

## MARKET NOTICE

Johannesburg  
Stock Exchange

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

**Number:** 026/2021

Relates to:

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

**Date:** 26 January 2021

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

**Name and Surname:** Alex Comninos

**Designation:** Head of Risk

Dear JSE Stakeholder

Further to [Market Notice 631/2020](#) the HS21-HS24 scenarios are being added to the stressed prices scenario set as of 27 January 2021. In addition, the Soft Commodities stress scenario methodology has been revised. Concentration margin vectors are subject to these additional scenarios and can be found at the location below.

- Concentration Margin – <https://clientportal.jse.co.za/downloadable-files?RequestNode=/Initial%20Margin%20Parameter%20Data/Concentration%20Margin%20Vectors>

The Large Position Add-On component of the clearing members' initial margin will be affected by this change, details of the Large Position Add-On calculation can be found in the Large Exposure Margin section of the document at the location below.

- Initial Margin Policy – <https://www.jse.co.za/sites/default/files/media/documents/2020-12/JSE%20Clear%20Initial%20Margin%20Methodology.pdf>

The overall CM Large Position Add-On charge reduced in the CDM market and the single client that was previously adversely affected in the IRD market as a result of adding these additional scenarios. Client level margin impacts have been communicated with the affected clients.

For any queries regarding the location of the files containing these parameters, please contact the Client Service Centre (CSC) on +27 11 520 7777 or [CustomerSupport@jse.co.za](mailto:CustomerSupport@jse.co.za)

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

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