

SERVICE HOTLINE

Number: 040/2026
Date: 26 May 2026

Name and Surname: Thembi Mda-Maluleka
Designation: Head - Bonds, Currencies and Interest Rates Derivatives

BOND MARKET - MOVING FROM JIBAR BENCHMARK TO ZARONIA - UPDATED

The South African Reserve Bank (SARB) is replacing the **Johannesburg Interbank Average Rate (JIBAR)** with the **South African Rand Overnight Index Average (ZARONIA)** as part of the ongoing benchmark reform initiative. JIBAR will be discontinued following its final publication on **31 December 2026**. ZARONIA, which has been published since November 2023, is a transparent, transaction-based overnight interest rate designed to serve as a more robust and reliable benchmark for rand-denominated financial instruments.

The next major milestone is the “No New JIBAR” date, confirmed as 1 May 2026, from which no new JIBAR-linked contracts may be issued. Please find the latest SARB communication to this effect below:

<https://www.resbank.co.za/content/dam/sarb/publications/prudential-authority/pa-public-awareness/covid-19-response/2026/Joint%20Communication%201%20of%202026.pdf>

The JSE, in collaboration with industry participants, has agreed to a coordinated transition plan for converting all JIBAR-linked debt instruments to ZARONIA. The transition is aligned with the SARB’s announcement regarding the cessation of JIBAR on **31 December 2026**.

To support this transition, the JSE is implementing system enhancements that introduce a new corporate action event type, “**JIBAR Conversion.**” This event will facilitate the conversion of listed instruments referencing JIBAR to ZARONIA and will be reflected in JSE reference data and corporate action products.

MARKETS / SERVICES:

- Equity Market
- Equity Derivatives Market
- Interest Rate Derivatives Market
- Currency Derivatives Market
- Commodity Derivatives Market
- Bond Market
- Bond ETP Market
- JSE Broker Deal Accounting (BDA)
- Real Time Clearing (RTC)
- Colocation
- International Access Point (IAP)
- EOD Information Subscribers
- Live Information Subscribers

ENVIRONMENT:

Production

ADDITIONAL INFORMATION:

If you have any queries about this announcement, please contact the Client Service Centre on +27 11 520 7777 or customersupport@jse.co.za

The system changes went live on 11 May 2026, and voluntary conversion instructions are now being accepted by the JSE.

Notice for these changes has been communicated. Herewith the link to the Notice:

[JSE Service Hotline 022/2026 BONDS - JIBAR to ZARONIA Linked Instruments Conversion and Bond Reference and Corporate Actions Data Products Enhancement - Effective 11 May 2026](#)

Voluntary Conversion

The voluntary conversion process allows Issuers to convert existing JIBAR-linked notes to ZARONIA ahead of the JIBAR cessation date. Issuers should review the legal documentation of all affected notes, including Programme Memorandums and Listing Documents, to determine how the conversion can be effected.

Issuers are strongly encouraged to begin reviewing their legal documentation and initiating the necessary discussions / processes early to ensure that the conversion instructions can be submitted to the JSE before **31 December 2026**.

Conversion Process

Conversions will follow a coordinated procedure involving the **Issuer, the JSE, and Strate**. The following principles apply:

- Conversions will take place on a scheduled **coupon payment date** of the relevant instrument.
- Sponsors must submit the completed conversion template, together with the legal documentation needed to effect the conversion, to the JSE via Webstir, with standard submission timelines and processes applying to these submissions. The final conversion instructions post this process must be submitted by the Sponsor **by no later than 10 business days before the intended conversion date (being the scheduled coupon date)** using the prescribed template (attached).
- The following ZARONIA-specific conventions must be specified in the legal documentation and completed conversion template submitted to the JSE:
 - **Look-back period:** 5 business days
 - **Books Close period:** 0 (zero) calendar days
 - **Business day convention:** Following/Modified Following/Preceding
 - **Day count convention:** Actual/365
 - The standard Credit Adjustment Spread (CAS) of 0.1619%, aligned to the 3-month JIBAR rate, will be applied by the JSE unless an alternative approach is specified in the submitted legal documentation
- The JSE Corporate Actions team will create a **future-dated “JIBAR Conversion”** event, which will appear in the Bond Corporate Actions Schedule.
- The completed instruction will be forwarded to Strate for processing and alignment.
- Updated reference data will be made available within the JSE Bond Reference Data products.

Note: No additional Market Notices will be issued. All stakeholders must obtain conversion data from the standard JSE products.

Mandatory Conversion

If the voluntary conversion has not been initiated or completed by **31 December 2026**, the **mandatory conversion process** will apply, subject to the required regulatory amendments coming into effect. The ZARONIA-specific conventions, as specified above, will be applied.

Issuers will still be required to submit conversion instructions, together with the applicable legal documentation needed to effect the conversion, to the JSE via Webstir. The JSE will automatically apply the ZARONIA-specific conventions. The mandatory process is expected to conclude by **March 2027**.

Issuers are reminded to **engage proactively with all affected noteholders and stakeholders** to ensure full preparedness and alignment for the transition. Should you have any queries, please don't hesitate to contact us at IRDSS@jse.co.za; irc@jse.co.za and/or Corporateactions@jse.co.za