

**MARKET NOTICE**

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**Number:** A2111  
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**SUBJECT:** INTRODUCTION OF ADDITIONAL EXPIRY MONTHS FOR THE DELIVERABLE GRAIN  
CONTRACTS AND WAY FORWARD IN TERMS OF INCLUDING RUSSIAN AND UKRAINE WHEAT



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Dear JSE Stakeholder,

The Agricultural Advisory Committee held their last scheduled meeting for the year on 23 October 2014. While a whole host of issues were discussed, this market note highlights those issues that required immediate action and where the JSE has resolved to proceed as per the guidelines of the advisory meeting.

**1. Listing of Jul15 and Sep15 expiries**

It was agreed to introduce the Jul15 and Sep15 WEAT expiries **WITHOUT** making any further changes to the contract specifications, this includes adding additional origins.

Please also note the Jul15 and Sep15 expiries will also be introduced for SUNS, SORG, SOYA whilst the Sep15 expiry will be added for WMAZ and YMAZ. These expiries will be available for trading as from Monday 27 October 2014:

EXPIRY MONTHS	FIRST POSITION DAY	FIRST NOTICE DAY	LAST NOTICE DAY	LAST TRADING DAY	FIRST DELIVERY DAY	LAST DELIVERY DAY	OPTION EXPIRY DATES
Jul 2015	29/06/2015	30/06/2015	30/07/2015	24/07/2015	01/07/2015	31/07/2015	24/06/2015
Sep 2015	28/08/2015	31/08/2015	29/09/2015	22/09/2015	01/09/2015	30/09/2015	25/08/2015

For White and Yellow maize, the Jul16 expiry will be listed for trading on 27 October 2014 in line with the request that this key hedging month is available 2 years out. Please note that the location differentials and storage rates will not be defined and will only be published closer to the new marketing season. Also take note additional delivery points may be added or removed depending on the request from Storage Operators:

EXPIRY MONTHS	FIRST POSITION DAY	FIRST NOTICE DAY	LAST NOTICE DAY	LAST TRADING DAY	FIRST DELIVERY DAY	LAST DELIVERY DAY	OPTION EXPIRY DATES
Jul 2016	29/06/2016	30/06/2016	28/07/2016	22/07/2016	01/07/2016	29/07/2016	24/06/2016

## **2. Russian and Ukrainian wheat as deliverable in completion of a futures contract**

The Advisory Committee, in considering the written feedback received in response to notice A2104, supported the inclusion of Russian and Ukraine wheat as deliverable on the JSE WEAT contracts however this will only be considered as from the 2015 marketing season that commences 1 October 2015. The decision was largely based on the fact that 70% of all wheat imports into South Africa arrive from these two origins.

Following the publication by DAFF to amend the wheat grading regulations this has encouraged the wheat industry to meet in early November to discuss the future of this industry and explore what could be fundamental changes to the current JSE wheat contract. Therefore the expiries applicable to the 2015 marketing season commencing with the Dec15 expiry, will be put on hold until this industry meeting. Market participants can most likely only expect the Dec15 expiry month to be introduced early next year. We look forward to the industry workshop addressing the concerns of industry and providing for the design of a wheat specification that can encourage the growth of this sector.