

Market Notice

Number: A1550

Date 23 January 2012

Changes to Initial Margin Requirements – Foreign Referenced Commodities

The cash settled CORN, REDW, SOY COMPLEX (BEAN, MEAL and OILS), GOLD, PLAT, 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 will take effect **Friday 27 January 2012 for settlement on Monday 30 January 2012:**

Contract Code	Expiry Date	Fixed Margin	Margin Change	Calendar Spread Margin	Series Spread Margin
CORN	Mar-12	16500	1200	4800	3200
CORN	May-12	16800	1100	4800	3200
CORN	Jul-12	17000	1100	4800	3200
CORN	Sep-12	15200	0	4800	3200
CORN	Dec-12	14500	500	4800	3200
CORN	Jul-13	15000	0	4800	3200
BEAN	Mar-12	26200	400	8000	3200
BEAN	May-12	27400	1400	8000	3200
MEAL	Mar-12	23000	1000	6900	3200
MEAL	May-12	23200	600	6900	3200
OILS	Mar-12	15800	100	4800	3200
OILS	May-12	15900	100	4800	3200
GOLD	Apr-12	8000	400	2400	700
GOLD	Jun-12	8100	100	2400	700
PLAT	Apr-12	8600	300	2600	700
PLAT	Jul-12	8400	200	2600	700
WTIO	Feb-12	8000	0	2500	n/a
WTIO	Jun-12	8800	100	2500	n/a
COPP	Mar-12	5700	100	1700	n/a
COPP	Jul-12	5800	200	1700	n/a
SIL	Mar-12	11900	600	3600	n/a
SIL	Jul-12	12100	100	3600	n/a
REDW	Mar-12	9200	300	3000	4200
REDW	Jul-12	10000	500	3000	4200
REDW	Sep-12	10300	400	3000	4200
REDW	Dec-12	10800	500	3000	4200



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Alternate Directors: JH Burke, LV Parsons

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

Please note in terms of the series spread margin, offset margin is recognized for the following products:

- WMAZ/YMAZ and CORN
- GOLD and PLAT
- WEAT and REDW

It is important that the difference in outright initial margin between the products is added to the series spread margin in order to determine the total initial margin required per structure. As an example, in terms of the maize and corn spread position, depending on the expiry, the margin could increase by anything between R4500 and R7000 (e.g. 17000 –10000 = 7000) per contract.

Should you have any queries regarding the margining methodology in use, please contact the Commodities Team on 011 520 7535 or e-mail commodities@jse.co.za

An updated list of all Safex initial margin requirements will be posted on the following FTP site:
<http://www.jse.co.za/DownloadFiles.aspx?RequestedNode=DownloadableDocuments/Safex/APD%20Margin%20Requirements/2012>



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