



## Market Notice

**Number:** A1257

**Date:** 19 July 2010

### Changes to Initial Margin Requirements – Foreign Referenced Commodities

The cash settled CORN, GOLD, PLAT, SOY COMPLEX (BEAN, MEAL and OILS) and WTIO 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 as indicated below will take effect **Wednesday 28 July 2010 for settlement on Thursday 29 July 2010:**

Contract Code	Expiry Date	Fixed Margin	Change*	Calendar Spread Margin	VSR	Series Spread Margin
CORN	Sep 2010	9200		2900	3.5	3500
CORN	Dec 2010	9700	400	2900	3.5	3500
CORN	Mar 2011	10100	400	2900	3.5	3500
CORN	Jul 2011	10600	300	2900	3.5	3500
GOLD	Aug 2010	5400	200	1600	3.5	1400
GOLD	Oct 2010	5500	200	1600	3.5	1400
PLAT	Oct 2010	8600	400	2600	3.5	1400
PLAT	Jan-2011	8700	300	2600	3.5	1400
WTIO	Aug 2010	6000		1900	3.5	n/a
WTIO	Dec 2010	6300	200	1900	3.5	n/a
BEAN	Jul-2010	21000		6000	3.5	3500
BEAN	Sep-2010	21000		6000	3.5	3500
BEAN	Nov-2010	21000		6000	3.5	3500
MEAL	Dec-2010	19000		5400	3.5	3500
MEAL	Jan-2011	19000		5400	3.5	3500
MEAL	Feb-2011	19000		5400	3.5	3500
OILS	Sep-2010	11000		3300	3.5	3500
OILS	Dec-2010	11000		3300	3.5	3500
OILS	Mar-2011	11000		3300	3.5	3500



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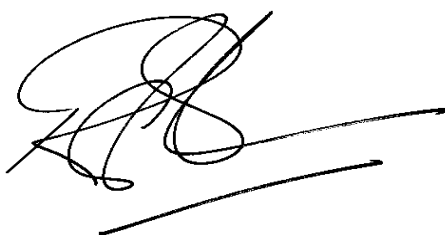
**Executive Directors:** RM Loubser (CEO), NF Newton-King, F Evans (CFO), JH Burke, LV Parsons  
**Non-Executive Directors:** HJ Borkum (Chairman), AD Botha, ZL Combi, MR Johnston, DM Lawrence, W Luhabe, A Mazwai, NS Nematswerani, N Nyembezi-Heita, N Payne, G Serobe  
**Alternate Director:** J Berman

\* Changes in **red** denote an increase and **green** a decrease in initial margin.

Please note in terms of the series spread margin, considering a white or yellow maize opposite open position to corn, this will remain at R3500 per contract. It is important that the difference in initial margin between the products is added to the series spread margin in order to determine the total initial margin required. Depending on the expiry, the margin could increase by anything between R300 and R1400 (eg 10 000 –8600 =1400) per contract. Please note that there is also offset between GOLD and PLAT.

Should you have any queries regarding the margining methodology in use, please contact Chris Sturgess on 011 520-7299 or Graham Voller on 011 520-7176 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.safex.co.za/pub/APD%20Margin%20Requirements/2009/>



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