
MARKET NOTICEJohannesburg
Stock ExchangeTel: +27 11 520 7000
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Relates to:

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

Date: 6 April 2022**SUBJECT:** INTRODUCTION OF A MAXIMUM ORDER MESSAGES THRESHOLD**Name and Surname:** Chris Sturgess**Designation:** Acting Head - Commodities

Dear Client,

We have noted an increase in intermittent disconnects and latency related issues during trading in the commodities market. Upon investigation we found the root cause in most instances relates to excessive order messages being sent to the trading engine at a sustained rate. We have been monitoring trading activity closely while researching a long-term solution to address the issue.

The proposed solution is to introduce a Maximum Order Messages Threshold. The functionality will cap the number of order messages that can be submitted to the trading engine per dealer per second, to a number that is suitable for the trading engine thus mitigating disconnects and risk for all market participants. The JSE Equities and Currency markets currently use similar functionality (throttle rate) to manage the submission of order messages in the respective markets and this has proved to be valuable for both markets.

We have been working closely with our system vendor to finalise the business requirements, determining a suitable threshold by checking order messages currently submitted in the trading engine and testing that against what is tolerable for the market.



Once investigations are completed, this will be communicated, and market participants will be given an opportunity to test this change before deployment in Production.

Should you have any queries regarding this Market Notice please e-mail commodities@jse.co.za

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