
MARKET NOTICEJohannesburg
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Number: 443/2021

Relates to:

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

Date: 22 September 2021

SUBJECT: MARGIN ADJUSTMENT AND DELISTING OF SORGHUM CONTRACTS

Name and Surname: Alex Comminos
Designation: Chief Risk Officer (JSE Clear)

Dear JSE Stakeholder

Due to continued low levels of trading activity and liquidity in Sorghum derivative contracts locally, and the absence of reliable alternative reference prices to enable accurate marking of positions, JSE Clear has determined it infeasible to support the continued listing, clearing and risk management of MSRG and MSBT derivative contracts.

The following actions will be taken to phase out exposures in the aforementioned contracts:

Effective from **Thursday, 23 September 2021** all MSRG and MSBT derivative contracts with no open interest will be suspended and no new contracts or expiries will be listed.

Initial Margin Requirements for existing open interest in MSRG and MSBT derivative contracts will be increased in two increments up to a total IMR of 30% to address liquidity and pricing risk concerns.

IMR% will be increased to 18% tomorrow 23 September (for settlement on Monday 27 September) and then up to 30% next week. Affected clients (position holders) and clearing members have been engaged on the margin adjustment and intended phasing out of exposures in these contracts.

Should you have any queries regarding this Market Notice please e-mail risk@jse.co.za

This Market Notice is available on the website at <https://clientportal.jse.co.za/communication/jse-market-notices>