

MARKET NOTICE

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Number: A2072
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SUBJECT: UPDATES TO INITIAL MARGIN REQUIREMENTS FOR THE COMMODITY DERIVATIVES SPOT MONTH

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Dear JSE Stakeholder

Changes to the initial margin requirements for commodity derivative products

Further to Notice A2071, please note the initial margin for the spot month has been adjusted.

Please note the follow changes will be introduced on Wednesday 27 August 2014 for settlement Thursday 28 August 2014.

Contract Code	Expiry Date	Initial Margin Requirement	Margin Change	Calendar Spread Margin	VSR	Series Spread Margin	Settlement Margin
WMAZ	2014/09/22	19500	8800	9100	3.5	5000	30,000
WNCI	2014/09/22	1950	880	910	3.5	500	3,000
WOPT	2014/09/22	11400	700	6740	3.5	5000	30,000
YMAZ	2014/09/22	14300	4200	7530	3.5	5000	30,000
YNCI	2014/09/22	1430	420	753	3.5	500	3,000
YOPT	2014/09/22	9900	-200	6500	3.5	5000	30,000
WEAT	2014/09/22	9300	500	4400	3.5	6500	20,000
CAPE	2014/09/22	9300	500	4400	3.5	6500	20,000
SUNS	2014/09/22	25300	8500	6900	3.5	n/a	30,000
SOYA	2014/09/22	23100	4300	10000	3.5	3400	30,000
SGBT	2014/09/22	25000	7000	7500	3.5	5000	40,000
SORG	2014/09/22	11400	-2600	3600	3.5	5000	30,000

Below the list of all margin requirements to be introduced on Wednesday **27 August 2014**:

Contract Code	Expiry Date	Initial Margin Requirement	Margin Change	Calendar Spread Margin	VSR	Series Spread Margin	Settlement Margin
WMAZ	2014/09/22	19500	8800	9100	3.5	5000	30,000
WMAZ	2014/10/24	11600	900	6740	3.5	5000	30,000
WMAZ	2014/12/22	11700	1000	6740	3.5	5000	30,000
WMAZ	2015/03/24	12000	1300	6740	3.5	5000	30,000
WMAZ	2015/05/22	12200	1500	6740	3.5	5000	30,000
WMAZ	2015/07/24	12400	1700	6740	3.5	5000	30,000
WNCI	2014/09/22	1950	880	674	3.5	500	3,000
WNCI	2014/12/22	1170	100	674	3.5	500	3,000
WMNC	2015/03/25	12000	100	6740	3.5	5000	n/a
WOPT	2014/09/22	11400	700	6740	3.5	5000	30,000
YMAZ	2014/09/22	14300	4200	7530	3.5	5000	30,000
YMAZ	2014/10/24	10200	100	6500	3.5	5000	30,000
YMAZ	2014/12/22	10200	100	6500	3.5	5000	30,000
YMAZ	2015/03/24	10400	300	6500	3.5	5000	30,000
YMAZ	2015/05/22	10500	400	6500	3.5	5000	30,000
YMAZ	2015/07/24	10500	400	6500	3.5	5000	30,000
YNCI	2014/09/22	1430	420	650	3.5	500	3,000
YNCI	2014/12/22	1020	10	650	3.5	500	3,000
YOPT	2014/09/22	9900	-200	6500	3.5	5000	30,000
YMNC	2015/03/25	10400	300	6500	3.5	5000	n/a
WEAT	2014/09/22	9300	500	4400	3.5	6500	20,000
WEAT	2014/10/24	7000	-1800	3950	3.5	6500	20,000
WEAT	2014/12/22	6800	-2000	3950	3.5	6500	20,000
WEAT	2015/03/24	7000	-1800	3950	3.5	6500	20,000
WEAT	2015/05/22	7000	-1800	3950	3.5	6500	20,000
CAPE	2014/09/22	9300	500	4400	3.5	6500	20,000
CAPE	2014/12/22	6800	-2200	3950	3.5	6500	20,000
SUNS	2014/09/22	25300	8500	6900	3.5	n/a	30,000
SUNS	2014/10/24	15200	-1600	5760	3.5	n/a	30,000
SUNS	2014/12/22	15200	-1600	5760	3.5	n/a	30,000
SUNS	2015/03/24	15500	-1300	5760	3.5	n/a	30,000
SUNS	2015/05/22	15500	-1300	5760	3.5	n/a	30,000
SOYA	2014/09/22	23100	4300	10000	3.5	3400	30,000
SOYA	2014/10/24	20500	1700	5830	3.5	3400	30,000

