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SERVICE HOTLINE

REFERENCE NUMBER: 146/2017

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FEEDBACK ON THE ISSUE EXPERIENCED ON 25 JULY 2017

Further to our communication via the JSE's Market Communication website pertaining to the technical outage on the Commodity Derivatives Market, the JSE would like to provide the following update on the issue experienced.

The root cause of the Commodities Derivatives Market open delay can be attributed to a combination of a system anomaly triggered by unusual member activity picked up the previous day and our subsequent intervention to rectify this issue.

The necessary verifications were executed post the event and clearing members balanced as part of the End of Day (EOD) process. During the health checks and related activities on Tuesday morning, it was discovered that the physical positions were not balancing. Upon further investigation by the team it was confirmed that the physical imbalance was related to the previous day's event and subsequent handling of the matter. The Commodities market start was delayed in order to rectify the imbalance to ensure that no subsequent impact on payments would occur.

The system anomaly that occurred was due to a deal being assigned, but the assigned being removed as part of the process on the 24th causing the original deal to stay in an "assign send" state. The deal was then excluded from the spot calculation as it was not seen as a resultant deal but instead as a deal management deal. A software fix will be provided to mitigate this anomaly whereby the system will not mark a deal as "assign send" when the counterparty has not accepted the deal.

The start of the market was subsequently delayed to commence trading at 10:00 for close at 13:00. Spot Basis trading was extended to end at 15:15 and the admin period for 15:30. The Global Market closed at 17:00 as per the normal schedule.

The JSE apologizes for any inconvenience caused as a result of this issue.

Market / Service:

JSE Commodity Derivatives Markets

Environment(s):

Production

Additional Information:

If you have any queries about this announcement, please contact the Client Services Centre:

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