

## Market Notice

**Number:** A1527

**Date** 23 November 2011

### Changes to Initial Margin Requirements – Foreign Referenced Commodities

The cash settled CORN, REDW, SOY COMPLEX (BEAN, MEAL and OILS), GOLD, PLAT, WTIO, COPP and SILV contracts initial margin requirements are determined using the same methodology as per the currency futures. Margins are adjusted on a monthly basis unless market conditions require otherwise.

Please note the following changes to initial margin requirements as indicated below will take effect **Monday 28 November 2011 for settlement on Tuesday 29 November 2011:**

Contract Code	Expiry Date	Fixed Margin	Margin Change	Calendar Spread Margin	Series Spread Margin
CORN	Dec-11	16300	300	5000	3000
CORN	Mar-12	16700	300	5000	3000
CORN	May-12	17000	300	5000	3000
CORN	Jul-12	17200	200	5000	3000
CORN	Sep-12	15900	100	5000	3000
BEAN	Mar-12	27100	300	8200	3000
BEAN	May-12	27300	900	8200	3000
MEAL	Dec-11	23400	0	7300	3000
MEAL	Mar-12	22600	1400	7300	3000
MEAL	May-12	22900	2800	7300	3000
OILS	Dec-11	16000	0	4900	3000
OILS	Mar-12	16100	300	4900	3000
OILS	May-12	16200	100	4900	3000
GOLD	Dec-11	8500	600	2600	700
GOLD	Apr-12	8700	700	2600	700
PLAT	Jan-12	9500	500	2900	700
PLAT	Apr-12	9600	500	2900	700
WTIO	Dec-11	7300	0	2600	n/a
WTIO	Feb-12	8300	900	2600	n/a
WTIO	Jun-12	8900	0	2600	
COPP	Dec-11	5300	0	1600	n/a
COPP	Mar-12	5600	200	1600	n/a
SIL	Dec-11	11900	0	3900	n/a
SIL	Mar-12	13200	1000	3900	n/a
REDW	Dec-11	8900	0	3100	4000
REDW	Mar-12	9500	0	3100	4000



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**Alternate Directors:** JH Burke, LV Parsons

REDW	Jul-12	10100	100	3100	4000
REDW	Sep-12	10500	0	3100	4000
REDW	Dec-12	11000	100	3100	4000

\* Changes in **red** denote an increase and **green** a decrease in initial margin.

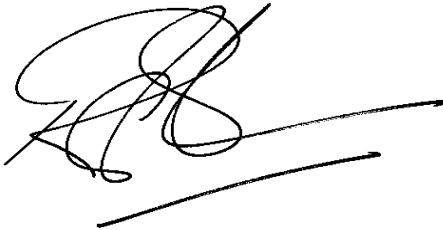
Please note in terms of the series spread margin, offset margin is recognized for the following products:

- WMAZ/YMAZ and CORN
- GOLD and PLAT
- WEAT and REDW

It is important that the difference in outright initial margin between the products is added to the series spread margin in order to determine the total initial margin required per structure. As an example, in terms of the maize and corn spread position, depending on the expiry, the margin could increase by anything between R5900 and R7200 (eg 16300 – 10000 = 6300) per contract.

Should you have any queries regarding the margining methodology in use, please contact the Commodities Team on 011 520 7535 or e-mail [commodities@jse.co.za](mailto:commodities@jse.co.za)

An updated list of all Safex initial margin requirements will be posted on the following FTP site: <http://www.jse.co.za/DownloadFiles.aspx?RequestedNode=DownloadableDocuments/Safex/APD%20Margin%20Requirements/2011>



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