SOYA	2014/12/22	20800	2000	5830	3.5	3400	30,000
SOYA	2015/03/24	20500	1700	5830	3.5	3400	30,000
SOYA	2015/05/22	17900	-900	5830	3.5	3400	30,000
SGBT	2014/09/22	25000	7000	7500	3.5	5000	40,000
SORG	2014/09/22	11400	-2600	3600	3.5	5000	30,000
SORG	2014/12/22	11800	-3500	3600	3.5	5000	30,000
SORG	2015/03/24	12200	-3100	3600	3.5	5000	30,000
SORG	2015/05/22	12200	-3200	3600	3.5	5000	30,000
CORN	2014/09/02	12600	-1700	4100	3.5	5000	n/a
CORN	2014/12/01	13200	-1100	4100	3.5	5000	n/a
CORN	2015/03/02	13800	-500	4100	3.5	5000	n/a
CORN	2015/07/01	14700	400	4100	3.5	5000	n/a
BEAN	2014/09/02	30800	-1000	9200	3.5	6700	n/a
BEAN	2014/11/03	29900	-1900	9200	3.5	6700	n/a
BEAN	2015/03/02	31000	-800	9200	3.5	6700	n/a
BEAN	2015/05/04	31500	-300	9200	3.5	6700	n/a
MEAL	2014/09/02	30100	300	8600	3.5	6700	n/a
MEAL	2014/10/01	28200	-1600	8600	3.5	6700	n/a
MEAL	2014/12/01	28100	-1700	8600	3.5	6700	n/a
MEAL	2015/01/02	28000	-1800	8600	3.5	6700	n/a
MEAL	2015/03/02	28300	-1500	8600	3.5	6700	n/a
OILS	2014/09/02	9400	-2900	2900	3.5	n/a	n/a
OILS	2014/10/01	9500	-2800	2900	3.5	n/a	n/a
OILS	2014/12/01	9700	-2600	2900	3.5	n/a	n/a
OILS	2015/01/02	9800	-2500	2900	3.5	n/a	n/a
OILS	2015/03/02	10000	-2300	2900	3.5	n/a	n/a
KANS	2014/09/02	9000	-2700	3000	3.5	6600	n/a
KANS	2014/12/01	9400	-2300	3000	3.5	6600	n/a
KANS	2015/03/02	9700	-2000	3000	3.5	6600	n/a
KANS	2015/07/01	10000	-1700	3000	3.5	6600	n/a
KANS	2015/09/01	10400	-1300	3000	3.5	6600	n/a
KANS	2015/12/01	10800	-900	3000	3.5	6600	n/a
REDW	2014/09/02	9300	-3300	3200	3.5	6600	n/a
REDW	2014/12/01	9800	-2800	3200	3.5	6600	n/a
REDW	2015/03/02	10300	-2300	3200	3.5	6600	n/a
REDW	2015/07/01	11100	-1500	3200	3.5	6600	n/a
REDW	2015/09/01	11600	-1000	3200	3.5	6600	n/a
REDW	2015/12/01	12000	-600	3200	3.5	6600	n/a
DSEL	2014/09/01	2700	0	800	3.5	n/a	n/a
DSEL	2014/10/01	2700	-100	800	3.5	n/a	n/a
DSEL	2014/11/03	2700	-100	800	3.5	n/a	n/a

