

## Market Notice

**Number:** A1831  
**Date:** 20 June 2013

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

The cash settled 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 **Wednesday 26 June 2013** for settlement on **Thursday 27 June 2013**:

Contract Code	Expiry Date	Fixed Margin	Margin Change	Calendar Spread Margin	Series Spread Margin
CORN	Jul-13	20800	0	6100	5000
CORN	Sep-13	20200	1800	6100	5000
CORN	Dec-13	19300	1505	6100	5000
CORN	Mar-14	19900	1600	6100	5000
CORN	May-14	20300	1700	6100	5000
CORN	Jul-14	20700	1700	6100	5000
BEAN	Jul-13	31900	0	9700	2700
BEAN	Sep-13	33000	3900	9700	2700
BEAN	Nov-13	32000	3800	9700	2700
MEAL	Jul-13	32400	0	9900	n/a
MEAL	Sep-13	34100	5300	9900	n/a
MEAL	Dec-13	32500	4900	9900	n/a
OILS	Jul-13	15300	0	4700	n/a
OILS	Sep-13	15700	200	4700	n/a
OILS	Dec-13	16200	800	4700	n/a
KANS	Jul-13	9100	0	2900	4500
KANS	Sep-13	9700	400	2900	4500
KANS	Dec-13	10000	400	2900	4500
REDW	Jul-13	10000	0	3400	4500
REDW	Sep-13	10700	500	3400	4500
REDW	Dec-13	11100	600	3400	4500
REDW	Mar-14	11600	200	3400	4500
REDW	Jul-14	11800	200	3400	4500
REDW	Dec-14	12200	200	3400	4500
COPP	Sep-13	6200	500	1880	n/a
COPP	Dec-13	6300	100	1880	n/a



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Member of the World Federation of Exchanges

**Executive Directors:** NF Newton-King (CEO),  
A Takoordeen (CFO)

**Non-Executive Directors:** HJ Borkum (Chairman), AD Botha,  
MR Johnston, DM Lawrence, A Mazwai, Dr. MA Matoane,  
NP Mnxasana, NS Nematswerani, N Nyembezi-Heita, N Payne

**Alternate Directors:** JH Burke, LV Parsons

**Company Secretary:** GC Clarke

<b>Contract</b>	<b>Expiry</b>	<b>Fixed</b>	<b>Margin</b>	<b>Calendar Spread</b>	<b>Series Spread</b>
Code	Date	Margin	Change	Margin	Margin
GOLD	Sep-13	8700	400	2600	700
GOLD	Dec-13	8900	0	2600	700
PLAT	Sep-13	10300	700	3200	700
PLAT	Dec-13	10700	200	3200	700
SILV	Sep-13	9900	300	3000	n/a
SILV	Dec-13	10300	100	3000	n/a
WTIO	Sep-13	9800	1300	3000	n/a
WTIO	Dec-13	9900	500	3000	n/a
QBRN	Aug-13	9000	100	2700	n/a
QBRN	Nov-13	8900	0	2700	n/a
QCFF	Aug-13	3400	300	1000	n/a
QCFF	Nov-13	3500	400	1000	n/a
QCOC	Aug-13	1600	0	500	n/a
QCOC	Nov-13	1600	100	500	n/a
QCOP	Aug-13	6500	100	2000	n/a
QCOP	Nov-13	6600	0	2000	n/a
QCRN	Aug-13	2500	100	700	n/a
QCRN	Nov-13	2300	0	700	n/a
QCTN	Aug-13	3200	0	1000	n/a
QCTN	Nov-13	3200	0	1000	n/a
QGAS	Aug-13	9300	400	2700	n/a
QGAS	Nov-13	8700	200	2700	n/a
QGLD	Aug-13	6600	300	2000	700
QGLD	Nov-13	6700	0	2000	700
QHEA	Aug-13	6400	0	1900	n/a
QHEA	Nov-13	6400	100	1900	n/a
QNAT	Aug-13	5600	100	1700	n/a
QNAT	Nov-13	5900	0	1700	n/a
QPLD	Aug-13	5100	400	1500	n/a
QPLD	Nov-13	5100	100	1500	n/a
QPLT	Aug-13	9700	0	2900	700
QPLT	Nov-13	9700	0	2900	700
QSIL	Aug-13	10400	600	3200	n/a
QSIL	Nov-13	10500	300	3200	n/a
QSUG	Aug-13	1900	200	600	n/a
QSUG	Nov-13	2000	300	600	n/a

\* 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 CORN and SORG
- GOLD and PLAT
- WEAT, REDW and KANS
- MSOY/ SOYA and BEAN (R700 /R1400/ R2700)

It is important that the difference in outright initial margin between the various products is added to the series spread margin in order to determine the total initial margin required per structure.

The JSE Risk Management Team has carefully assessed the correlation between the white and yellow maize and US corn contracts to ensure the series spread margin is sufficient. This assessment has confirmed the short term correlation to be weak thereby requiring the series spread margin to increase to **R5000 per contract per leg**. It is important that the difference in the outright initial margin of the commodities involved is also added to the combined initial margin required.

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)



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