

MARKET NOTICE

Johannesburg
Stock Exchange

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Number: 829/2015
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
Date: 30 December 15

SUBJECT: Listing New Can-Do Future (YLZQ) – Portfolio of Options on Quanto Basket

Name and Surname: Paolo Govetto
Designation: Head -Structured Products

The following Can-Do Portfolio of Options has been added to the list with immediate effect and will be available for trading as from today. 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 provisions

Summary Contract Specifications:

GENERAL TERMS	
Description	Portfolio of Options on Quanto Global Emerging Market Basket Future
Can-Do Name	Portfolio of Options – Collar
Can-Do Code	YLZQ
Contract Size (Multiplier)	10 (for the avoidance of doubt, this means that each option references Basket, multiplied by 10 ZAR)
Minimum Price Movement	One one -hundredth of one Rand (i.e. 0.01)
Quotations	Price per Option
Clearing House Fees	https://www.jse.co.za/content/JSEpricingItems/JSEBookingFees.pdf Please note this contract can go negative.
Initial Margin	R 14 500

Class Spread Margin	0
V.S.R.	5; recognition will be given to potential moves in the implied volatility skew when calculating the initial margin for this contract.
Trade Date	The date the Can-Do option position is first opened on the JSE
Business Day	Any day on which banks are open for a normal trading day in Johannesburg and share prices are published by the JSE.
Option Type	Options of Futures
Option Style	European
Underlying	Global Emerging Market Basket
Basket	As per Annexure A
Initial Basket Reference Level	As per Annexure A
Quanto Basket FX Rate	Fixed Rate of 1 ZAR to 1 unit of constituent's foreign currency. The basket contains constituents priced in a number of different currencies, and each will be converted to ZAR on an individual basis (at a fixed rate of 1 ZAR to 1 unit of foreign currency) before the basket itself is valued.
TERMS & CONDITIONS	
Option 1	
Type	Vanilla Put
Buyer	is the Long Party to the Can-Do option
Seller	is the Short Party to the Can-Do option
Strike Price	(9 000) 90.00% of the Initial Basket Reference Level
Option 2	
Type	Vanilla Call
Buyer	is the Short Party to the Can-Do option
Seller	is the Long Party to the Can-Do option
Strike Price	(10 660) 106.60% of the Initial Basket Reference Level
PROCEDURE FOR EXERCISE	
Expiration Date	19th December 2016
Expiration Time	Scheduled Closing Time on the JSE on the Expiration Dates
Final Valuation Date	15th December 2016

Final Valuation Date	For Foreign Shares - Closing level of the Share on Final Valuation Date
Expiration Methodology	The contract expires on the Expiration Date and Time using the valuation taken at the Valuation Date and Time for Foreign share.
Reference Price	The level of the Underlying (as published by the JSE) at the Valuation Time on the Expiration Date and the official published closing spot on valuation date for foreign shares.
Automatic Exercise	Applicable.
Option Cash Settlement	Applicable. If the Option Cash Settlement Amount is greater than zero, the Seller shall pay the Buyer the Option Cash Settlement Amount for the number of Options held at the Expiration and Valuation Date and/or vice versa.
Option Cash Settlement Amount	The strike price differential for Option 1 multiplied by the number of contracts multiplied by the multiplier; less The strike price differential for Option 2 multiplied by the number of contracts multiplied by the multiplier
Strike Price Differential	For Option 1: Means an amount equal to the greater of: a) the Strike Price minus the Reference Price; and b) zero For Option 2: Means an amount equal to the greater of: a) the Reference Price minus the Strike Price; and b) zero.

Please note that while the underlying assets are denominated in inter alia USD, GBP, HKD and KWD, this instrument's value and pay-off profile is not dependent on the ZAR value of any one or subset of these currencies or the Rand value of the underlying assets.

Annexure A

RIC	Bloomberg Code	Quote Currency	Reference Price	Basket Shares	Basket Value	
EEM.P	EEM US Equity	USD	32.86	9,592,428	315,207,184.08	
.JTOPI	Top40 Index	ZAR	45,988.61	1,614	74,225,616.54	
EWZ.P	EWZ US Equity	USD	21.85	2,309,799	50,469,108.15	
TTM.N	TTM US Equity	USD	29.36	853,849	25,069,006.64	
TSM.N	TSM US equity	USD	23.17	347,044	8,041,009.48	
					473,011,924.89	
					Initial Divisor	47,301.19
					Basket Reference Price	10,000.00

The above instrument has been designated as “Foreign” by the South African Reserve Bank

*The JSE reserves the right to amend the levels of the Initial Margin, Class Spread Margin and V.S.R.

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Can-Do Type	Portfolio of Options
Can-Do Underlying Type	Basket as per Annexure A
Can-Do Underlying Code	YLZQ
Non-Linear Flag (Y/N)	Yes
Zero Fee OTM Flag (Y/N)	No

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

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