

MARKET NOTICE

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NOTICE NO. 109/2015

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RELATES TO

<input type="checkbox"/>	Equity Market
<input type="checkbox"/>	Equity Derivatives Market
<input checked="" type="checkbox"/>	Commodity Derivatives Market
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DATE: 20 February 2015

SUBJECT: INTRODUCING MARCH 2015 BREAD MILLING WHEAT COMMODITY CAN-DO

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 Market: Capital Markets
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The March 15 Bread milling wheat Commodity Can-do future contract will be listed for trading on 25 February 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 - Wheat Commodity Can-Do XWHT

GENERAL TERMS	
Description	MARCH 2015 BREAD MILLING WHEAT COMMODITY CAN DO
Can-Do Name	Can-Do XWHT
Can-Do-Code	XWHT
Contract Size (Multiplier)	1 contract = 50 tons for the avoidance of doubt, this means that each contract will reference a price per ton multiplied by 50

Quotations	Price per ton in Rand
Minimum Price Movement	R0.20 per ton
JSE Fees	R14.00 per contract (INCL VAT) (28 cents per ton)
Initial Margin	R10,800
Series spread margin	As per Wheat spread margin
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	WEAT futures contract meeting all specifications as listed and traded on the Commodity Derivatives Division of the JSE
Daily MTM adjustments	Tracking the nearby WEAT listed expiry month and deducting: <ul style="list-style-type: none"> • JSE standard wheat storage at R0.77 cents per ton per day • Financing cost calculated as (# of days from and including 2 March 2015 <i>multiplied</i> by nearby WEAT futures MTM <i>multiplied</i> by Prime less 2.00%) <i>divided</i> by 365 days
Initial reference level	As agreed by the Long and the Short Party on the trade date in Rand per ton. Confirmed by the EFR transaction generated by the exchange upon confirmation of the Can-Do trade. The execution of the Can-Do will trigger an automated allocation of the underlying WEAT future contracts between the buyer and seller to create an equal and opposite XWHT Can-do. The report only transactions will be facilitated by the JSE.
Underlying Currency	Rand (ZAR)
Underlying physical commodity	Wheat as defined by the contract code WEAT and presented by the issue of JSE silo receipts
Final Evaluation Date	Expiration date confirmed as 23 March 2015
Valuation Frequency	Daily at 12h00 as per the JSE MTM process for grain products
TERMS & CONDITIONS – Can Do XWHT	
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	
Expiration Date and Time	12h00 on the business day prior to last trading day for the WEAT contract, for avoidance of doubt 23 March 2015
Reference Price including final valuation	The underlying WEAT Mar15 commodity price as determined on expiration date including the defined adjustments for storage and financing costs. The storage and financial costs will be calculated based on the next business day following expiration.
Can-Do : Cash Settlement with futures equivalent positions booked in the underlying reference month at expiration date	The XWHT contract will be cash settled at the calculated reference price with an equal and opposite WEAT Mar15 future position created at the same level. For avoidance of any doubt, the party that sells back the XWHT Mar15 will buy WEAT Mar15 future contract and the party that buys back the XWHT Mar15 will sell the WEAT Mar15 future contracts. The WEAT Mar15 positions will be captured as a report only trade before 14h30 on the expiration date.
Location Differential and grade discounts	Not applicable

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, Cando.

If there are any further questions regarding the new product, please feel free to contact Anelisa Matutu on 011 520 7158 or use the group e-mail commodities@jse.co.za

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