

## MARKET NOTICE

Johannesburg  
Stock Exchange

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

**Number:** 350B/2019

**Relates to:**  Equity Market  
 Equity Derivatives  
 Commodity Derivatives  
 Interest Rate and Currency Derivatives

**Date:** <Date at which the contract is listed>

**SUBJECT:** Total Return Basket Future (<JSE Code>)

**Name and Surname:** Valdene Reddy

**Designation:** Head - Equity and Equity Derivatives

The following **Total Return Basket Future** has been listed with immediate effect and is available for trading. 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 unless the JSE expressly permits the Parties to give effect to their contractual provisions.

### Summary Contract Specifications:

GENERAL TERMS	
<b>Description</b>	Total Return Basket Future
<b>Basket Mandate</b>	(e.g. Top 40 excl. Naspers, Retail, Financials; Resources, etc)
<b>Contract Code</b>	<JSE Code>
<b>Underlings</b>	Basket constituents as per <b>Annexure A</b>
<b>Underlying's Currency</b>	USD / GBP / EURO/HKD
<b>Underlying listing</b>	<NYSE/Nasdaq/Hong Kong Stock Exchange, etc.>
<b>Contract Size</b>	100
<b>Quotations</b>	Two decimal places (R0.01)
<b>Expiration Date</b>	dd-mm-yyyy (Further expiration dates may be added upon request)
<b>Minimum Price</b>	ZAR 0.01

<b>Movement</b>	
<b>Basket Divisor</b>	As per Annexure A. (The Divisor determines the Basket's initial level)
<b>Maintenance</b>	
<b>Frequency of Rebalancing</b>	<b>Monthly</b> <input type="checkbox"/> <b>Quarterly</b> <input type="checkbox"/> <b>Semi-Annually</b> <input type="checkbox"/> <b>Annually</b> <input type="checkbox"/>
<b>Basket Spot Price (Capital Index)</b>	The price of the Basket will be calculated as follows: $= \frac{\sum (Price \times System \ Factor \times \ SPI)}{Divisor} = \frac{Basket \ Market \ Cap}{Divisor}$
<b>Total Return Index Value (TRI Spot)</b>	$TRI \ Spot_{(t-1)} \times (Basket \ Spot_{(t)} = \frac{Basket \ Spot_{(t)}}{[Basket \ Spot_{(t-1)} - XDA_{(t)}}$ Where: $XDA_t =$ Weighted Dividend Points
<b>Constituents Initial Reference Level</b>	As per Annexure A
<b>Basket Spot Price Reference</b>	Underlying
<b>Underlying Constituent MCAP within Basket</b>	$= (Price \times System \ Factor \times \ SPI)$
<b>RISK PARAMETERS</b>	
<b>Initial Margin*</b>	ZAR < value provided by Risk team >
<b>Class Spread Margin*</b>	ZAR < value provided by Risk team >
<b>V.S.R. *</b>	< value provided by Risk team >
*The JSE reserves the right to amend the levels of the Initial Margin, Class Spread Margin and V.S.R.	

EXPIRATION AND VALUATION PROCEDURE	
<b>Expiration / Valuation Date</b>	< date provided by member >
<b>Valuation Time</b>	End of Auction Call session that corresponds to the Standard Futures Close-Out period, Scheduled Closing Time of the JSE, which on normal JSE trading days is 17:00hrs (SAST) and or 9:30am New York Time.
<b>Automatic Exercise</b>	Applicable
<b>Cash Settlement</b>	Applicable
Cost Implications	
<b>JSE Trading Fees</b>	See Equity Derivative Booking Fee Schedule: <a href="https://www.jse.co.za/content/JSE Pricing Items/MPL/JSE%20Price%20List%202019%20-%20Issuers,%20Services%20and%20Trading.pdf">https://www.jse.co.za/content/JSE Pricing Items/MPL/JSE%20Price%20List%202019%20-%20Issuers,%20Services%20and%20Trading.pdf</a>
The above instrument has been designated as "Foreign" by the South African Reserve Bank	

### Conditions of Rebalancing

1. At all times, the basket exposure must maintain the indicated basket mandate.
2. After each rebalancing cycle, a basket must always maintain at least 60% composition of its initial constituents.
3. Basket rebalancing will occur only at the indicated frequency, or due to corporate action and JSE Index Rebalancing.
4. Communication to the market and contract holders' approval.
5. Failure to meet one or all of the above conditions may result into a contract being closed.

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 **011 520-7981** or [EDM@jse.co.za](mailto: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 (USD/EUR/GBP)	Price	System Factor	SPI	MCap
			Basket MCap Divisor Basket Spot		

**Current: levels of Basket**

Share Code	Price (USD/EUR/GBP)	Price	System Factor	SPI	MCap
			Basket MCap Divisor Basket Spot		