
MARKET NOTICEJohannesburg
Stock ExchangeTel: +27 11 520 7000
www.jse.co.za**Number:** 461A/2016**Relates to:**

- Equity Market
- Equity Derivatives
- Commodity Derivatives
- Interest Rate and Currency Derivatives

Date: 23 August 2016**SUBJECT:** PROPOSED AMENDMENTS TO THE EQUITIES DIRECTIVES – TRADE TYPES AND TRADING SESSIONS**Name and Surname:** Shaun Davies**Designation:** Director: Market Regulation

Members are advised that the proposed amendments to the JSE equities directives, attached as Annexure A, were adopted by the JSE executive committee on 23 August 2016.

The proposed amendments are necessitated by the anticipated completion of phase 1(a) of the ITaC project, which goes live on 26 September 2016 and will deliver enhancements to the Equities market in the form of the addition of two new trade types, a new trading session and the extension of an existing trading session to more segments.

The Closing Price Cross trading session, which is currently only active in ZA01, will now also take place in segments ZA02, ZA03 and ZA06 after the publication of the closing price. The session will last for five minutes and will be followed by the new End of Day (EOD) Volume Auction trading session.

A Cross Trade (XT) will result from the submission of a Cross Order with a price that is within the visible Best Bid and Offer price (BBO). The addition of this trade type will provide members with the ability to enter trades onto the central order book that have been entered into within their own firm.

The trading session that will be added is the End of Day (EOD) Volume Auction Trading session. This new trading session will last for five minutes, will be applicable to Normal Days, Early Close Days and Futures Close Out Days and will affect segments ZA01, ZA02, ZA03 and ZA06. This will be a 'Dark Auction' in which no order information will be published to the market and all trades will be published as Volume Auction Trades (VT) at the end of the uncrossing of the auction. Volume Auction Trades (VT) are struck by the matching of hidden orders and the session in which these trades will be entered into will be triggered by the Closing Price Cross Trading Session. In order for trades to qualify as VT trades, they must be large in size and as such will be validated against the Minimum Reserve Size (MRS) and thereafter time ranked for execution at the closing price.

Unless written objections are lodged within 10 days of this Notice in terms of rule 2.60.3, the proposed amendments to the equities directives will take effect on 26 September 2016.

Should you have any queries regarding this notice, please contact Paul Hartzenberg on (011) 520 7584 or at paulh@jse.co.za

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