

MARKET NOTICE

Number: 215/2024

Relates to:

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

Date: 31 July 2024

SUBJECT: **PHYSICAL DELIVERIES AT THE END OF A MARKETING SEASON IN A YEAR WITH TIGHT STOCK LEVELS**

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Designation: Head - Commodities

Dear Client

The JSE, as a licensed exchange, is obliged to ensure a fair, efficient, and transparent market in futures contracts listed and traded on its commodities' derivatives market. An integral aspect of a fair, efficient and transparent market in physically settled commodities futures contracts is market participants' compliance with their delivery and other obligations as recorded in the JSE's Rules and Contract Specifications.

The JSE's Rules and Contract Specifications contain extensive provisions recording approved storage operators' obligations and responsibilities in respect of the commodities stored in terms of JSE receipts, one of which is their obligation to store and deliver the quality and quantity of commodities at the location recorded on the JSE receipt.

The JSE has been informed that the 2023/2024 summer grains and oilseeds crop has had a difficult season due to dry weather, resulting in lower harvest than the previous season. In these circumstances, and as a result of the transition from one season to the next with lower stock levels compared to the previous year, there may be concerns about the availability of commodities in certain regions. As a result, market participants are urged to manage their outloading booking slots in a timely manner and are reminded of the 25% booking slots designated for JSE receipts on the main hedging months. Furthermore, clients are urged to make use of the JSE Stock of Grain report, which can help identify where the majority of JSE stock levels per silo is stored **Stocks of Grain** and also consult the silo unavailability platform **Silo Unavailability Report**

The JSE's Rules and Contract Specifications constitute an effective structure and mechanism for the storage and delivery of commodities covered by JSE receipts. The JSE will continue to interact with all market participants including storage operators to ensure that commodities stored in terms of JSE receipts are delivered to long position holders as required in terms of the JSE Rules and Contract Specifications.

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

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