

**MARKET NOTICE**

Johannesburg  
Stock Exchange

Tel: +27 11 520 7000

Fax: +27 11 520 8584

[www.jse.co.za](http://www.jse.co.za)

Number: A2075  
Date: 27 August 2014

**SUBJECT: INTRODUCING BREAD MILLING WHEAT CAN-DO**

Name and Surname: Chris Sturgess  
Designation: Director  
Market: Commodity Derivatives  
Tel: +27 11 520 7299  
E-mail address: [chriss@jse.co.za](mailto:chriss@jse.co.za)

The September 14 Bread Milling Wheat Commodity Can-Do will be listed for trading 29 August 2014

**Bread Milling Wheat Contracts Specifications- Commodity Can-Do XWHT**

GENERAL TERMS	
<b>Description</b>	SEP WHEAT COMMODITY CAN-DO
<b>Can-Do Name</b>	Can-Do XWHT
<b>Can-Do-Code</b>	XWHT
<b>Contract Size (Multiplier)</b>	1 contract = 50 tons for the avoidance of doubt, this means that each contract will reference a price per ton multiplied by 50
<b>Quotations</b>	Price per ton in Rand
<b>Minimum Price Movement</b>	R0.20 per ton
<b>JSE Fees</b>	R13.00 per contract (INCL VAT) (26 cents per ton)
<b>Initial Margin</b>	R9 300 per contract
<b>Series spread margin</b>	As per Wheat spread margin
<b>Position Limits</b>	Not applicable
<b>Trade Date</b>	The date the Can-Do position is first entered into by the clients and captured by the JSE
<b>Business Day</b>	Any day on which banks are open for a normal trading day in Johannesburg and grain prices are published by the JSE.

Underlying	
<b>Underlying Future</b>	WEAT futures contract meeting all specifications as listed and traded on the Commodity Derivatives Division of the JSE
<b>Daily MTM adjustments</b>	Tracking the nearby WEAT listed expiry month and deducting: <ul style="list-style-type: none"> <li>• Safex standard wheat storage at R0.71 cents per ton per day</li> <li>• Financing cost calculated as ( # of days from and including 1 September 2014 <i>multiplied</i> by nearby WEAT futures MTM <i>multiplied</i> by Prime less 2.00%) <i>divided</i> by 365 days</li> </ul>
<b>Initial reference level</b>	As agreed by the Long and the Short Party on the trade date in Rand per ton. Confirmed by the EFR transaction generated by the exchange upon confirmation of the Can-Do trade. The execution of the Can-Do will trigger an automated allocation of the underlying WEAT future contracts between the buyer and seller to create an equal and opposite XWHT Can-do. The report only transactions will be facilitated by the JSE.
<b>Underlying Currency</b>	Rand (ZAR)
<b>Underlying physical commodity</b>	Wheat as defined by the contract code WEAT and presented by the issue of Safex silo receipts
<b>Final Evaluation Date</b>	Expiration date confirmed as 19 September 2014
<b>Valuation Frequency</b>	Daily at 12h00 as per the JSE MTM process for grain products
TERMS & CONDITIONS – Can Do XWHT	
<b>Type</b>	Can Do Future
<b>Buyer</b>	Is the party that is the Long Party to the Can Do Future
<b>Seller</b>	Is the party that is the Short Party to the Can- Do Future
<b>Initial Futures Price</b>	As agreed by the counter parties, EFR or trade level
PROCEDURE AT EXPIRATION	
<b>Expiration Date and Time</b>	12h00 on the business day prior to last trading day for the WEAT contract, for avoidance of doubt 19 September 2014
<b>Reference Price including final valuation</b>	The underlying WEAT Sep14 commodity price as determined on expiration date including the defined adjustments for storage and financing costs - based on the execution level of an automated EFP transaction in the appropriate underlying WEAT futures month
<b>Can-Do : Cash Settlement with futures equivalent positions booked in the underlying</b>	The XWHT contract will be cash settled at the calculated reference price with an equal and opposite WEAT Sep14 future position created at the same level. For avoidance of any doubt, the party

<b>reference month at expiration date</b>	<p>that sells back the XWHT Sep14 will buy WEAT Sep14 future contract and the party that buys back the XWHT Sep14 will sell the WEAT Sep14 future contracts.</p> <p>The WEAT Sep14 positions will be captured as a report only trade before 14h30 on the expiration date.</p>
<b>Location Differential and grade discounts</b>	<p>Not applicable</p>

Since the Can-Do is specific between the two counterparties, the original trade is reported into the order book. The contract is visible on the NUTRON front end under Agris Trading, Cando.

If there are any further questions regarding the new product, please feel free to contact Anelisa Matutu on 011 520 7158 or use the group e-mail [commodities@jse.co.za](mailto:commodities@jse.co.za) .