

MARKET NOTICE

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Number: 117A/2022

Relates to:

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

Date: 10 March 2022

SUBJECT: CPI REBASE 2022

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Designation: Head – Data Solutions

The JSE has assessed the impact of rebasing the CPI and the changes that will need to be made to the inflation linked bonds.

Based on the 16 February 2022 release by Statistics South Africa (P0141) regarding the rebasing of the Consumer price indices, this notice serves to advise all members and data subscribers to the impact of the rebasing on the Inflation Linked Bonds (ILB's).

All base CPI values on the Listed Inflation Linked Bonds and CPI index values have been rebased by a factor of 1.242 to align with the previous returns on ILB's and to set the new base of 100 at December 2021. As such the JSE has calculated all historical CPI values (15 digits apply) as well as all Base CPI values (15 digits apply) back to October 1999.

Any deals settling on or after 1 April 2022 will require the new rebased CPI values in order to calculate the All in Price, Clean Price, Accrued Interest, Duration, Modified Duration and Convexity correctly.

Please refer to the attached documents. The JSE will only be implementing the new CPI series on 28 March 2022 in production, allowing lead time for all members and data subscribers to test and update their internal systems.

Should you have any further questions please feel free to contact us on valuations@jse.co.za