

## Market Notice

**Number:** A1574

**Date** 21 February 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 **Monday 27 February 2012 for settlement on Tuesday 28 February 2012:**

Contract Code	Expiry Date	Fixed Margin	Margin Change	Calendar Spread Margin	Series Spread Margin
CORN	Mar-12	15400	1100	4600	3000
CORN	May-12	15600	1200	4600	3000
CORN	Jul-12	15800	1200	4600	3000
CORN	Sep-12	14700	500	4600	3000
CORN	Dec-12	14300	200	4600	3000
CORN	Jul-13	15400	0	4600	3000
BEAN	Mar-12	25700	500	7800	3000
BEAN	May-12	26100	1300	7800	3000
MEAL	Mar-12	22600	400	6900	3000
MEAL	May-12	23300	100	6900	3000
OILS	Mar-12	15400	400	4700	3000
OILS	May-12	15600	300	4700	3000
GOLD	Apr-12	8000	0	2400	600
GOLD	Jun-12	8100	0	2400	600
PLAT	Apr-12	9000	400	2700	600
PLAT	Jul-12	9100	700	2700	600
WTIO	Jun-12	8100	700	2500	n/a
COPP	Mar-12	5800	100	1800	n/a
COPP	Jul-12	6000	200	1800	n/a
SIL	Mar-12	12600	700	3800	n/a
SIL	Jul-12	13000	900	3800	n/a
REDW	Mar-12	8900	300	2900	4500
REDW	Jul-12	9400	600	2900	4500
REDW	Sep-12	9700	600	2900	4500
REDW	Dec-12	10100	700	2900	4500



JSE Limited Registration Number: 2005/022939/06  
One Exchange Square, Gwen Lane, Sandown, South Africa.  
Private Bag X991174, Sandton, 2146, South Africa. Telephone:  
+27 11 520 7000, Facsimile: +27 11 520 8584, www.jse.co.za

**Executive Directors:** RM Loubser (CEO), NF Newton-King, 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

\* 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 R4300 and R5800 (e.g. 15800 – 10000 = 5800) 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)

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>



**Chris Sturgess**

Designation      Director  
Division          Commodity Derivatives Division  
Tel                 +27 11 520-7299  
Fax                 +27 11 520-7558  
E-mail address:   chriss@jse.co.za

**Distributed by the Company Secretariat +27 11 520 7346**