australian Technology indices

■ US Technology indices

# ATTRACTIVE VENUE FOR FOREIGN LISTINGS



## Provide diversification and growth opportunities for Australian investors

- 150 sole and dual listings over past 6 years<sup>1</sup>
- New Zealand and United States represent 44% of foreign listings
- Top sectors: Materials, Technology, Healthcare
- Key drivers: Peer groups, Investor sophistication, Scarcity value, Australian nexus



## Capital and index inclusion opportunities for foreign companies

- Based in countries with limited access to capital and relatively small listed peer groups e.g. New Zealand
- Where home exchange(s) offer limited visibility and investor support unless of significant scale, e.g. United States



## Capital markets ecosystem and investor networks key to growth

- Australian financial intermediaries (investment banks, legal and accounting firms)
- Institutional investors, including pre-IPO investors
- Private equity and venture capital firms, for both domestic and foreign listings
- Existing ASX issuer community



New Zealand



United States



Canada



Singapore

Fisher & Paykel  
HEALTHCARE

EBOS  
GROUP LIMITED

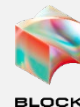


VULCAN



GQG  
PARTNERS

LIGHT &  
WONDER



Altium

245+  
Total foreign listings

# ASX FIVE YEAR STRATEGY – WHAT IT MEANS FOR LISTINGS

## GREAT FUNDAMENTALS SUPPORTED BY GROWTH IN AUSTRALIA'S CAPITAL BASE

**Listings purpose:** enabling efficient access to capital for issuers and wealth creation opportunities for investors

### Structural tailwinds

#### Growing Australian capital base

- Significant capital base to support capital formation
- Globally competitive market

#### Supportive regulatory environment

- Robust but streamlined regulatory settings support flexibility in capital formation

### Strategic drivers

#### Great fundamentals

- Strong domestic focus
- Targeted offshore strategy

#### Customer driven growth

- Develop and grow ecosystem that supports corporate and investment product issuers

# ASX INVESTOR DAY

## SUMMARY AND CONCLUSION

Helen Lofthouse,  
Chief Executive Officer



# WHAT YOU HEARD TODAY



## Our strengths

- Strong core businesses
- Structural tailwinds
- Five year strategy in place



## Our focus areas

- Restoring trust with our regulators and stakeholders
- Technology modernisation



## Financial guidance and metrics

- Focus areas supported by total expenses and capital expenditure profile
- Capital flexibility in place with introduction of dividend range and issue of corporate bond<sup>1</sup>
- Underlying Return on Equity as medium term performance metric

# ASX INVESTOR DAY

## Q&A