



Johannesburg
Stock Exchange

Tel: +27 11 520 7000
Fax: +27 11 520 8584

www.jse.co.za

SERVICE HOTLINE

REFERENCE NUMBER: 192/2020

26 August 2020

DELIVERABLE DIESEL PROJECT UPDATE

Subsequent to Service Hotline 144/2020 of 12 June 2020, this hotline serves to provide an update on the Deliverable Diesel Contract.

The JSE has been conducting internal testing over the last few months, and are now in a position to list the contract in the UAT environment. Market participants can start testing from 3 September 2020 onwards. We encourage all trading members to test to ensure a seamless go live for the contract.

A high level business process document has been attached to this hotline, which details the end-to-end flow and user requirements for registering a G-Pay account.

Below is the summarized end-to-end physical delivery process flow.

1. Create a G-Pay Client Account

- a. Create client on G-Pay Front End (Separate Manual for G-Pay Front End). This will be initiated by the Trading Member/Clearing Member on the G-Pay Front End.
- b. On completion of account set up, G-Pay will send the account/ER number to client's email address.
- c. Trading member will use the ER number on the trading Front End to verify and link client code to G-Pay account.
- d. GPay Client Type column on Front End will change to vendor/consumer once linking is complete, otherwise the G-Pay Client Type will display as "none".
- e. Only Vendors are allowed to place bids and offers on Spot Basis.
- f. Consumers are restricted to place bids only on Spot Basis.

Market / Service:

JSE Commodity Derivatives Market

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

Issued By:

ITD: TRT Trading

2. Trading Deliverable Diesel Contract on Spot Basis

2.1 Sell/Offer Side Member (Licensed to sell Diesel) (SM)

- a. Sell side trading member (SM) will create an electronic ticket on ESC and transfer it to the JSE ESC inbox.
- b. Loads Electronic Ticket Number on the FE.
- c. Validates the electronic ticket number on the FE.
- d. Mark certificate as "Ready for Delivery".
- e. Offers the electronic ticket on the Spot Basis window (40 000 Tonnage = 1 contract).
- f. Bid and Offer will match which generates Spot Basis trade in FE.
- g. Check Spot Basis Trades (Nutron – Agrivews/ APD Spot Basis Trades).

2.2 Buy/Bid Side Member (BM)

- h. Buy side trading Member (BM) enters a bid on the Spot Basis trading window.
- i. Bid will match with an offer which generates a Spot Basis trade.
- j. Check Spot Basis Trades (Nutron – Agrivews/ APD Spot Basis Trade).

3. Settlement Process

- a. JSE will run Spot Calculation to generate assignments and delivery notices.
- b. JSE will run EOD process which generates the Daily Account Summary and EOD downloadable reports.
- c. On T+1 Buyer's Clearing Member will make payment to JSE for Diesel bought on T-1.
- d. JSE sends Diesel orders to GPAY on T+1 and transfers all Diesel payments to the ring fenced JSE/GPAY bank account.
- e. From T+1 up to T+7 the buyer can out load the Diesel, this will be facilitated via the GPAY application.
- f. On completion of out loading and confirmation by both parties, the final cash settlement value is transferred to the seller's Clearing Member.

Clients who wish to conduct testing may use the following Nutron version(v3904). This version is available on the following link www.jse.co.za/downloads.

The connectivity details are as follows:

IP Address: 196.216.153.101
Port number: 2210

Please contact commodities@jse.co.za should you have any questions.