



## Market Notice

**Number:** A1303

**Date:** 18 October 2010

### Changes to Initial Margin Requirements – Foreign Referenced Commodities

The cash settled CORN, GOLD, PLAT, SOY COMPLEX (BEAN, MEAL and OILS) WTIO COPP and SILV contracts initial margin requirements are determined using the same methodology as per the currency futures. Margins are adjusted on a monthly basis unless market conditions require otherwise.

Please note the following changes to initial margin requirements as indicated below will take effect **Wednesday 27 October 2010 for settlement on Thursday 28 October 2010:**

Contract Code	Expiry Date	Fixed Margin	Change*	Calendar Spread Margin	VSR	Series Spread Margin
CORN	Dec 2010	12500	1500	3900	3.5	3500
CORN	Mar 2010	12900	1400	3900	3.5	3500
CORN	Jul 2011	13200	1200	3900	3.5	3500
CORN	Jul 2012	12800	1000	3900	3.5	3500
GOLD	Oct 2010	5500	200	1700	3.5	1300
GOLD	Dec 2010	5600	200	1700	3.5	1300
PLAT	Jan 2011	8500	100	2600	3.5	1300
PLAT	Apr-2011	8700		2600	3.5	1300
WTIO	Dec 2010	5900	100	1800	3.5	n/a
WTIO	Feb 2011	6000		1800	3.5	n/a
BEAN	Nov-2010	21000		7300	3.5	3500
BEAN	Mar-2011	24600	3600	7300	3.5	3500
BEAN	May-2011	24900	3900	7300	3.5	3500
BEAN	Jul-2011	25000		7300	3.5	3500
MEAL	Dec-2010	21200	2200	6500	3.5	3500
MEAL	Mar-2011	21800	2800	6500	3.5	3500
MEAL	May-2011	22000	3000	6500	3.5	3500
OILS	Dec-2010	12500	1500	3800	3.5	3500
OILS	Mar-2010	12900	1900	3800	3.5	3500
OILS	May-2011	13000	2000	3800	3.5	3500
COPP	Dec-2010	5100	1000	1500	3.5	



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**Alternate Director:** J Berman

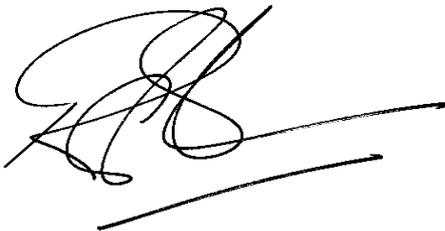
Contract Code	Expiry Date	Fixed Margin	Change*	Calendar Spread Margin	VSR	Series Spread Margin
COPP	Mar-2011	5200		1500	3.5	
SILV	Dec-2010	7400	500	2200	3.5	
SILV	Mar-2011	7500	600	2200	3.5	

\* Changes in **red** denote an increase and **green** a decrease in initial margin.

Please note in terms of the series spread margin, considering a white or yellow maize opposite open position to corn, this will remain at R3500 per contract. It is important that the difference in initial margin between the products is added to the series spread margin in order to determine the total initial margin required. Depending on the expiry, the margin could increase by anything between R12500 and R12800 (eg 12500 – 10000 =2500) per contract. Please note that there is also offset between GOLD and PLAT.

Should you have any queries regarding the margining methodology in use, please contact Chris Sturgess on 011 520-7299 or Graham Voller on 011 520-7176 or e-mail [commodities@jse.co.za](mailto:commodities@jse.co.za)

An updated list of all Safex Initial Margin requirements will be posted on the following FTP site:  
<http://www.safex.co.za/pub/APD%20Margin%20Requirements/2009/>



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