

MARKET NOTICE

Johannesburg
Stock Exchange

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www.jse.co.za

Number: 176/2022

Relates to:

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

Date: 7 April 2022

SUBJECT: CAPITAL INDEX BASKET FUTURE (YR10)

Name and Surname: Langa Manqele

Designation: Head - Equities and Equity Derivatives

Dear Client,

The following **Capital Index Basket Future** has been listed with immediate effect and is available for trading. These contract specifications set out the standardised terms and conditions of this listed security, which is binding, on and applicable to all market participants that conclude transactions in these securities. Insofar as any contractual provision set out below is inconsistent with the rules and regulations (“Rules”) of the JSE Limited (“JSE”), the Rules will prevail.

Summary Contract Specifications:

GENERAL TERMS	
Description	Capital Index Basket Future
Basket Mandate	Small Caps SA
DIN Code	BSK110 Basket Future Cash Base 10 YR10
Underlings	Basket constituents as per Annexure A
Underlying’s Currency	ZAR
Underlying listing	JSE
Contract Size	10
Quotations	Two decimal places (R0.01)
Expiration Date	20 April 2023 (Further expiration dates may be added upon request)

Minimum Price Movement	ZAR 0.01
Basket Divisor	As per Annexure A. (The Divisor determines the Basket's initial level)
Settlement Type	Cash
Maintenance	
Frequency of Rebalancing	N/A <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annually <input type="checkbox"/> Annually <input type="checkbox"/>
Basket Spot Price (Capital Index)	The price of the Basket will be calculated as follows: $= \frac{\sum (Price \times System \ Factor \times \ SPI)}{Divisor} = \frac{Basket \ Market \ Cap}{Divisor}$
Constituents Initial Reference Level	As per Annexure A
Basket Spot Price Reference	Underlying
Underlying Constituent MCAP within Basket	$= (Price \times System \ Factor \times \ SPI)$
EXPIRATION AND VALUATION PROCEDURE	
Expiration Date	20 April 2023
Valuation Time	End of Auction Call session that corresponds to the Standard Futures Close-Out period is 12:00hrs (SAST), Scheduled Closing Time of the JSE, which on normal JSE trading days is 17:00hrs (SAST).
Automatic Exercise	Applicable
Cost Implications	
JSE Trading Fees	JSE Price List 2022
Foreign Designation	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>

Further Contract Specifications (including Procedures, Requirements and Conditions of Rebalancing)

1. To qualify for listing and for continued listing of these securities, the basket exposure must, at all times, maintain the indicated basket mandate which will align with the JSE listed indices, or if not available, with any other publicly available index mandate.
2. Any market participant that has open positions in these securities may request a rebalancing of the indicated basket subject to the JSE's rules and in accordance with the provisions of these contract specifications.
3. Any request by a market participant for the rebalancing of a basket during the term of the contract is subject to the unanimous consent of all other market participants that have open positions in these securities. Once all the requirements for rebalancing have been met, the JSE will publish a market notice recording the revised basket which must be read with and will form part of these contract specifications.
4. Basket rebalancing may only take place at the indicated frequency, due to corporate action and/or due to JSE Index Rebalancing.
5. After each rebalancing cycle, a basket must always maintain at least 60% composition of its initial constituents as per the JSE listed indices constituents (quarterly reviewed), or if not available at the JSE, with any other publicly available index mandate.
6. Failure to meet one or all of the above conditions may result in the JSE instructing market participants to close-out all positions in these securities, the suspension of trading in these securities, the removal of these securities from the JSE's list and/or the JSE taking any other action in accordance with its regulatory duties and responsibilities.

Instruments are loaded into the MIT system as simple futures. The value displayed is the fair market value of the instrument with its correct valuation (in the case of an option, the instrument valuation is the option premium).

Should you have any queries regarding instruments, please contact the EDM Team on **011 520-7198** or EDM@jse.co.za

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

Annexure A

Initial: levels of Basket

Share Code	Price (rounding)	System Factor (rounding)	Shares Per Index (unrounded)	MCap (rounding 2 decimals)
ADH	1760	1	0.554189566	975.37
AFE	11434	1	0.31203782	3567.84
ARL	15154	1	0.169966131	2575.67
CSB	28019	1	0.077084639	2159.83
DTC	3900	1	0.236352902	921.78
EQU	2227	1	5.357532394	11931.22
HYP	3520	1	2.862429598	10075.75
IPF	1185	1	0.867427146	1027.90
JSE	11374	1	0.398320626	4530.50
KAP	487	1	7.660773422	3730.80
LTE	880	1	1.006599413	885.81
MSP	1960	1	2.426716423	4756.36
MTH	10850	1	1.361528686	14772.59
OMN	7409	1	0.717856951	5318.60
PAN	445	1	11.52100419	5126.85
RBX	4000	1	0.46850664	1874.03
RLO	4532	1	0.369426384	1674.24
SAC	242	1	12.20096869	2952.63
SPG	2975	1	1.088483096	3238.24
TGA	21075	1	0.889122823	18738.26
VKE	1375	1	4.972609098	6837.34
		Basket MCap (rounded 2 decimals)		10,767.16
		Divisor (unrounded)		10
		Basket Spot (rounded to 2 decimals)		10,767.16