

MARKET NOTICE

Number: 221/2015

Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives

Date: 1 April 2015

SUBJECT: LISTING ALSI40 USD FENCE PORTFOLIO (YKRQ)

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Designation: Head – Structured Products, Capital Markets

The following new Can-Do has been added to the list with immediate effect and will be available for trading 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	ALSI40 USD Fence Portfolio
Can-Do Name	YKRQ
Can-Do Code	YKRQ
Contract Size (Multiplier)	10 (for the avoidance of doubt, this means that each instrument references the Index, multiplied by 10 ZAR)
Minimum Price Movement	One one-hundredth of an Index point (i.e. 0.01)
Quotations	Of the underlying Index, the value to two decimal places Note: This contract can have a NEGATIVE value
Fees	0 Negative Cando Fees
Business Day	Any day on which banks are open for a normal trading day in Johannesburg and the Index is published by the JSE.
Initial Trade Date	The date the position is first opened on the JSE

Underlying Index (IX)	FTSE/JSE Top 40 Index (J200)
Underlying Currency (C)	ZARUSD expressed in Units of ZAR per 1 unit of USD
Underlying Option Style	European
Initial Reference Level (REF₀)	$REF_0 = IX_0 / C_0 = 3854.309$ Where: IX_0 = Underlying Index at Initiation or Trade (46535), and C_0 = Underlying Currency at Initiation of Trade (12.0735)
RISK PARAMETERS	
(The JSE reserves the right to amend the levels of the Initial Margin, Class Spread Margin and V.S.R.)	
Initial Margin	R56 500
Class Spread Margin	R0
V.S.R.	5.0
OPTION 1	
Type	Vanilla Put
Buyer	The Short Party to the Can-Do Instrument
Seller	The Long Party to the Can-Do Instrument
Strike Price K1	80% (3083.45) of the Initial Index Reference Level REF₀
OPTION 2	
Type	Vanilla Put
Buyer	The Long Party to the Can-Do Instrument
Seller	The Short Party to the Can-Do Instrument
Strike Price K2	90% (3468.88) of the Initial Index Reference Level REF₀
OPTION 3	
Type	Vanilla Call
Buyer	The Short Party to the Can-Do Instrument
Seller	The Long Party to the Can-Do Instrument
Strike Price K3	108.7% (4189.63) of the Initial Index Reference Level REF₀

EXPIRATION AND VALUATION	
Expiration Date	18 June 2015
Expiration Time	Contract expires at 17:00 on the Expiration Date
Expiration Index Level (IX_F)	The level of the Underlying Index as at the end of the Close-Out Auction starting at 12h00 SA Time on the Expiration Date
Expiration Currency Level (C_F)	The level of the Underlying Currency on Expiration Date. This is determined using the same expiration methodology utilized for the standard currency futures on the standard quarterly expiry dates. This is expressed in units of ZAR per 1 unit of USD. <i>Expiration Methodology:</i> <i>For the Dollar/Rand: 10 Iterations, Arithmetic average of the underlying traded spot price taken every 30 seconds for a period of 5 minutes, commencing at 09:55am ending at 10:00am New York time.</i>
Expiration Reference Level REF_F	$REF_F = IX_F / C_F$
Automatic Exercise	Applicable. For the avoidance of doubt, all Options will be automatically exercised (either together or separately) where the Strike Price Differential for that Option is greater than zero.
Cash Settlement	Applicable, for all Options. If the Strike Price Differential for a given Option is greater than zero, the Short Party shall pay to the Long Party the Cash Settlement Amount for the number of Options held at the Expiration Date.
Strike Price Differential	For the BUYER of the Can-Do Instrument: For Option 1: $DIFF1 = (-1) \times \text{MAX}((K1 - REF_F), 0)$ For Option 2: $DIFF2 = (+1) \times \text{MAX}((K2 - REF_F), 0)$ For Option 3: $DIFF3 = (-1.5) \times \text{MAX}((REF_F - K3), 0)$
Cash Settlement Amount	Cash Settlement Amount = (DIFF1 + DIFF2 + DIFF3) X Multiplier X C_F
Settlement Currency	ZAR

This instrument is designated as FOREIGN by the South African Reserve Bank

FOR OFFICE USE ONLY	
Can-Do Type	PFOL (Portfolio of Options)
Can-Do Underlying Type	Index
Can-Do Underlying Code	J200
Non-Linear Flag (Y/N)	Yes
Zero fee OTM Flag (Y/N)	No

Contact Details:

Should you have any queries regarding Can-Do Instruments, please contact the Structured Products Team:

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