



Contract specifications for JSE-NYMEX Crude Oil Contract

Name	Crude Oil Contract (FUTURES)
Underlying instrument	<p>A light sweet crude oil futures contract meeting all specifications as listed and traded on NYMEX, a subsidiary of the CME Group Inc.</p> <p>The JSE reserves the right to amend the contract specifications including settlement methodology should these be amended by the reference exchange.</p>
Trading system code	WTIO
Trading hours	09h00 – 15h45 South African time (Monday to Friday except South African national holidays)
Contract months	February, June, August and December.
Listing programme	Ensure a minimum of two expiries are always available for trade.
Expiry dates & times	<p>Contract will mirror the NYMEX financial contract expiry dates (NYMEX trading symbol WS), with trading terminating at the close of business on the fourth US business day prior to the 25th calendar day of the month preceding the delivery month.</p> <p>The final cash settlement value will only be finalised and released the following business day after trading has ceased in South Africa. The final variation margin will therefore be settled one day after last trading day and initial margin returned the following business day.</p> <p>For system purposes, the clearance day will be the first business day of the expiry month with all remaining open positions closed off automatically by the clearing system on this day.</p> <p>See the web page for the detailed trading calendar www.safex.co.za/ap</p>
Determination of the final cash settlement value	<p>The final settlement price for cash settlement of the contract will require two components, a NYMEX settlement value and a Rand Dollar exchange rate.</p> <p>For the NYMEX settlement price, the JSE will reference the NYMEX financial contracts settlement price on the penultimate trading day of the delivery month relying on the NYMEX methodology. This uses a VWAP of the outright CME Globex trades between 14h28 and 14h30 New York Time (either 20h30 or 21h30 SA time).</p> <p>The Rand Dollar exchange rate required to determine the settlement price in South African Rands per ton will be finalised via the same methodology as per the currency futures contracts traded on YieldX, refer to 30 iterations, arithmetic average of the underlying spot taken every 1 minute for a period of 30 minutes, ending at 10h00 New York time (SA Summer: 16h31 – 17h00 and SA Winter: 15h31 – 16h00).</p> <p>On the morning after the last trading day of the WTIO contract, the JSE will publish via the trading system (NUTRON) the final cash settlement value.</p>
Contract size	1 contract = 100 US barrels (or 15898.73 liters).
Quotations	In South African currency per barrel.
Minimum price movement	0.20 ZAR per contract.
Settlement method	Cash settled in South African Rands (ZAR).
Initial margin requirements	As per the JSE margining methodology, initial indications are R6500 per contract.
Daily mark-to-market	As determined by the JSE, a snapshot from trading activity in the last 5 minutes will be considered for the daily m-t-m.



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Exchange fees	R10.00 (incl. VAT) per contract
Daily price limits	No price limits will be applicable
Position limits	No position limits however the JSE reserves the right to implement such.
Volatility scanning range	3.5
Qualifying audience allowed to participate	<ul style="list-style-type: none">• Individuals and Foreigners have no limits.• Corporate entities have no limits.• Pension funds and long term insurance companies subject to their 20% foreign allocation limits.• Asset managers and registered collective investment schemes subject to their 30% foreign allocation limits.
Trades types accommodated	<p>All trading activity (bids and offers) must be entered onto the central order book during trading hours however the JSE will accommodate the following report only trade types provided they meet the existing criteria:</p> <ul style="list-style-type: none">• Exchange for Risk (EFR's).• Net-off of positions applicable to the same legal entity.• One other exception will be considered, due to the market only trading between 09h00 and 15h45, the JSE will accept OTC transactions specific to the contract outside of the standard trading hours as agreed between registered counterparties. A minimum contract volume of 200 contracts will be applicable. These transactions must be reported to the JSE before 07h30 the following morning and must be market related – the transactions will then be entered into the order book by the JSE before market opens.

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