

Market Notice

Number: A1548
Date 17 January 2012

Introduction of the DEC2012 wheat expiry

Please note the December 2012 WEAT contract will be introduced for trading on Wednesday 18 January 2012. This follows on from discussions late last year where the Agricultural Advisory Committee supported that we continue to reference Randfontein as the single basis point from which the location differentials will be calculated to.

The Advisory Committee, following various requests from market participants, also supported the re-introduction of a Cape Wheat contract. To clarify this would mean an additional wheat contract meeting all the specifications of the existing WEAT contract except this contract would have a reference point in the Western Cape. Further details specific to the Cape wheat contract will be published shortly with the intention that it also commence with a Dec12 expiry.

In terms of the wheat origin discounts applicable for the next marketing season, namely from 1 October 2012 to 30 September 2013, it was decided to continue with the status quo whilst the JSE endeavours to establish a more scientific basis on which to confirm the origin discounts for the three remaining origins. The JSE welcomes constructive suggestions in this regard. No additional origins have been added.

To confirm then the origin discounts will apply as follows:

Origin Discount:

- Wheat from the following origins acceptable for delivery at a **ZERO** origin discount:
USA Hard Red Spring (Dark Northern Spring and Northern Spring wheat), No 3 or better Canadian Red Western Spring wheat, Australian Hard, Australian Prime Hard, Australian Prime White and Australian Standard White wheat
- Wheat from the following origins acceptable for delivery at a **R100 per ton** discount:
Argentina, USA Hard Red Winter wheat and German Type A or B wheat

The storage rate, grade discounts and location differentials for the next wheat marketing season will only be made available closer to the new marketing season.

Participants are again reminded that the JSE trades the underlying grades of product as published by the Department of Agriculture, Forestry and Fisheries in South Africa, should any changes be made to these at any time they will applied to the applicable derivative contract(s).



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