

**MARKET NOTICE**

Johannesburg  
Stock Exchange

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[www.jse.co.za](http://www.jse.co.za)

**Number:** 459/2022  
**Relates to:**  Equity Market  
 Equity Derivatives Market  
 Commodity Derivatives Market  
 Currency Derivatives Market  
 Interest Rate Derivatives Market  
 Bond Market  
 Bond ETP Market

**Date:** 16 September 2022

**SUBJECT:** INTRODUCING FEBRUARY 2023 QUANTO MAXI CORN CAN-DO CONTRACT

**Name and Surname:** Anelisa Matutu  
**Designation:** Head – Commodities

Dear Client,

The February 2023 Quanto Maxi Corn Can-do futures contract will be listed for trading on 19 September 2022. 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 unless the JSE expressly permits the Parties to give effect to their contractual provision.

Contract Specifications – Commodity Can-Do XQCM

GENERAL TERMS – FUTURE CONTRACT	
<b>Description</b>	FEBRUARY 2023 QUANTO MAXI CORN COMMODITY CAN-DO
<b>Can-Do Name</b>	Can-Do XQCM
<b>Can-Do-Code</b>	XQCM
<b>Contract Size (Multiplier)</b>	1 contract = 85 000 multiplier of the reference price short ton
<b>Reference Contract</b>	Corn (product symbol ZCH3), March 2023 expiry month as traded on CBOT, a subsidiary of the CME Group Inc.

<b>Quotations</b>	Denominated in South African Rand (ZAR) with the contract price referencing the foreign underlying commodity market for expiry linked delivery periods.
<b>Minimum Price Movement</b>	R0.0025 ZAR per contract unit
<b>JSE Fees</b>	R43.51 per contract (INCL VAT)
<b>Initial Margin</b>	R47,600
<b>Calendar spread margin</b>	R2,590
<b>Position Limits</b>	Not applicable
<b>Trade Date</b>	The date the Can-Do position is first entered into by the clients and captured by the JSE
<b>Business Day</b>	Any day on which banks are open for a normal trading day in Johannesburg and prices are published by the JSE.
<b>Underlying</b>	
<b>Underlying Future</b>	A Corn futures contract meeting all specifications as listed and traded on CBOT, a subsidiary of the CME Group Inc. The JSE reserves the right to amend the contract specifications including settlement methodology should this be amended by the reference exchange.
<b>Daily MTM</b>	Snapshots of contract will be taken between 16h55 and 17h00. Based on the random snapshot selected the MTM will be calculated as the middle of the double based on best bid and offer. There will be no foreign exchange rate adjustments
<b>Daily MTM time</b>	16h55 -17h00
<b>Initial reference level</b>	As agreed by the Long and the Short Party on the trade date in Rand cents per short ton. Confirmed by the EFR transaction generated by the exchange upon confirmation of the Can-Do trade. The report only transactions will be facilitated by the JSE.
<b>Underlying Currency</b>	Rand (ZAR)
<b>Last trading date</b>	24 February 2023
<b>Settlement Date</b>	27 February 2023
<b>Valuation Frequency</b>	Daily between 16h55 and 17h00
<b>TERMS &amp; CONDITIONS – Can Do XQCM</b>	
<b>Type</b>	Can Do Future
<b>Buyer</b>	Is the party that is the Long Party to the Can-Do Future
<b>Seller</b>	Is the party that is the Short Party to the Can- Do Future

<b>Initial Futures Price</b>	As agreed by the Long and the Short Party on the trade date in Rand cents per short ton. Confirmed by the EFR transaction generated by the exchange upon confirmation of the Can-Do trade. The report only transactions will be facilitated by the JSE.
<b>PROCEDURE AT EXPIRATION</b>	
<b>Final valuation and cash settlement</b>	The final settlement price for cash settlement of the contract will require only CME Group closing price, denominated in ZAR. The CME Group settlement value (MTM) published on the last trading date of the South African contract, for avoidance of doubt 24 February 2023, will be applied as the final cash settlement value on settlement date 27 February 2023. There will be no foreign exchange rate adjustments.
<b>GENERAL TERMS – OPTIONS CONTRACT</b>	
<b>Description</b>	FEBRUARY 2023 QUANTO MAXI CORN COMMODITY CAN-DO OPTION
<b>Can-Do Name</b>	Can-Do XQCM
<b>Can-Do-Code</b>	XQCM
<b>Option Style</b>	American
<b>Contract Size (Multiplier)</b>	1 contract = 85 000 multiplier of the reference price per short ton
<b>Strike price interval</b>	R0.10 per contract unit strike price intervals
<b>Quotations</b>	Denominated in South African Rand (ZAR) with the contract price referencing the foreign underlying commodity for the expiry linked delivery period.
<b>JSE Fees</b>	R21.76 per contract (INCL VAT)
<b>Position Limits</b>	Not applicable
<b>Trade Date</b>	The date the Can-Do position is first entered into by the clients and captured by the JSE
<b>Business Day</b>	Any day on which banks are open for a normal trading day in Johannesburg and prices are published by the JSE.
<b>Underlying</b>	
<b>Underlying Future</b>	February 2023 QUANTO MAXI CORN COMMODITY CAN-DO
<b>Daily MTM</b>	Mark-to-market prices will be calculated from volatility quotes for at-the-money using the Black options pricing model
<b>VSR</b>	3.5%

<b>Daily MTM time</b>	16h45 -17h00
<b>Initial reference level</b>	As agreed by the Long and the Short Party on the trade date in Rand per short ton. Confirmed by the EFR transaction generated by the exchange upon confirmation of the Can-Do trade. The report only transactions will be facilitated by the JSE.
<b>Underlying Currency</b>	Rand (ZAR)
<b>Last trading date</b>	24 February 2023
<b>Final settlement date</b>	27 February 2023
<b>Valuation Frequency</b>	Daily between 16h55 and 17h00
<b>TERMS &amp; CONDITIONS – Can Do XQCM</b>	
<b>Type</b>	Can Do Future
<b>Buyer</b>	Is the party that is the Long Party to the Can-Do Future
<b>Seller</b>	Is the party that is the Short Party to the Can- Do Future
<b>Initial Futures Price</b>	As agreed by the counter parties, EFR or trade level
<b>PROCEDURE AT EXPIRATION</b>	
<b>Expiration Price (for automatic exercise)</b>	Mark-to-market price of the underlying future as per CME Group, at-the-money options volatility.

Since the Can-Do is specific between the two counterparties, the original trade is reported into the order book. The contract is visible on the NUTRON front end under Agris Trading, Cando.

**The above instrument has been designated as “foreign” by the South African Reserve Bank**

Should you have any queries regarding this Market Notice please e-mail [commodities@jse.co.za](mailto:commodities@jse.co.za)

This Market Notice is available on the website at <https://clientportal.jse.co.za/communication/jse-market-notice>