

MARKET NOTICE

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Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
Date: 17 March 2017

SUBJECT: UPDATE ON JSE DELIVERABLE WHEAT DERIVATIVE CONTRACT – DEC17 AND MAR18 EXPIRIES

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Dear Stakeholder,

We wanted to provide a quick update on the introduction of the DEC17 and MAR18 WEAT expiries. We appreciate your patience whilst awaiting the new season expiries. As market participants you can appreciate we have been working with industry role players to see if it is possible to reach consensus particularly on the 3 changes we had suggested, unfortunately this is not as easy as we had hoped.

The JSE will make a final decision on the way forward considering all the feedback received and will decide on what we believe is in the best interests for a liquid futures contract where the necessary price convergence is achieved. In reaching our final conclusion, we would like to consult with our Agricultural Advisory Committee whom will meet on Thursday 23 March 2017 for guidance around one remaining technical issue.

Here we would like to understand what other alternative methodologies can be considered in order to determine grade discounts for the JSE deliverable wheat contract. Following this conversation, we expect to announce the introduction date for the new season expiries which we hope would be the following week. We therefore at this point would hope to roll out the Dec17 and Mar18 expiries during the week of 27 March 2017.

Thank you for your patience in this regard.

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

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