



Market Notice

Number: Y611

Date: 25th February 2011

Currency Derivatives Market – new strategies effective 1st March 2011

The Currency Derivatives Market will be launching new trading strategies that will hopefully benefit the market and increase liquidity and trading volumes. This will be effective from the 1st March 2011:

1. Intraday Trading:

To encourage same day trading activity, the JSE has committed to zero fee the second leg of all intraday trades.

Once a member has traded in and out trades for a client on the same day, the member needs to advise the JSE accordingly.

The member merely needs to send an email to derivativetrading@jse.co.za requesting one leg of the trade to be zero rated, including the following information in the email: the contract details, price and client code. Please note, this email is to be received before 17H00, otherwise the second leg cannot be zero fee'd.

2. Good till day/date orders:

This new functionality will allow members to submit orders on the central order book for a future date and therefore the orders won't have to be submitted daily.

The system will automatically re-submit the orders each morning until such time that the order matches or the expiry date is reached.

The order can be deleted during the administration period each morning between 08:00 and 09:00am or through the active orders window.

NB: by pressing the "cancel all" order button, the good till date order will not be cancelled. If the price limit is breached overnight, then the order will not be submitted at the market start-up.



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Alternate Director: J Berman

Buy for 14 MAR11 \$ / R

Qty: 10 Ref No: 000000900

Price: 7.2651 Print: INVG

Capacity: P Dealer: DAL

FOK TOK NOR

Hold Over Order Date: 2011/05/31

OK Cancel

3. Cross Currency Trades:

Cross currency pairs can be traded synthetically on the JSE and the JSE has committed to apply fees on only one of the foreign currency legs of the cross-currency trade.

To promote cross-currency trading, the JSE will charge on the maximum fee from one leg.

E.g. The Euro/Dollar – if the fees are R700 for the Euro contract and R1,000 for the Dollar contract, a fee of R1,000 will be levied.

The market will need to send an email to derivativetrading@jse.co.za requesting one leg of the trade to be zero rated, including the following information in the email: the contract details, price and client code. Please note, this email is to be received before 17H00, otherwise the one leg cannot be zero fee'd.

4. Central order book roll-overs:

Currently all roll-overs are done as a report only trade. This has caused some issues when it comes to doing roll-overs for Dollar/Rand contracts under 201. (This is mandatory)

New software will be implemented on the 28th of March 2011 which will allow for Dollar/Rand roll-overs for contracts of 201 or less to be done via the central order book, spread window.

The system will automatically flag the deal as a roll-over and will automatically zero fee the second leg of the trade. There is no need to advise the exchange in this instance.

Spreads for 14 MAR11 \$ / R

Instrument	QtyB	Bid / Offer	QtyO
MAR11/JUN11 \$ / R	10	0.0973 / 0.0974	610
MAR11/SEP11 \$ / R	10	0.2051 / 0.0000	0
MAR11/DEC11 \$ / R	0	0.0000 / 0.0000	0
MAR11/MAR12 \$ / R	0	0.0000 / 0.0000	0

If the holder has a long position: In order to sell the near leg and buy the far leg, you would need to place the order on the **Bid** of the spread window.

If the holder has a short position: In order to buy the near leg and sell the far leg, you would need to place the order on the **Offer** of the spread window.

	Spreads	Spreads
	Buy	Sell
Bid	Far	Near
Offer	Near	Far

If you have any queries, please feel free to contact Warren Geers (+27 11 520 7470) / warreng@jse.co.za or Andrea Maisel (+27 11 520 7487) / andream@jse.co.za.

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