

## MARKET NOTICE

Johannesburg  
Stock Exchange

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**Number:** 018/2021

Relates to:

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

Date: 20 January 2021

**SUBJECT:** CHANGES TO INITIAL MARGIN PARAMETERS FOR DERIVATIVE MARKETS

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**Designation:** Chief Risk Officer – JSE Clear

Dear JSE Stakeholder

The VSR (Volatility Scanning Range) parameter assigned to a future is used in the construction of the risk arrays of the options that are listed on the future. The risk array of an instrument forms the basis for its initial margin.

The VSRs for the equity derivative and currency derivative markets will be updated on Thursday, 21 January 2021. This annual update (which was initially planned for implementation on 15 December 2020 per market notice 669/2020) will result in an increase in margins of approximately 1% overall. The clients that are most affected by this update have been notified in advance.

The new VSR parameters for the Equity Derivatives and Currency Derivative markets to be implemented on Thursday, **21 January 2021**, can be found at these directories:

- EDM – <https://www.jse.co.za/downloadable-files?RequestNode=/Initial Margin Parameter Data/Official Initial Margin Parameters/EDM>
- FXD – <https://www.jse.co.za/downloadable-files?RequestNode=/Initial Margin Parameter Data/Official Initial Margin Parameters/IRC/FX>

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

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