
MARKET NOTICEJohannesburg
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Number: 275/2016
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
Date: 23 May 2016

SUBJECT: PROPOSAL TO INTRODUCE A CONTINUOUS CALENDAR MONTH FOR THE BEEF CONTRACT

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Designation: Director Commodities & Key Client Management

Dear Stakeholder,

You will recall that, since we launched the Beef Carcass Contract towards the end of last year, we have been trading four main hedging months as stated in the contract specifications. These are March, June, September and December hedging months.

In our ongoing consultation with market participants active in the beef sector, we received a request to consider listing continuous calendar months, arguing that the beef carcass has a shorter shelf life than grains and so opening up continuous months for trading will bring the beef carcass contract in line with actual marketing of beef in the physical market.

This notice therefore serves to propose the introduction of continuous expiries of the beef carcass contract. However, in order to proceed along this route, we are required to update our contract specification to accommodate the continuous series of expiry months and so propose the following:

“Four main hedging months, namely, March, June, September and December shall be listed at any given time with any further out expiries introduced based on market demand.

All other calendar months (constant months) will be introduced on the first Wednesday of the calendar month prior to expiry month. Once introduced, the constant month will be traded in the same fashion as the four main hedging months.”

Please could market participants consider the above request especially the proposed introduction dates and confirm your support or reservations via email to commodities@jse.co.za no later than **Monday 30 May 2016**. We will then publish a final market notice confirming the outcome.

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