

## MARKET NOTICE

**Number:** 012/2017

**Relates to:**  Equity Market  
 Equity Derivatives  
 Commodity Derivatives  
 Interest Rate and Currency Derivatives

**Date:** 13 January 2017

**SUBJECT:** GLOBAL MARKET MIGRATION DURING ITAC TRANSITION

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**Designation:** Director: Commodities & Key Client Management

The Global Market functionality was introduced in 2010 to provide both Equity Derivatives (EDM) and Commodity Derivatives market (CDM) participant's easy access to a single order book where a number of cash settled foreign referenced commodity products are listed. Global market products include cash settled metals, energy and a range of Quanto futures and options. To date we have seen 840,773 contracts traded to the value of over R53 billion.

Due to the Integrated Trading and Clearing (ITaC) project 1b whose primary objective is to migrate the Equity and Currency Derivatives markets to MIT technology for trading and Cinnober for clearing. Global Market access will be decommissioned on the Equity Derivatives market before ITaC go live meaning the foreign referenced commodities will only be available through the Commodity Derivatives market.

All EDM clients actively trading the cash settled commodities available via the Global Market will be granted access to global market products via the Commodity Derivatives market. This entails opening CDM client codes and member codes using existing membership and client agreements for affected members. Client's positions including cash (margin) will be moved from EDM to CDM on a date to be determined in Q2 2017. Clients should be mindful that all global market positions will be cleared on CDM. EDM clients trading global market products will receive two end of day statements for the respective EDM and CDM Clearing members.

The JSE anticipates completing the migration of clients and members in early Q2 of 2017. More details regarding the final deployment date and user acceptance testing will be communicated in late January 2017. We therefore expect the Feb17 quanto expiries and Mar17 expiries will continue under the global market structure, however after that EDM members would need to be ready to move over the clearing of these positions to a commodity clearing members. **EDM members should please also take careful note; there will be no need to secure a Commodity Derivatives membership in order to access the foreign referenced commodities going forward, the access remains available under the existing EDM membership.**

Please could all EDM members who will continue to require access to global market products send through their confirmation to [Customersupport@jse.co.za](mailto:Customersupport@jse.co.za) no later than 28 February 2017. The JSE will then engage with each of the member firms and their clearing members to ensure this transition is facilitated as smoothly as possible.

For more information or any questions please email [Customersupport@jse.co.za](mailto:Customersupport@jse.co.za) or call + 27 11 520 7777

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