

MARKET NOTICE

Number: 593/2016
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
Date: 27 October 2016
SUBJECT: JSE SYSTEM ISSUES 25 OCTOBER 2016
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Designation: Director Post-Trade Services

Stakeholders are advised that the JSE experienced issues with its equities clearing and settlement processes on 24 and 25 October 2016. The issue was caused by a technical error brought about during a code upgrade on the Equities Clearing System (ECS) on Saturday, 22 October 2016.

During end-of-day processing on Monday, 24 October 2016, a degradation of the ECS database performance was identified. The cause of the performance degradation was confirmed on Tuesday, 25 October 2016, and as such our clearing and settlement services for the cash equities market was sub-optimal. The performance issue was found to be as a result of the creation of a very large data file on Saturday, 22 October 2016, during the ECS code upgrade process. Following successful deployment of the ECS upgrade, the large data file was not removed as planned, and this resulted in performance degradation on the ECS database. The problematic data file was removed on Tuesday, 25 October 2016, and system performance thereafter returned to expected levels. However, the non-availability of services on the two days caused a backlog of transactions which the JSE processed overnight. The ECS system was back online, performing appropriately by 05h30 on Wednesday, 26 October 2016.

The market (JSE, Strate and the CSDPs), worked throughout the day on Wednesday, 26 October 2016 to clear remaining backlogs, and settlement was successfully completed on Wednesday, 26 October 2016 with no failed trades. All services have now returned to normal.

The JSE would like to sincerely thank stakeholders for their support in clearing the backlog in the market and apologise for the inconvenience caused.

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

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