

any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary (202) 942-7070.

Dated: May 23, 1997.

Jonathan G. Katz,
Secretary.

[FR Doc. 97-14020 Filed 5-23-97; 10:52 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-38664; International Series Release No. 1082; File No. SR-Amex-19]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange, Inc. Relating to the Listing and Trading of Indexed Term Notes

May 21, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on April 30, 1997, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Amex proposes to approve for listing and trading under Section 107A of the Amex Company Guide indexed term notes based in whole or in part on changes in the value of the Major 8 European Index ("the Index").

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Under Section 107A of the Amex Company Guide, the Exchange may approve for listing and trading securities which cannot be readily categorized under the listing criteria for common and preferred stocks, bonds, debentures, or warrants.¹ The Amex now proposes to list for trading under Section 107A of the Company Guide indexed term notes whose value in whole or in part will be based upon an index consisting of the major market indices of eight European countries.

The indexed term notes will be non-convertible debt securities and will conform to the listing guidelines under Section 107A of the Company Guide. Although a specific maturity date will not be established until the time of the offering, the indexed term notes will provide for maturity within a period of not less than one nor more than ten years from the date of issue. Indexed term notes may provide for periodic payments and/or payments at maturity based in whole or in part on changes in the value of the Index. At maturity, holders of the indexed term notes will receive not less than 90% of the initial issue price. The notes will not be callable or redeemable prior to maturity and will be cash settled in U.S. currency. Consistent with other structured products, the Exchange will distribute a circular to its membership, prior to the commencement of trading, providing guidance with regard to member firm compliance responsibilities, including appropriate suitability criteria and/or guidelines.

The Index: The sub-indices that form the Major 8 European Index represent 341 of the largest and most liquid securities from each of the eight European markets. Initial weightings will be assigned to each sub-index at the closing of trading on the day immediately prior to the listing of the indexed term notes and based upon the index's market capitalization. Based on market data as of April 3, 1997, the UK's Financial Times SE 100 Index ("FT-SE 100") would have an assigned weight of approximately 38.36%; the Deutscher Aktienindex ("DAX") would have an assigned weight of approximately 14.50%; the Compagnie des Agents de Change 40 Index ("CAC 40") would have an assigned weight of approximately 11.82%; the Swiss

Market Index ("SMI") would have an assigned weight of approximately 10.28%; the Amsterdam European Options Exchange Index ("AEX") would have an assigned weight of approximately 5.94%; the Milano Italia Borsa 30 Index ("MIB 30") would have an assigned weight of approximately 9.42%; the Stockholm Options Market Index ("OMX") would have an assigned weight of approximately 4.60%; and the IBEX 35 would have an assigned weight of approximately 5.08%. Three of the eight subindices, FT-SE 100, DAX, and CAC 40 (combined weight of approximately 64.68%) have been approved by the Commission for warrant trading within the last few years.² A description of each of the sub-indices is set forth below:

FT-SE 100: The FT-SE is a capitalization-weighted index of 102 of the most highly capitalized companies traded on the London Stock Exchange. The total market capitalization of the index was \$1,201 billion on April 3, 1997.

DAX: The DAX is a total rate of return index of 30 selected German blue chip stocks traded on the Frankfurt Stock Exchange. The total market capitalization of the index was \$454 billion on April 3, 1997.

CAC 40: The CAC 40 is a capitalization-weighted index of the most liquid and most highly capitalized stocks traded on the Paris Bourse. The total market capitalization of the index was \$370 billion on April 3, 1997.

SMI: The SMI is a capitalization-weighted index of the largest and most liquid stocks traded on the Geneva, Zurich, and Basle Stock Exchanges. The total market capitalization of the index was \$322 billion on April 3, 1997.

AEX: The AEX is a capitalization-weighted index of the 25 leading Dutch stocks traded on the Amsterdam Stock Exchange. The total market capitalization of the index was \$295 billion on April 3, 1997.

MIB 30: The MIB 30 is a capitalization-weighted index of 30 of the most liquid and most highly capitalization stocks traded on the Milan Stock Exchange. The total market

² The FT-SE 100 was approved for warrant trading in 1990 (Securities Exchange Act Release No. 27769 (March 6, 1990), 55 FT 9380 (March 13, 1990)), the FT-SE 100 was also approved for options trading on the CBOE (Securities Exchange Act Release No. 32679 (July 27, 1993), 58 FR 41300 (August 3 1993)); the DAX was approved for warrant trading in 1995 (Securities Exchange Act Release No. 36070 (August 9, 1995), 60 FR 42205 (August 15, 1995)); and the CAC 40 was approved for warrant trading in 1990 (Securities Exchange Act Release No. 28544 (October 17, 1990), 55 FR 42792 (October 23, 1990)).

¹ See Securities Exchange Act Release No. 27753 (March 1, 1990), 55 FR 8626 (March 8, 1990).

capitalization of the index was \$186 billion on April 3, 1997.

OMX: The OMX is a capitalization-weighted index of the 30 stocks that have the largest volume of trading on the Stockholm Stock Exchange. The total market capitalization of the index was \$159 billion on April 3, 1997.

IBEX 35: The IBEX 35 is a capitalization-weighted index of the 35 most liquid Spanish stocks continuously traded and quoted on the Joint Stock Exchange System made up of four Spanish stock exchanges (Barcelona, Bilbao, Madrid, and Valencia). The total market capitalization of the index was \$144 billion on April 3, 1997.

The Exchange has in place surveillance sharing agreements with the appropriate regulatory organizations in each country represented in the European Eight Index except Sweden and Switzerland, which together currently represent 14.88% of the Index value.

Index Calculation: The Index will be calculated using a "capitalization-weighted" methodology. As noted above, each sub-index will be given its assigned weighting at the close of trading on the day immediately prior to the listing of the indexed term note. The number of shares in each sub-index will be fixed on that day and will equal its weighting in the Index times 100 divided by the sub-index level. There will be no periodic rebalancing of the index to reflect changes in relative market capitalization among the sub-indices. The initial sub-index value used in the Index calculation will equal the product of the number of shares in the sub-index times its representative sub-index level. The Index will initially be set to provide a benchmark value of 100.00 at the close of trading on the day preceding the listing of the indexed term note. The Exchange will calculate the Index and, similar to other stock index values published by the Exchange, the value of the Index will be calculated continuously and disseminated every 15 seconds over the Consolidated Tape Association's Network B each trading day until the last individual sub-indexes ceases updating in its home market. The Exchange will then disseminate the Index based on the closing values for each sub-index.

The shares for each sub-index will remain fixed during the life of the note, except in the event of a significant action taken by the publisher of the sub-index such as a split of the value of the sub-index or a change in the method of calculation. If a sub-index ceases to be published, it may be replaced with a

substitute or successor index, or the calculation agent may undertake to publish the sub-index using the same procedures last used to calculate the sub-index prior to its discontinuance.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act³ in general and furthers the objectives of Section 6(b)(5)⁴ in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any inappropriate burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed and Rule Change and Timing for Commission Action

Within 35 days of the publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve the proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements

with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying at the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR-Amex-97-19 and should be submitted by June 18, 1997.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97-13876 Filed 5-27-97; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-38665; International Series Release No. 1083; File No. SR-Amex-97-20]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange, Inc., Relating to the Listing and Trading of Indexed Term Notes

May 21, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on April 30, 1997, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Amex proposes to approve for listing and trading under Section 107A of the Amex Company Guide, indexed term notes based in whole or in part on changes in the value of the Major 11 International Index ("the Index").

³ 15 U.S.C. 78f(b).

⁴ 15 U.S.C. 78f(b)(5).