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Date: 12 November 2014**SUBJECT: EQUITY DERIVATIVES PRICE LIST - 2015**Name and Surname: Donna Oosthuysen
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Dear JSE Client

We know that 2014 has been tough for members. At the same time members have asked the JSE for continued product development, which requires funding. Balancing both factors, the Equity Derivatives Market will be instituting two changes to its fee model which will be effective 1 January 2015. These two changes will affect the index, Single Stock Future (SSF) and JSE contract for difference (JSE CFD) product suites. This change will also affect any options written on these products.

Index fee change

The trading fee for index futures is currently 0.1bps for central order book trades and 0.12bps for reported trades. Consequently the fee for index options is 0.1bps multiplied by the delta of the option for central order book options and 0.12bps multiplied by the delta for reported trades.

The fee change for index products will affect only the reported trade fee. This fee will be moving from 0.12bps to 0.13bps. This change affects 38% of contracts traded in index products. This amounts to a differential of only 20% on the central order book fee for a reported trade for index products; the premium for SSFs (equity derivatives' second largest product) is 75% on the central order book fee for a reported trade. This change is aimed at promoting the growth of liquid and transparent markets and supporting the formation of liquid central order books for less liquid indices and a central order book trading in index options.

Single Stock Futures (SSF) and JSE Contract For Difference (JSE CFD) fee change

The trading fee for single stock futures is currently 1bp for central order book trades and 1.75bps for reported trades. This fee is subject to a cap on the share price of R120. When calculating the value of the trade to apply the basis point fee, the price used in the calculation is always the lower of the share price or R120. Currently 70% of all SSF and JSE CFD trades hit this cap. This fee is effectively a per trade fee of R1.20 for a central order book contract and R2.10 for a reported contract.

In a bid to move towards value based billing methodologies, as agreed by the JSE in collaboration with the market, it has been decided to increase the cap by inflation. This moves the model towards a value based fee as it was intended and is the first time the fee has been revised since March 2010.

We have decided to phase this increase in over a 3 year period and the cap increase will be calculated on 50bps below inflation. This means that the cap on the share price will be increased as per the table below:

Year	Cap
2014 (Current)	R120
2015	R135

By phasing the increase in over 3 years, we are able to ensure that no individual member receives a large or unpredictable fee increase. This change will also influence options on these contracts.

Attached is the complete Equity Derivatives Market Price List for 2015.

Should you have any queries, please contact CustomerSupport@jse.co.za or 011 520 7777.