



1 | Contract Specifications – Sorghum Futures

NoteA1932 B

FUTURES CONTRACT	SORGHUM (SWEET – GM1)	SORGHUM (BITTER – GH1)
Trading system code	SORG	SGBT
Trading Hours	09:00 to 12:00	09:00 to 12:00
Underlying Commodity	Sorghum of South African origin which complies with the physical criteria for grade GM1, as detailed in the South African grading regulations of the Agricultural Product Standards Act of 1990	Sorghum of any origin which complies with the physical criteria for grade GH1, as detailed in the South African grading regulations of the Agricultural Product Standards Act of 1990
Contract Size	100 metric tons	100 metric tons
Expiry Dates & Times (Last Trading Day)	12h00 on the sixth last business day of March, May, July, September and December. Physical deliveries from first business day to last business day of expiry month.	12h00 on the sixth last business day of March, May, July, September and December. Physical deliveries from first business day to last business day of expiry month.
Constant Month Contract	JSE does reserve the right to introduce such if there is demand.	JSE does reserve the right to introduce such if there is demand.
Settlement Method	Physical delivery of Safex silo receipts giving title to sorghum in bulk storage at approved silos at an agreed storage rate. No single reference point will be traded.	Physical delivery of Safex silo receipts giving title to sorghum in bulk storage at approved silos at an agreed storage rate. No single reference point will be traded.
Quotations	Rand/ton	Rand/ton
Minimum Price Movement	Twenty cents per ton	Twenty cents per ton



FUTURES CONTRACT	SORGHUM (SWEET – GM1)	SORGHUM (BITTER – GH1)
Daily Limits	R50/t (extended limits R75/t)	R50/t (extended limits R75/t)
Initial Margin	R11 000/ contract up to first position day. R15 000/ contract from first positions day or at extended limits. R30 000/ contract from last trading day up and until last delivery day. R3000/ contract for calendar spreads.	R18 000/ contract up to first position day. R20 000/ contract from first positions day or at extended limits. R40 000/ contract from last trading day up and until last delivery day. R3000/ contract for calendar spreads.
Maximum position limits	No participant (defined as a member or client) or associated group of participants may hold in excess of 110 contracts of a particular delivery month contract within 10 days of the first delivery day of the month in question, except during the harvest period from May up to and including July, the position limit will allow for a maximum of 160 contracts.	No participant (defined as a member or client) or associated group of participants may hold in excess of 110 contracts of a particular delivery month contract within 10 days of the first delivery day of the month in question, except during the harvest period from May up to and including July, the position limit will allow for a maximum of 160 contracts.
Expiry valuation method	Closing futures price as determined by the JSE	Closing futures price as determined by the JSE
JSE Booking Fees (incl VAT)	R13.00 / contract	R13.00 / contract
JSE Delivery Fees (incl VAT)	R200.00 / contract	R200.00 / contract



2 | Contract Specifications — Sorghum Options

OPTIONS CONTRACT	SORGHUM (SWEET – GM1)	SORGHUM (BITTER – GH1)
ATS Code	SORG	SGBT
Trading Hours	09:00 to 12:00	09:00 to 12:00
Underlying Instrument	1 Sweet Sorghum futures contract	1 Bitter Sorghum futures contract
Options	American type, puts and calls	American type, puts and calls
Strike price intervals	R20.00 per ton	R20.00 per ton
Quotation	In whole Rand per contract	In whole Rand per contract
Contract months	March, May, July, September and December	March, May, July, September and December
Expiration date and time	12h00 on the fifth last trading day of the month preceding the expiration month of the underlying future contract	12h00 on the fifth last trading day of the month preceding the expiration month of the underlying future contract
Exercise	Long position holders may exercise/abandon their options during market hours at any time up to and including 15 minutes prior to the expiration date; provided that all in-the-money options shall be automatically exercised by the exchange at expiration	Long position holders may exercise/abandon their options during market hours at any time up to and including 15 minutes prior to the expiration date; provided that all in-the-money options shall be automatically exercised by the exchange at expiration
Expiration Price	Mark-to-market price of the underlying future on	Mark-to-market price of the underlying future on expiration



OPTIONS CONTRACT	SORGHUM (SWEET – GM1)	SORGHUM (BITTER – GH1)
(for automatic exercise)	expiration date	date
Calculation of Mark-to-market	Mark-to-market prices will be calculated from volatility quotes for at-the-money using the Black options pricing model.	Mark-to-market prices will be calculated from volatility quotes for at-the-money using the Black options pricing model.
VSR	3.5%	3.5%
JSE Booking Fees	R6.50 per contract	R6.50 per contract