JSE

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Number:	**372/2022**
Relates to:	☐ Equity Market
	☒ Equity Derivatives Market
	☐ Commodity Derivatives Market
	☐ Currency Derivatives Market
	☐ Interest Rate Derivatives Market
	☐ Bond Market
	☐ Bond ETP Market
Date:	13 March 2023
SUBJECT:	**TOTAL RETURN BASKET FUTURE (BSK120)**
Name and Surname:	Langa Manqele
Designation:	Head – Equity and Equity Derivatives

Please note that this Market Notice 372/2022 replaces the previous Market Notice 372/2022 (from 2 August 2022) in its entirety.

Dear Client,

The following **Total Return Basket Future** has been listed with immediate effect and is available for trading. These contract specifications set out the standardised terms and conditions of this listed security which is binding, on and applicable to all market participants that conclude transactions in these securities. Insofar as any contractual provision set out below is inconsistent with the rules and regulations ("Rules") of the JSE Limited ("JSE"), the Rules will prevail.

Summary Contract Specifications:

GENERAL TERMS	
Description	Total Return Basket Future
Basket Mandate	Property
DIN Code	BSK120 Basket Future Cash Base 10 YR15
Underlings	Basket constituents as per **Annexure A**
Underlying's Currency	ZAR

Underlying listing	JSE Ltd.
Contract Size	10
Quotations	Two decimal places (R0.01)
Expiration Date	16 March 2023, 15 June 2023, 21 September 2023, 21 December 2023, 20 March 2024 (Further expiration dates may be added upon request)
Minimum Price Movement	ZAR 0.01
Basket Divisor	As per Annexure A. (The Divisor determines the Basket's initial level)
Settlement Type	Cash
Maintenance	
Frequency of Rebalancing	N/A ☐ Monthly ☐ Quarterly ☒ Semi-Annually ☐ Annually ☐
Basket Spot Price (Capital Index)	The price of the Basket will be calculated as follows: $$= \frac{\sum \; (Price \; x \; System \; Factor \; x \; SPI)}{Divisor} = \frac{Basket \; Market \; Cap}{Divisor}$$
Total Return Index Value (TRI Spot)	$$\text{TRI Spot}_{(t-1)} = \text{TRI Spot}_{(t-1)} \; x \; \left[\frac{Basket \; Spot \; (t)}{Basket \; Spot (t-1) \; - \; XDA \, (t)} \right]$$ Where: XDA_{t} = Weighted Dividend Points
Constituents Initial Reference Level	As per Annexure A
Basket Spot Price Reference	Underlying
Underlying Constituent MCAP within Basket	$= (Price \; x \; System \; Factor \; x \; SPI)$
EXPIRATION AND VALUATION PROCEDURE	
Expiration Date	16 March 2023, 15 June 2023, 21 September 2023, 21 December 2023, 20 March 2024
Valuation Time	End of Auction Call session that corresponds to the Standard Futures Close-Out period is 12:00hrs (SAST), Scheduled Closing Time of the JSE, which on normal JSE trading days is 17:00hrs (SAST).
Automatic Exercise	Applicable
Cost *Implications*	
JSE Trading Fees	See Equity Derivative Booking Fee Schedule: **JSE Price List 2023**
Foreign Designation	*No*

Further Contract Specifications (including Procedures, Requirements and Conditions of Rebalancing)

1. To qualify for listing and for continued listing of these securities, the basket exposure must, at all times, maintain the indicated basket mandate which will align with the JSE listed indices, or if not available, with any other publicly available index mandate.

2. Any market participant that has open positions in these securities may request a rebalancing of the indicated basket subject to the JSE's rules and in accordance with the provisions of these contract specifications.

3. Any request by a market participant for the rebalancing of a basket during the term of the contract is subject to the unanimous consent of all other market participants that have open positions in these securities. Once all the requirements for rebalancing have been met, the JSE will publish a market notice recording the revised basket which must be read with and will form part of these contract specifications.

4. Basket rebalancing may only take place at the indicated frequency, due to corporate action and/or due to JSE Index Rebalancing.

5. After each rebalancing cycle, a basket must always maintain at least 60% composition of its initial constituents as per the JSE listed indices constituents (quarterly reviewed), or if not available at the JSE, with any other publicly available index mandate.

6. Failure to meet one or all of the above conditions may result in the JSE instructing market participants to close-out all positions in these securities, the suspension of trading in these securities, the removal of these securities from the JSE's list and/or the JSE taking any other action in accordance with its regulatory duties and responsibilities.

Instruments are loaded into the MIT system as simple futures. The value displayed is the fair market value of the instrument with its correct valuation (in the case of an option, the instrument valuation is the option premium).

Should you have any queries regarding instruments, please contact the EDM Team on **EDM@jse.co.za**

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

Annexure A

Initial: levels of Basket

Share Code	Price (ZAR) (rounding)	System Factor (rounding)	Shares Per Index (unrounded)	MCap (rounding 2 decimals)
EQU	18.61	1	1.92736241366197	35.8682
FFA	10.90	1	3.18681151223151	34.7362
GRT	12.86	1	7.29113575473596	93.7640
HYP	34.83	1	0.91694992305700	31.9374
NRP	90.31	1	1.02357834924166	92.4394
RDF	3.55	1	17.99286934556400	63.8747
RES	54.32	1	0.87224082265819	47.3801
		Basket MCap (rounded 2 decimals)		400.00
		Divisor (unrounded)		1
		Basket Spot (rounded 2 decimals)		400.00

SPI: refers to the number of shares in the basket

System factor: is the free float factor