

MARKET NOTICE

Johannesburg
Stock Exchange

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Number: 260/2018
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
Date: 25 June 2018

SUBJECT: INTRODUCTION OF CIRCUIT BREAKERS ON SEGMENTS ZA04 (WARRANTS) AND ZA06 (EXCHANGE TRADED PRODUCTS)

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Dear JSE Client,

As part of our strategic commitment to building better markets through facilitating price discovery, protecting investors and facilitating best execution, the JSE in consultation with the Trading Advisory Committee and product issuers, has revised the mechanisms available to achieve this commitment in Segments ZA04 (Warrants) and ZA06 (Exchange Traded Products (ETPs)).

Members are hereby advised that effective 1 August 2018, the JSE will introduce both Static and Dynamic Circuit Breakers on Segments ZA04 (Warrants) and ZA06 (ETPs) in the trading session as per the table below. The breaching of these percentages will result in a five minute Volatility Auction.

Trading Session	ZA04		ZA06	
	Static Circuit Breaker %	Dynamic Circuit Breaker %	Static Circuit Breaker %	Dynamic Circuit Breaker %
Continuous Trading	50%	8%	15%	5%
Closing Auction Call	n/a	n/a	20%	8%
Opening Auction Call	20%	15%	20%	8%
Re-opening Auction Call	20%	15%	20%	8%
FCO Auction Call	30%	6%	30	4%
Volatility Auction Call	15%	8%	15%	5%

This is done in order to preserve the integrity of our markets and protect investors. It must be noted that Circuit Breakers in themselves do not prevent the execution of a 'fat-finger' and/or a clearly erroneous order. Instead, they trigger an extended volatility auction on the affected security thus allowing the members to assess their orders and to consider taking corrective action. At the end of the five minutes Volatility Auction, active orders in the central order book will be matched and will result in firm trade(s) which will stand.

This functionality will be available in the Customer Testing Services (CTS) environments from today Monday, 18 June 2018 for software providers and own solution developers to test. Volume 00 on the JSE services page will also be updated accordingly with details of the change available at <https://www.jse.co.za/services/technologies>

Should you have any queries regarding this notice, please contact edm@jse.co.za or Customer support at CustomerSupport@jse.co.za or 011 520 7777

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