
MARKET NOTICEJohannesburg
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Number: 084/2020

Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Currency Derivatives
 Interest Rate Derivatives

Date: 19 March 2020

SUBJECT: CHANGES TO INITIAL MARGIN REQUIREMENTS FOR CASH EQUITY MARKET

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Designation: Head of Risk

Dear JSE Stakeholder

Please be advised that given the current market volatility, the JSE is planning to update initial margin requirements in the Equity market.

The margin updates will be affected through adjustment of a parameter of the margin calculation to ensure market volatility observed in the recent period is appropriately weighted. The parameter to be adjusted is the number of price points used in calculating the volatility of each instrument. The quantum of this parameter adjustment (currently set to 60 points) will be finalised shortly and the expectation is that the margin changes will be implemented with effect from today's end of day margin run. A follow-up market notice will be published later today with further details.

The margin methodology for the equity market can be found on the JSE website at:

<https://www.jse.co.za/services/post-trade-services/risk-management/equity-market>

Please contact the Client Service Centre (CustomerSupport@jse.co.za or 011 520 7777) or risk@jse.co.za for any queries regarding this notice.

This Market Notice will be available on the website at <https://www.jse.co.za/redirects/market-notice-and-circulars>