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

Date: 21 February 2018

SUBJECT: PROPOSAL TO INCREASE STANDARD CONTRACT SIZE FOR SOYA BEANS

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Designation: Head - Commodities

Dear Market Participant,

There has been a request from the oilseeds industry for the JSE to consider increasing the standard size of the physically settled soya bean contract (SOYA) from the current 50 metric tons to 100 metric tons. The oilseed industry is of the opinion that production of soya beans in the country has increased substantially, culminating in record production of 1.3 million metric tons last season.

This is not the first time adjustment to the contract size is being contemplated. You will recall that around March 2013 the SOYA contract size was increased from 25 metric tons to 50 metric tons and, for a period of 12 months, we had a mini contract of 25 metric tons (MSOY) coexisting with the standard contract of 50 metric tons (SOYA) before the MSOY was phased out.

Similarly, in our deliberations about the introduction of a 100-ton SOYA contract, we are inviting you to consider whether the current 50-ton contract can be retained as a mini contract or whether it should be phased out over time. Should we ultimately decide to increase the contract size, it is most likely going to be introduced in the 2020/21 marketing season.

Kindly share your thoughts about this proposal and should you have any queries please contact me directly or Vuyo Mpumza on 011 520 7039 or e-mail commodities@jse.co.za

Should you have any queries regarding this notice, please contact commodities@jse.co.za

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