

## MARKET NOTICE

**Number:** 424/2025

**Relates to:**

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

**Date:** 17 December 2025

**SUBJECT:** EQUITY DERIVATIVES MARKET - CTOP CTOR MTM METHODOLOGY

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**Designation:** Manager - Valuations

Dear Client,

Following the Market Notice issued on 20 October 2025: [Market Notice 355/2025 FTSE JSE Index Harmonisation Phase 2](#), the JSE would like to remind clients of the **Marked to Market Methodology (Mid of the Double)** applicable to the CTOP and CTOR Index Futures contracts.

For these Index futures contracts, snapshot of the liquid index future order book is taken at a random time between 17:00 and 17:05. This is a top of the order book snapshot, which is the highest bid and lowest offer prices at that time. For each future expiry that has both a best bid and a best offer, the mid-price is calculated as the arithmetic average of the two numbers. For all expiries that do not have both a best bid and a best offer, the contract is priced using **Points from Fair Value** Marked to Methodology.

It is important to note that this **Marked to Market Methodology (Mid of the Double)** is different from the **Index Fair value (Cost of carry model) methodology** that is in place for the DTOP(DTOR) and DCAP(DCAR).

**Illiquid Index futures** are priced on a **mark-to-model basis**, using a sum of the parts approach. At the level of the individual equity component, each underlying index constituents and their weights are used as an input into the fair value calculation.

Should you have any queries regarding this Market Notice, please contact [CustomerSupport@jse.co.za](mailto:CustomerSupport@jse.co.za)

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