

**Offering a faster and more enhanced way  
of accessing the central order book**

**JSE**

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**EQUITY MARKET**

**DIRECT MARKET ACCESS (DMA)**

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

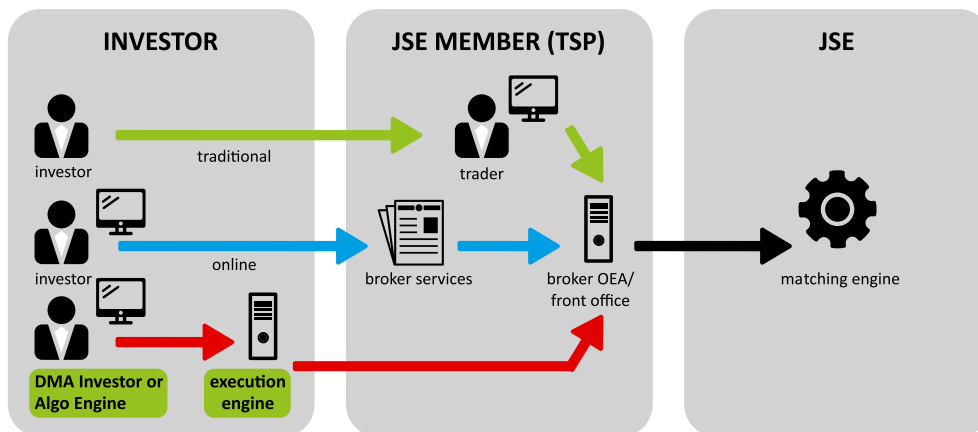


Johannesburg  
Stock Exchange

As South African financial markets evolved from open outcry to electronic based trading the need also arose for investors to gain quicker and enhanced access to the central order book through superior connectivity solutions, as a JSE Equity Market Member or via this entity who is an authorised Trading Services Provider (TSP). Today most major sell-side JSE member firms provide Direct Market Access (DMA) services to their clients alongside their traditional order management services and algorithmic trading solutions. In so doing, TSPs are providing access to a range of different strategies without immediate intervention.

## Direct Market Access (DMA)

DMA is the process whereby an investor submits an electronic order to a TSP. This order is then received by the TSP and routed by means of the TSP's operated order entry application (OEA) to the JSE's New Equity Market Trading and Information Solution. As a DMA client you are afforded the ability to participate in the auction periods and continuous trading periods with relative ease and speed.



- ▶ Fast order management and execution, allowing for arbitrage, with direct access to the JSE's New Equity Market Trading and Information Solution via the TSP
- ▶ To trade market depth directly on the central order book.

## DMA Advantages

DMA clients have a number of advantages over clients who do not have direct access to the central order book:

- ▶ **Faster Execution** – Automated risk filters and controls allow orders to be executed directly on the JSE's New Equity Market Trading and Information Solution via the TSP
- ▶ **Auction participation** – DMA traders will have the ability to also participate in the pre-market and post-market auctions where the highest or lowest price often occurs.
- ▶ **Pricing** – DMA traders should be able to trade at a slightly better price than traditional or online methods as there are fewer resource requirements required by the TSP to facilitate order entry and maintenance.
- ▶ **Anonymity** – Often attractive to institutional traders who would prefer TSPs to have limited knowledge about their trading strategy. DMA therefore allows them to place orders via multiple member firms.

## Colocation and DMA

The JSE Colocation facility provides the lowest-latency connection to JSE markets, allowing customers to host their infrastructure in the same vicinity as the infrastructure that drives the markets at the JSE. This will enable low latency trading strategies through high speed trading and market data access. DMA clients also have the ability to take up a rack in the JSE Colocation environment and thereby trade at the lowest latency provided that their JSE facing enablements are that of a JSE accredited member firm.

### 3 Easy steps to becoming a DMA client

1. Contact a JSE authorised Trading Service Provider of your preference - [Broker List](#)
2. Your preferred TSP will need to complete the [Equity Market DMA Questionnaire](#) which will be submitted to [customersupport@jse.co.za](mailto:customersupport@jse.co.za) for approval.
3. The selected TSP will need to apply for DMA trader ID(s) using the: [Registered Securities Trader Application Form](#)

Please refer to page 12 in the Equity Market DMA Questionnaire for a high level overview of the OEA process.

The evaluation and approval time-line for all applications is 20 working days. If the submitted documentation is incomplete, the JSE will request the member to resubmit the application and the approval process will restart from the date of resubmission.

For more information, potential DMA clients can contact our Client Services Centre on the details below.

#### For additional information contact:

JSE

Equity Market

+27 11 520 7777

[customersupport@jse.co.za](mailto:customersupport@jse.co.za)

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



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