

MARKET NOTICE

Johannesburg
Stock Exchange

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www.jse.co.za

Number: 534/2017
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
Date: 12 December 2017

SUBJECT: NEW SWAP FUTURE CONTRACT - 5 YEAR JSE ERIS INTEREST RATE SWAP FUTURE

Name and Surname: Bernard Claassens
Designation: Acting Head - Interest Rates and Currency Derivatives

Dear JSE Stakeholder

The JSE has listed a new 5 Year JSE Eris Interest Rate Swap Future which will be available for trading on 13/12/2017.

Please see below the contract specification for the new contract.

| | |
|----------------------------------|---|
| Name | 5Y Stnd 8.25% Mar 2018-2023 |
| Contract Code | IS05 |
| Contract Structure | R 100 000.00 notional principal whose value is based upon the difference between a stream of quarterly fixed interest payments and a stream of quarterly floating interest payments based on 3m JIBAR, over a term to maturity. |
| Underlying Swap Tenor | 5 year |
| First Trade Date | 13/12/2017 |
| Swap Effective Date | 22/03/2018 |
| Maturity Date | 22/03/2023 |
| Notional | R 100 000.00 |
| Currency | ZAR |
| Quote Convention | Net Present Value (NPV) on contract notional |
| Contract Price Multiplier | 1 000 |
| Variation Margin (VM) | VM = Multiplier × (MTM_t – MTM_{t-1}) |
| Reset Convention | Quarterly |
| Fixed Rate | 8.25% |

| | |
|-------------------------------|---------------------------------------|
| Floating Rate | 3m JIBAR |
| Float Rate Spread | 0 |
| Overnight Rate | SAFEX Overnight |
| Daily Settlement Price | 5 decimals of precision ie. 100.12345 |

| | Fixed Leg | Floating Leg |
|--------------------------------|--|--|
| Reset Frequency | Quarterly | Quarterly |
| Currency | ZAR | ZAR |
| Holiday Calendar | South African | South African |
| Business Day Convention | Modified Following with adjustment to period end dates | Modified Following with adjustment to period end dates |
| Day Count Convention | Actual/365 | Actual/365 |

Initial Margin will be calculated according the JSE's portfolio VaR for interest rate swap futures framework.

Exchange Fees will be charged in line with the current JSE Eris Swap Future Fees as available on www.jse.co.za/swaps

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

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