

HIGH LEVEL OVERVIEW – EQUITY MARKET ENHANCEMENT RELEASE

1. Introduction of Excluding Hidden Limit (EHL) order attribute

The EHL order attribute is being introduced to reduce the uncertainty of execution when facilitating a book over in the central order book, within the visible BBO. When orders are flagged with the EHL attribute, such orders will not interact with Hidden Limit Orders.

Some of the salient features of the EHL order attribute are:

- Configured at a trading parameter level per segment;
- Submitted on limit orders only;
- The maximum expiry time will be defined by the JSE;
- You can only submit an order with a time in force of Good till Time (GTT) – due to order expiry time;
- Onus is on the trader to ensure that the EHL flag is selected when trying to facilitate a book-over;
- The expiry time needs to be stipulated (cannot be greater than 2 seconds);
- Can only be on orders submitted in the continuous trading sessions;
- It will execute against all visible orders on a price time basis;
- When the algorithm runs for the hidden limit orders, it excludes the price of the EHL order when determining the visible best bid and offer

2. Publication of rounded closing prices

As communicated previously, the format for publishing closing prices through the Equity Market Trading and Information Systems and the End of Day dissemination service is inconsistent.

This means that all closing prices calculated by the trading system will be rounded to the nearest cent, in line with the defined tick size for all instruments, using standard rounding convention i.e. 735.44 becomes 735 and 735.55 becomes 736. This published value must be used as the official closing price for both the Equity Market Trading and Information Systems and the End of Day dissemination service.

3. Disabling Hidden Limit Orders from participating in the Closing Price Cross (CPX) session

Currently, the filtering algorithm, normally applied to Hidden Limit Orders during the Continuous Trading session, is not run during the CPX session. This means that Hidden Limit Orders will only execute if the Minimum Execution Size (MES) constraint can be fully satisfied by an injected contra order in the book. For this reason, Hidden Limit Orders will no longer be eligible to participate in the CPX session.