

MARKET NOTICE

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Subject: Changes to Initial Margin Requirements



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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 **Thursday 26 June 2014 for settlement on Friday 27 June 2014**

Contract	Expiry	Fixed	Margin	Calendar Spread	Series Spread
Code	Date	Margin	Change	Margin	Margin
CORN	01/07/2014	17 200	-2 500	5 400	5 000
CORN	02/09/2014	17 200	-2 600	5 400	5 000
CORN	01/12/2014	17 700	-2 300	5 400	5 000
CORN	02/03/2015	18 000	600	5 400	5 000
CORN	01/07/2015	19 500	1 600	5 400	5 000
BEAN	01/07/2014	45 600	-500	12 600	6 700
BEAN	02/09/2014	40 800	400	12 600	6 700
BEAN	03/11/2014	40 000	1 000	12 600	6 700
BEAN	02/03/2015	41 300	-7 700	12 600	6 700
BEAN	04/05/2015	42 000	-8 000	12 600	6 700
MEAL	01/07/2014	46 300	-600	12 500	6 700
MEAL	02/09/2014	42 100	800	12 500	6 700
MEAL	01/10/2014	40 100	900	12 500	6 700
MEAL	01/12/2014	40 300	1 500	12 500	6 700
MEAL	02/01/2015	40 400	1 700	12 500	6 700
MEAL	02/03/2015	41 200	2 400	12 500	6 700
Contract	Expiry	Fixed	Margin	Calendar Spread	Series Spread

Code	Date	Margin	Change	Margin	Margin
OILS	01/07/2014	14 200	-1 300	4 400	n/a
OILS	02/09/2014	14 400	-1 100	4 400	n/a
OILS	01/10/2014	14 500	400	4 400	n/a
OILS	01/12/2014	14 600	500	4 400	n/a
OILS	02/01/2015	14 800	600	4 400	n/a
OILS	02/03/2015	15 000	700	4 400	n/a
KANS	01/07/2014	11 300	-700	3 600	6 500
KANS	02/09/2014	11 400	-800	3 600	6 500
KANS	01/12/2014	11 800	-700	3 600	6 500
KANS	02/03/2015	12 100	1 900	3 600	6 500
KANS	01/07/2015	12 200	1 800	3 600	6 500
KANS	01/09/2015	12 300	900	3 600	6 500
KANS	01/12/2015	12 600	1 100	3 600	6 500
REDW	01/07/2014	13 200	-1 700	4 500	6 500
REDW	02/09/2014	13 500	-1 800	4 500	6 500
REDW	01/12/2014	14 200	-1 600	4 500	6 500
REDW	02/03/2015	14 900	-2 400	4 500	6 500
REDW	01/07/2015	16 000	-1 700	4 500	6 500
REDW	01/09/2015	16 400	1 200	4 500	6 500
REDW	01/12/2015	17 000	1 600	4 500	6 500
DSEL	01/08/2014	2 900	100	900	n/a
DSEL	01/09/2014	3 000	200	900	n/a
DSEL	01/10/2014	3 000	200	900	n/a
DSEL	03/11/2014	3 000	300	900	n/a
DSEL	01/12/2014	3 000	100	900	n/a
DSEL	02/01/2015	3 000	100	900	n/a
BRNT	15/09/2014	8 900	600	2 700	500
BRNT	12/12/2014	8 800	200	2 700	500
WTIO	15/09/2014	9 400	700	2 800	500
WTIO	12/12/2014	9 300	400	2 800	500
GOLD	15/09/2014	7 700	100	2 300	1 000
GOLD	12/12/2014	7 800	200	2 300	1 000
PLAT	15/09/2014	9 700	0	2 900	1 000
PLAT	12/12/2014	9 900	400	2 900	1 000
COPP	15/09/2014	5 600	-100	1 700	n/a
COPP	12/12/2014	5 500	-100	1 700	n/a
SILV	15/09/2014	9 100	300	2 700	n/a
SILV	12/12/2014	9 200	300	2 700	n/a
QBRN	12/08/2014	8 500	300	2 500	n/a
QBRN	11/11/2014	8 400	300	2 500	n/a
QCFF	12/08/2014	4 600	-600	1 400	n/a
QCFF	11/11/2014	4 700	-600	1 400	n/a
QCOC	12/08/2014	2 200	200	600	n/a
QCOC	11/11/2014	2 100	100	600	n/a
QCOP	12/08/2014	5 600	-300	1 700	n/a
Contract	Expiry	Fixed	Margin	Calendar Spread	Series Spread
Code	Date	Margin	Change	Margin	Margin

QCOP	11/11/2014	5 600	-200	1 700	n/a
QCRN	12/08/2014	1 900	-200	600	n/a
QCRN	11/11/2014	2 000	-100	600	n/a
QCTN	12/08/2014	2 900	-200	900	n/a
QCTN	11/11/2014	2 900	-200	900	n/a
QGAS	12/08/2014	11 100	500	3 200	n/a
QGAS	11/11/2014	10 100	400	3 200	n/a
QGLD	12/08/2014	6 000	-200	1 800	1 000
QGLD	11/11/2014	6 000	-200	1 800	1 000
QHEA	12/08/2014	9 000	200	2 700	n/a
QHEA	11/11/2014	9 000	200	2 700	n/a
QNAT	12/08/2014	5 700	300	1 700	n/a
QNAT	11/11/2014	5 800	200	1 700	n/a
QPLD	12/08/2014	4 700	0	1 400	n/a
QPLD	11/11/2014	4 700	0	1 400	n/a
QPLT	12/08/2014	8 200	-300	2 500	1 000
QPLT	11/11/2014	8 300	-200	2 500	1 000
QSIL	12/08/2014	8 400	-100	2 500	n/a
QSIL	11/11/2014	8 400	-100	2 500	n/a
QSUG	12/08/2014	1 700	-100	500	n/a
QSUG	10/02/2015	1 800	0	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 (R5000/R5000/R5000/R5000)
- GOLD and PLAT (R1000/R1000)
- WEAT, REDW and KANS (R6500/R6500/R6500)
- SOYA/ BEAN/MEAL (R3400/ R6700/ R6700)

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 R4700 and R7000 (e.g. 17200 – 12500 =R4700) per contract.

Should you have any queries regarding the margining methodology in use, please contact the Commodities Team on 011 520 7231 or e-mail commodities@jse.co.za