

## Market Notice

**Number:** F4840  
**Date** 13 July 2011

### Implementation of Iceberg Orders on ALSI and ALMI (FTSE/JSE Top40 Index)

The JSE's Equity Derivatives Division had introduced Iceberg orders on the DTOP (FTSE/JSE Shareholders Weighted Top40 Index) futures contracts on Monday, 4<sup>th</sup> July 2011. This initial implementation has gone well and has been successful.

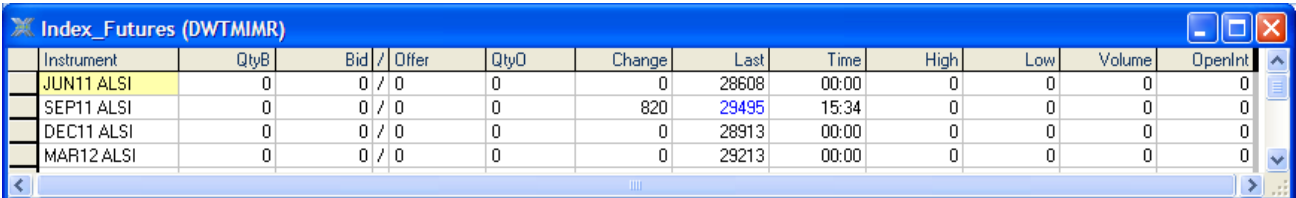
This market notice serves to notify the market that Iceberg orders will be further rolled out to the ALSI and ALMI futures contracts, as of Monday, 18<sup>th</sup> July 2011.

Post a successful implementation of the ALSI and ALMI contracts, all Single Stock Futures contracts will then be activated. The Exchange will keep the market informed as to the implementation timelines of the SSF contracts.

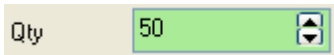
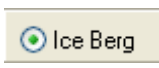
Please contact [derivativestrading@jse.co.za](mailto:derivativestrading@jse.co.za) if you have any queries with regards to this.

#### How will the Iceberg order work on the Equity Derivatives Market

On the main trading window, click on "Bid/Offer" to place your order:



Instrument	QtyB	Bid / Offer	QtyO	Change	Last	Time	High	Low	Volume	OpenInt
JUN11 ALSI	0	0 / 0	0	0	28608	00:00	0	0	0	0
SEP11 ALSI	0	0 / 0	0	820	29495	15:34	0	0	0	0
DEC11 ALSI	0	0 / 0	0	0	28913	00:00	0	0	0	0
MAR12 ALSI	0	0 / 0	0	0	29213	00:00	0	0	0	0

- In the  field type in the Iceberg Peak i.e. the number of contracts which will be placed on the market at a time.
- Complete the rest of the details i.e. Price, Principal etc.
- Click on the  tab.



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



- Click on the  tab and type in the full Iceberg Order quantity.



- Click on

- In this example an Iceberg order of 1000 June11 ALSI contracts at a price of 28608 will be placed in the market in peaks/lots of 50 contracts at a time.

Instrument	QtyB	Bid / Offer	QtyO	Change	Last	Time	High	Low	Volume	OpenInt
JUN11 ALSI	50	28608 / 0	0	0	28608	00:00	0	0	0	0
SEP11 ALSI	0	0 / 0	0	820	29495	15:34	0	0	0	0
DEC11 ALSI	0	0 / 0	0	0	28913	00:00	0	0	0	0
MAR12 ALSI	0	0 / 0	0	0	29213	00:00	0	0	0	0

Please take note of the following:

- The Price-Time priority logic is as follows: Price priority will be maintained, Time priority will not.
- When placing an Iceberg order which results in an odd lot peak, the odd-lot peak will be placed first, followed by the standard lot peak.

Example:

If an Iceberg order is placed for 219 contracts with peaks of 50, the odd-lot peak of 19 will be placed first. Upon the 19 being filled, the remaining peaks of 50 will then be placed.

N.B. The Exchange is in the process of rewriting this logic so that it works in the inverse fashion.

- Iceberg peaks will be placed in the relevant iceberg peak quantities all at the same specified price. The ability to specify different prices are not supported.
- An Iceberg order will automatically be removed at the end of the trading day by the trading engine.
- Iceberg orders can be cancelled from the Active Orders view in Nutron.
- Editing of an Iceberg order is not supported at this time. An existing Iceberg will need to be cancelled and a new order will need to be captured.

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