

MARKET NOTICE

Johannesburg
Stock Exchange

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Number: 315/2018
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
 Bonds and ETP
 Primary Markets

Date: 6 August 2018

SUBJECT: INTRODUCTION OF CIRCUIT BREAKERS ON SEGMENT ZA06 (EXCHANGE TRADED PRODUCTS)

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Designation: Director - Capital Markets

Dear JSE Client,

Following Market Notice 260/2018 we issued on 25 June 2018, we would like to advise the market that the JSE has successfully completed testing the circuit breaker mechanism for trading segment ZA06 [Exchange Traded Products (ETPs)].

Members are hereby advised that with effect from 20 August 2018, the JSE will introduce both Static and Dynamic Circuit Breakers on trading segment ZA06 (ETPs) in continuous trading session as per the table below.

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

A breach of these percentages will result in a five minute Volatility Auction. This is done in order to preserve the integrity of our markets and to protect investors. It must be noted that Circuit Breakers on their own 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 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.

Should you have any queries regarding this notice, please contact edm@jse.co.za or the Client Services Centre 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-notice-and-circulars>