



MARKET NOTICE

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Subject: Proposed Amendments to the Equities Rules – Block Trades

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Members are advised that the amendments to the equities rules and directives, attached as annexure A, were adopted by the Executive Committee on 1 September 2014.

The purpose of these amendments is to revise the parameters that determine the size of large trades that are eligible for submission as Block Trades.

An assessment of market activity over the past number of years indicates that there has been a significant decrease in trade sizes and as a result, the size restrictions as expressed in the rules are no longer relevant to current trading behavior. This change in trade sizes has been brought about by a number of factors including the increased incidence of algorithmic and high frequency trading.

In order to best address current market requirements, the value-based minimum for a block trade has been dispensed with and additional parameters have been added to accommodate differences in both the liquidity and exchange market sizes of equity securities that trade in the various JSE trading segments.

Unless written objections are lodged in terms of rule 2.60.3, within 10 days of this notice, the proposed amendments to the rules will be submitted to the registrar for his approval.

Should you have any queries in respect of the proposed amendments to the rules, kindly contact Paul Hartzenberg on (011) 520 7584 or at paulh@jse.co.za.