

## Market Notice

**Number:** A1680

**Date:** 21 August 2012

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

The cash settled CORN, REDW, KANS, SOY COMPLEX (BEAN, MEAL and OILS), GOLD, PLAT, WTIO, COPP, SILV, Quanto Futures (QBRN, QCOP & QGLD) 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 **Wednesday 29 August 2012** for settlement on **Thursday 30 August 2012**:

Contract Code	Expiry Date	Fixed Margin	Margin Change	Calendar Spread Margin	Series Spread Margin
CORN	Sep-12	21800	3100	6300	2500
CORN	Dec-12	22200	3200	6300	2500
CORN	Mar-13	22500	3200	6300	2500
CORN	Jul-13	22400	2900	6300	2500
CORN	Sep-13	19400	100	6300	2500
CORN	Dec-13	18500	200	6300	2500
BEAN	Nov-12	32400	900	9200	2500
BEAN	Mar-13	29900	1700	9200	2500
BEAN	May-13	29900	300	9200	2500
MEAL	Sep-12	28700	200	8600	2500
MEAL	May-13	28800	800	8600	2500
OILS	Sep-12	14400	200	4500	2500
OILS	May-13	15300	700	4500	2500
GOLD	Sep-12	8000	100	2400	700
GOLD	Dec-12	8000	0	2400	700
GOLD	Mar-13	8100	0	2400	700
PLAT	Sep-12	8000	400	2500	700
PLAT	Dec-12	8200	300	2500	700
PLAT	Mar-13	8700	0	2500	700
WTIO	Sep-12	7800	400	2400	n/a
WTIO	Dec-12	8000	400	2400	n/a
WTIO	Mar-13	8300	0	2400	n/a
COPP	Sep-12	5300	200	1600	n/a



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F Evans (CFO) **Non-Executive Directors:** HJ Borkum  
(Chairman), AD Botha, ZL Combi, MR Johnston, DM Lawrence,  
A Mazwai, NS Nematswerani, N Nyembezi-Heita, N Payne  
**Alternate Directors:** JH Burke, LV Parsons

COPP	Dec-12	5400	200	1600	n/a
COPP	Mar-13	5400	0	1600	n/a
SIL	Sep-12	10200	0	3100	n/a
SIL	Dec-12	10400	100	3100	n/a
SIL	Mar-13	10700	0	3100	n/a
REDW	Sep-12	11000	400	3400	3300
REDW	Dec-12	11400	500	3400	3300
REDW	Mar-13	11600	500	3400	3300
REDW	Jul-13	11000	100	3400	3300
REDW	Sep-13	11200	200	3400	3300
REDW	Dec-13	11500	300	3400	3300
KANS	Sep-12	9500	500	2900	3300
KANS	Dec-12	9900	600	2900	3300
KANS	Mar-13	10100	600	2900	3300
KANS	Jul-13	9600	200	2900	3300
KANS	Dec-13	9900	200	2900	3300
QBRN	Nov-12	10000	1200	3000	n/a
QBRN	Feb-13	9900	1100	3000	n/a
QCOP	Nov-12	6300	500	2000	n/a
QCOP	Feb-13	7000	200	2000	n/a
QGLD	Nov-12	7500	200	2300	n/a
QGLD	Feb-13	7500	200	2300	n/a

\* 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, REDW and KANS

We will also include Sorghum in the series spread margin group for CORN:

- WMAZ / YMAZ / CORN / SORG

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 R7500 and R11500 (e.g. 22500 – 11000 = 11500) 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](mailto:commodities@jse.co.za)



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