
MARKET NOTICEJohannesburg
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Number: 616A/2020
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
Date: 24 November 2020

SUBJECT: RECLASSIFICATION OF INWARD LISTED DEBT, DERIVATIVE INSTRUMENTS AND EXCHANGE
TRADED FUNDS REFERENCING FOREIGN ASSETS

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Dear Market Participants,

The JSE communicated in Market notice 591/2020 the adoption of Exchange Control Circular 15/2020, advising “*that all the remaining foreign classified debt and derivative instruments as well as exchange traded funds referencing foreign assets, that are inward listed on a South African exchange, traded and settled in Rand, will be reclassified as domestic*”.

National Treasury, the South African Reserve Bank and the Financial Sector Conduct Authority issued a [media statement](#) this morning stating, “*The Circular issued on 29 October 2020 dealing with the reclassification of inward listed instruments is therefore suspended with immediate effect, to reduce the scope for ambiguity related to compliance with the prudential framework for regulated funds. An amended Circular will be issued following a period of public consultations. All approvals granted on the basis of Circular 15/2020 are also suspended. The dispensation before Circular 15/2020 remains extant.*”

National Treasury and Regulators have invited comments on the proposals to amend the Circular, including, in particular, the selling of a derivative or ETF where the underlying foreign asset is issued by a company. Comments are due by 15 December 2020.

Consequently, the previously communicated changes (per Market Notice 591/2020) of JSE listed instruments is no longer applicable and all instruments will retain their classifications prior to the communication dated 6 November 2020. The lists of inward listed Bonds and Equities can be found in the Annexure to this notice.

The JSE will continue to work with the regulators and policy makers in this regard, and where necessary, updates will be communicated to the market.

Annexure:

[Active Inward Listed Securities - Equities 23 November 2020](#)

[Active Inward Listed Securities - Bonds 23 November 2020](#)

Should you have any queries regarding this notice, please contact inwardlistedqueries@jse.co.za

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