

MARKET NOTICE

Johannesburg
Stock Exchange

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Number: **181/2016**
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
Date: 4 April 2016

SUBJECT: **INTRODUCING APRIL 2016 QUANTO SOYBEAN MEAL CAN-DO CONTRACT**

Name and Surname: Chris Sturgess
Designation: Director Commodities & Key Client Management

The April 2016 Quanto Soybean meal Can-Do futures contract will be listed for trading on 5 April 2015. Insofar as any contractual provision set out below is inconsistent with the rules and regulations (“Rules”) of the JSE Limited (“JSE”), the Rules will prevail unless the JSE expressly permits the Parties to give effect to their contractual provision.

Contract Specifications – Commodity Can-Do XQSM

GENERAL TERMS	
Description	APR 16 QUANTO SOYBEAN MEAL COMMODITY CAN-DO
Can-Do Name	Can-Do XQSM
Can-Do-Code	XQSM
Contract Size	1 contract = 100 Short tons (91 metric tons)
Reference Contract	Soybean meal (product symbol 06K16), May 2016 expiry month as traded on CBOT, a subsidiary of the CME Group Inc.
Quotations	Denominated in South African Rand (ZAR) with the contract price referencing the foreign underlying commodity market for the expiry linked delivery period.
Minimum Price Movement	R0.10 ZAR per contract unit

JSE Fees	R8.00 per contract (INCL VAT)
Initial Margin	R2,000 per contract
Series spread margin	N/A
Position Limits	Not applicable
Trade Date	The date the Can-Do position is first entered into by the clients and captured by the JSE
Business Day	Any day on which banks are open for a normal trading day in Johannesburg and grain prices are published by the JSE.
Underlying	
Underlying Future	<p>A Soybean meal futures contract that is cash settled and traded in ZAR, but mimics the performance of the foreign referenced USD price of soybean as traded on CBOT (product symbol 06K16), a subsidiary of the CME Group Inc.</p> <p>Any relative price change in the latter will be matched by the former in ZAR.</p> <p>The JSE reserves the right to amend the contract specifications including settlement methodology should this be amended by the reference exchange</p>
Daily MTM	Snapshots of the underlying derivative contract will be taken between 16h55 and 17h00. Based on the random snapshot selected the MTM will be calculated as the middle of the double based on best bid and offer. There will be no foreign exchange rate adjustments
Daily MTM time	16h55 -17h00
Initial reference level	As agreed by the Long and the Short Party on the trade date in Rand per bushel. Confirmed by the EFR transaction generated by the exchange upon confirmation of the Can-Do trade. The report only transactions will be facilitated by the JSE.
Underlying Currency	Rand (ZAR)
Last trading date and final valuation date	28 April 2016
Settlement Date	28 April 2016
Valuation Frequency	Daily between 16h55 and 17h00
TERMS & CONDITIONS – Can Do XQSM	
Type	Can Do Future
Buyer	Is the party that is the Long Party to the Can Do Future
Seller	Is the party that is the Short Party to the Can- Do Future
Initial Futures Price	As agreed by the counter parties, EFR or trade level

PROCEDURE AT EXPIRATION	
Final valuation and cash settlement	The final settlement price will refer to an average of 15 iterations referencing trades in the underlying derivative contract, taken every 1 minute for a period of 15 minutes ending at 17h00 South African time

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, Can-Do.

Should you have any queries regarding this notice, please contact commodities@jse.co.za

This Market Notice will be available on the website at <https://www.jse.co.za/redirects/market-notice-and-circulars>