

MARKET NOTICE

Number: 139/2017
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
Date: 5 April 2017

SUBJECT: REPORTING OUTLOADING ISSUES AT JSE REGISTERED STORAGE SITES

Name and Surname: Chris Sturgess
Designation: Director – Commodities & Key Client Management

Dear Stakeholder,

In order to improve transparency around out-loading issues at JSE-registered storage sites and to better qualify the intensity of these issues, the JSE has established a process where all queries received from the market are recorded in a logbook. This includes updates on progress made until resolution of the problem. We have committed to provide a copy of the incidents, excluding names and details of the clients reporting the problem, to the grain industry association, namely Agbiz Grain, on a quarterly basis in order for them to assess amongst their members the issues raised.

Reports for the past 3 quarters up to and including Q12017 show that incidents reported are limited and resolved quickly. It is also acknowledged that out-loading of grain on JSE certificates is but a fraction of the total operational activities at storage sites.

At a recent JSE Agricultural Advisory Committee meeting, this issue was raised again by committee members who felt there were more operational issues occurring in practice and with the support of the Agbiz members present, the committee supported the following action items:

1. The JSE will continue to collect information on reported out-loading delays and so market participants are encouraged to email commodities@jse.co.za with any issues that may be experienced when trying to out-load physical grain. Please could clients include as much detail as possible to accurately reflect the issue at hand. Provided the issue is a result of stock on JSE silo receipts, the JSE will reach out to the storage operator

to better understand the issue and receive the facts as presented by the storage operator. Issues resulting from stock that was not originally on JSE receipts can also be reported and these will be shared with Agbiz Grain or clients are welcome to forward these directly to Ms. Mariana Purnell at mariana.purnell@agbizgrain.co.za.

2. Then the JSE has also undertaken, with those Storage Operators who have committed to support us, to publish on the JSE webpage a schedule of activities that will occur at a registered site and that would impact access and out loading. This could be the result of fumigation of stock, out loading slots already booked up or maintenance schedule as examples. The JSE appreciates this will require work in progress to ensure this reporting is constructive and adds value. A further detailed market notice will be published once we in the position to start publishing this detail.

We therefore kindly encourage market participants to notify us of their concerns as we start to record these interactions, affording both parties an opportunity to respond with details.

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

This Market Notice will be available on the website at <https://www.jse.co.za/redirects/market-notices-and-circulars>