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**MARKET NOTICE**Johannesburg  
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[www.jse.co.za](http://www.jse.co.za)

**Number:** 572/2015  
**Relates to:**  Equity Market  
 Equity Derivatives  
 Commodity Derivatives  
 Interest Rate and Currency Derivatives  
**Date:** 17 September 2015

**SUBJECT:** WHEAT GRADE DISCOUNTS APPLICABLE TO THE 2015/16 MARKETING SEASON

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**Designation:** Director Commodities & Key Client Management

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Dear Stakeholder,

Further to Notice 550A/2015, the wheat grade discounts for the 2015/16 marketing season have been calculated based on the revised methodology:

- An arithmetic average of the near dated December expiry daily mark-to-market (mtm) for the JSE wheat (WEAT) futures contract will be referenced;
- The rate will be finalized including mtm data on the 15th September each year (if this not a business day, the first business day prior);
- A six month reference period will be applied commencing from and including 15th March each year (if this is not a business day, the first business day prior);
- The December WEAT expiry is the only expiry month considered in the methodology;
- Once the average futures price is calculated for the period, then 4% and 8% is applied to this value to determine the B2 and B3 wheat grade discounts for the next marketing season;
- The final grade discount will be rounded off to the closest R5 interval

The wheat grade discounts applicable from 01 October 2015 through until 30 September 2016 is thus as follows:

**Grade B1 par**  
**Grade B2 -R155 per ton**  
**Grade B3 -R310 per ton**

Participants are reminded the above grade discounts will be applied to all physical deliveries tendered in completion of a futures contract in order to facilitate standardization of the wheat contract.

Should you have any questions regarding the above, please do not hesitate to contact the Commodities Team at 011 520 7039 or email [commodities@jse.co.za](mailto:commodities@jse.co.za)

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