DSEL	2014/12/01	2700	-100	800	3.5	n/a	n/a
DSEL	2015/01/02	2700	-100	800	3.5	n/a	n/a
DSEL	2015/02/02	2800	0	800	3.5	n/a	n/a
DSEL	2015/03/02	2700	-100	800	3.5	n/a	n/a
BRNT	2014/09/15	8200	-400	2500	3.5	500	n/a
BRNT	2014/12/12	8300	-400	2500	3.5	500	n/a
WTIO	2014/09/15	8500	-500	2600	3.5	500	n/a
WTIO	2014/12/12	8600	-400	2600	3.5	500	n/a
GOLD	2014/09/15	7700	-100	2300	3.5	900	n/a
GOLD	2014/12/12	7900	0	2300	3.5	900	n/a
PLAT	2014/09/15	9500	-400	2900	3.5	900	n/a
PLAT	2014/12/12	9600	-400	2900	3.5	900	n/a
COPP	2014/09/15	5700	-300	1700	3.5	n/a	n/a
COPP	2014/12/12	5800	-300	1700	3.5	n/a	n/a
SILV	2014/09/15	8900	-600	2700	3.5	n/a	n/a
SILV	2014/12/12	9100	-600	2700	3.5	n/a	n/a
QBRN	2014/11/11	7900	-200	2400	3.5	n/a	n/a
QBRN	2015/02/10	7900	-200	2400	3.5	n/a	n/a
QCFF	2014/11/11	5200	600	1600	3.5	n/a	n/a
QCFF	2015/02/10	5300	700	1600	3.5	n/a	n/a
QCOC	2014/11/11	2200	100	700	3.5	n/a	n/a
QCOC	2015/02/10	2200	100	700	3.5	n/a	n/a
QCOP	2014/11/11	5700	-300	1700	3.5	n/a	n/a
QCOP	2015/02/10	5700	-300	1700	3.5	n/a	n/a
QCRN	2014/11/11	1700	0	500	3.5	n/a	n/a
QCRN	2015/02/10	1700	0	500	3.5	n/a	n/a
QCTN	2014/11/11	2500	-100	700	3.5	n/a	n/a
QCTN	2015/02/10	2500	-100	700	3.5	n/a	n/a
QGAS	2014/11/11	9300	-500	2800	3.5	n/a	n/a
QGAS	2015/02/10	9400	-400	2800	3.5	n/a	n/a
QGLD	2014/11/11	6100	0	1800	3.5	1,000	n/a
QGLD	2015/02/10	6100	0	1800	3.5	1,000	n/a
QHEA	2014/11/11	8500	-100	2600	3.5	n/a	n/a
QHEA	2015/02/10	8500	-100	2600	3.5	n/a	n/a
QNAT	2014/11/11	4700	-200	1400	3.5	n/a	n/a
QNAT	2015/02/10	4700	-200	1400	3.5	n/a	n/a
QPLD	2014/11/11	5000	0	1500	3.5	n/a	n/a
QPLD	2015/02/10	5000	0	1500	3.5	n/a	n/a
QPLT	2014/11/11	8400	-200	2500	3.5	1,000	n/a
QPLT	2015/02/10	8400	-200	2500	3.5	1,000	n/a
QSIL	2014/11/11	8400	-500	2500	3.5	n/a	n/a

QSIL	2015/02/10	8400	-500	2500	3.5	n/a	n/a
QSUG	2015/02/10	1700	-100	500	3.5	n/a	n/a
QSUG	2015/05/12	1800	0	500	3.5	n/a	n/a

In terms of the margin change indicators, red denotes an increase in margin whilst green indicates a reduction in the required margins from the previous adjustment.

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

- WMAZ, YMAZ CORN and SORG (R5000/R5000/R5000/R5000)
- GOLD and PLAT (R1000/R1000)
- WEAT, REDW and KANS (R6500/R6600/R6600)
- SOYA/ BEAN/MEAL (R3400/ R6700/ R6700)

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 require per structure.

Should there be any further questions regarding this process and envisaged changes going forward, please feel free to contact the Head of Risk, Terence Saayman on +27 11 520 7713 or email risk@jse.co.za.