
MARKET NOTICEJohannesburg
Stock ExchangeTel: +27 11 520 7000
www.jse.co.za**Number:** 498/2021

Relates to:

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

Date: 26 October 2021**SUBJECT:** FEEDBACK ON PROPOSED CHANGES TO RANDOM ALLOCATION ALGORITHM FOR PHYSICAL DELIVERIES IN COMPLETION OF A FUTURES CONTRACT**Name and Surname:** Raphael Karuaihe**Designation:** Head - Commodities

Dear Client,

Reference is made to Market Notice 321/2021, dated 4 August 2021, in which we raised the issue of trading members requesting a change to the random allocation algorithm to also consider the overall open interest of the long position holder. The updated proposal was supported by the Agricultural Advisory Committee and so the JSE pursued an approach to implement the change.

The JSE has been engaging the system vendor to include the proposed changes with the diesel code release scheduled for go-live on 22 November 2021. Unfortunately, our technical team revisited the original plan, suggesting that it will be too risky to introduce any further changes to the diesel code when we are this close to go-live. The changes to the allocation algorithm for physical deliveries will therefore only be introduced early next year in a separate software release.

This notice therefore serves to inform the market that the probability of being allocated during the random allocation process as well as allocation in the event of multiple accounts belonging to the same legal entity remains unchanged at this time and will only be addressed early in 2022.

We apologize for any inconvenience this may have caused.

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