

Market Notice

Number: A1934
Date: 22 January 2014

Changes to Initial Margin Requirements – Foreign Referenced Commodities

The cash settled 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 January 2014 for settlement on Thursday 30 January 2014:**

| Contract Code | Expiry Date | Fixed Margin | Margin Change | Calendar Spread Margin | Series Spread Margin |
|---------------|-------------|--------------|---------------|------------------------|----------------------|
| CORN | 03-Mar-2014 | 16600 | 400 | 5200 | 6000 |
| CORN | 02-May-2014 | 17000 | 300 | 5200 | 6000 |
| CORN | 01-Jul-2014 | 17500 | 400 | 5200 | 6000 |
| CORN | 01-Dec-2014 | 18500 | 400 | 5200 | 6000 |
| BEAN | 03-Mar-2014 | 41000 | 900 | 12000 | 6800 |
| BEAN | 02-May-2014 | 40800 | 800 | 12000 | 6800 |
| BEAN | 01-Jul-2014 | 40800 | 800 | 12000 | 6800 |
| BEAN | 03-Nov-2014 | 37300 | 300 | 12000 | 6800 |
| MEAL | 03-Mar-2014 | 43500 | 1700 | 12900 | 6800 |
| MEAL | 02-May-2014 | 42700 | 1700 | 12900 | 6800 |
| MEAL | 01-Jul-2014 | 42400 | 1600 | 12900 | 6800 |
| OILS | 03-Mar-2014 | 13600 | 800 | 4200 | n/a |
| OILS | 02-May-2014 | 13800 | 1400 | 4200 | n/a |
| OILS | 01-Jul-2014 | 14000 | 1700 | 4200 | n/a |
| KANS | 03-Mar-2014 | 8900 | 500 | 2800 | 5700 |
| KANS | 02-May-2014 | 9000 | 600 | 2800 | 5700 |
| KANS | 01-Jul-2014 | 9600 | 0 | 2800 | 5700 |
| REDW | 03-Mar-2014 | 9800 | 600 | 3100 | 5700 |
| REDW | 02-May-2014 | 10000 | 600 | 3100 | 5700 |
| REDW | 01-Jul-2014 | 10200 | 400 | 3100 | 5700 |
| REDW | 01-Dec-2014 | 11000 | 300 | 3100 | 5700 |
| BRNT | 17-Mar-2014 | 10300 | 1800 | 3100 | 900 |
| BRNT | 13-Jun-2014 | 10400 | 1800 | 3100 | 900 |
| WTIO | 17-Mar-2014 | 10500 | 200 | 3100 | 900 |
| WTIO | 13-Jun-2014 | 10400 | 100 | 3100 | 900 |
| GOLD | 17-Mar-2014 | 8100 | 100 | 2500 | 900 |



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| Contract | Expiry | Fixed | Margin | Calendar Spread | Series Spread |
|----------|-------------|--------|--------|-----------------|---------------|
| Code | Date | Margin | Change | Margin | Margin |
| GOLD | 13-Jun-2014 | 8300 | 300 | 2500 | 900 |
| PLAT | 17-Mar-2014 | 10600 | 400 | 3200 | 900 |
| PLAT | 13-Jun-2014 | 10900 | 700 | 3200 | 900 |
| COPP | 17-Mar-2014 | 6700 | 600 | 2000 | n/a |
| COPP | 13-Jun-2014 | 6800 | 700 | 2000 | n/a |
| SILV | 17-Mar-2014 | 9700 | 300 | 2900 | n/a |
| SILV | 13-Jun-2014 | 9800 | 300 | 2900 | n/a |
| QBRN | 11-Feb-2014 | 9100 | 100 | 2700 | n/a |
| QBRN | 13-May-2014 | 9000 | 100 | 2700 | n/a |
| QCFF | 11-Feb-2014 | 3000 | 200 | 900 | n/a |
| QCFF | 13-May-2014 | 3100 | 200 | 900 | n/a |
| QCOC | 11-Feb-2014 | 1900 | 100 | 600 | n/a |
| QCOC | 13-May-2014 | 1900 | 100 | 600 | n/a |
| QCOP | 11-Feb-2014 | 6700 | 400 | 1900 | n/a |
| QCOP | 13-May-2014 | 6700 | 400 | 1900 | n/a |
| QCRN | 11-Feb-2014 | 1800 | 0 | 600 | n/a |
| QCRN | 13-May-2014 | 1900 | 0 | 600 | n/a |
| QCTN | 11-Feb-2014 | 3100 | 100 | 900 | n/a |
| QCTN | 13-May-2014 | 3100 | 100 | 900 | n/a |
| QGAS | 11-Feb-2014 | 11400 | 0 | 3500 | n/a |
| QGAS | 13-May-2014 | 12000 | 0 | 3500 | n/a |
| QGLD | 11-Feb-2014 | 6000 | 100 | 1800 | 900 |
| QGLD | 13-May-2014 | 6000 | 100 | 1800 | 900 |
| QHEA | 11-Feb-2014 | 9300 | 100 | 2800 | n/a |
| QHEA | 13-May-2014 | 9200 | 100 | 2800 | n/a |
| QNAT | 11-Feb-2014 | 5200 | 300 | 1500 | n/a |
| QNAT | 13-May-2014 | 5000 | 200 | 1500 | n/a |
| QPLD | 11-Feb-2014 | 4300 | 100 | 1300 | n/a |
| QPLD | 13-May-2014 | 4300 | -100 | 1300 | n/a |
| QPLT | 11-Feb-2014 | 8800 | 100 | 2600 | 900 |
| QPLT | 13-May-2014 | 8800 | 0 | 2600 | 900 |
| QSIL | 11-Feb-2014 | 9400 | 100 | 2800 | n/a |
| QSIL | 13-May-2014 | 9500 | 0 | 2800 | n/a |
| QSUG | 11-Feb-2014 | 1500 | 200 | 500 | n/a |
| QSUG | 13-May-2014 | 1600 | 100 | 500 | 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 CORN and SORG (R6000/R6000/R6000/R6000)
- GOLD and PLAT
- WEAT, REDW and KANS
- MSOY/ SOYA/ BEAN/MEAL (R1500 /R2600/ R6800/R6800)

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 require 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 R4100 and R6000 (e.g. 18500 –12500 =R6000) 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



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