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MARKET NOTICE

Number:	**324/2024**
Relates to:	☐ Equity Market ☒ Equity Derivatives Market ☐ Commodity Derivatives Market ☒ Currency Derivatives Market ☐ Interest Rate Derivatives Market ☐ Bond Market ☐ Bond ETP Market
Date:	01 November 2024
SUBJECT:	**CHANGES TO 1-DAY VAR AND INITIAL MARGIN REQUIREMENTS FOR DERIVATIVE MARKETS**
Name and Surname:	Alex Comninos
Designation:	Chief Risk Officer (JSE Clear)

Dear Client

With reference to Market Notice 318/2024 for Implementation of changes to the Initial margin methodology and Clearable Products Framework, dated 28 October 2024, please be informed that the new initial margin requirements and 1-day VAR parameters for the Equity Derivative and Currency Derivative markets will be implemented on **Monday, 4 November 2024**.

The new initial margin parameters for the Equity Derivative and Currency Derivative markets can be found at this directory:

- FXD – **https://www.jse.co.za/downloadable-files?RequestNode=/Initial_Margin_Parameter_Data/Official_Initial_Margin Parameters/IRC/FX**
- EDM – **https://www.jse.co.za/downloadable-files?RequestNode=/Initial Margin Parameter Data/Official Initial Margin Parameters/EDM**

The settlement margin requirement (SMR) on physically delivered contracts will be updated. The SMR per contract will be computed as the initial margin requirement divided by contract size.

All margins will be published whether they are changed or not with the date of the implementation in the file name.

The new 1-day VaR parameters for the Equity Derivative and Currency Derivative markets can be found at this directory:

- 1-day VaR Parameters - **https://www.jse.co.za/downloadable-files?RequestNode=/Initial Margin Parameter Data/Official Initial Margin Parameters/EDM**

1-day VAR is an input used in the calculation of the Liquidation Period Add-on margin.

For more detail on the Liquidation Period Add-on component of the margin methodology please refer to Section 6 of the **JSE Clear Initial Margin Methodology**.

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 Market Notice, please e-mail: **risk@jse.co.za**

This Market Notice is available on the JSE website at: **JSE Market Notices**