

MARKET NOTICE

Number: 105 / 2024

Relates to:

- Equity Market
- Equity Derivatives Market
- Commodity Derivatives Market
- Currency Derivatives Market
- Interest Rate Derivatives Market
- Bond Market
- Bond ETP Market

Date: 04 April 2024

SUBJECT: CHANGES TO INITIAL MARGIN REQUIREMENTS FOR DERIVATIVE MARKETS

Name and Surname: Alex Comninos

Designation: Chief Risk Officer (JSE Clear)

Dear Client,

The hedge cost matrix is based on estimates of the bid/ask spreads that active market makers would apply when executing trades of different sizes underlyings under stressed market conditions. The spreads are updated annually based on the survey of market makers. The hedge cost matrix update will be implemented on **8 April 2024**.

The updated hedge cost matrix can be found at this directory:

- IRD Margin Parameters - [https://www.jse.co.za/downloadable-files?RequestNode=/Initial Margin Parameter Data/Official Initial Margin Parameters/IRC/Fixed Income](https://www.jse.co.za/downloadable-files?RequestNode=/Initial%20Margin%20Parameter%20Data/Official%20Initial%20Margin%20Parameters/IRC/Fixed%20Income)

The Portfolio VaR implementation for Interest Rate Derivatives can be found in this directory:

- IRD Margin Methodology - <https://jseclear.jse.co.za/pdf/Jse%20Pdf/Resources/Portfolio-VaR-Implementation-for-Interest-Rate-Derivatives.pdf>

For any queries regarding the location of the files containing these parameters, please contact the Client Service Centre (CSC) on +27 11 520 7777 or CustomerSupport@jse.co.za

Should you have any queries regarding this notice, please contact risk@jse.co.za

This Market Notice is available on the JSE website at: [JSE Market Notices](#)