

MARKET NOTICE

 Johannesburg
 Stock Exchange

 Tel: +27 11 520 7000
www.jse.co.za
Number: 104/2017

 Relates to:

- Equity Market
- Equity Derivatives
- Commodity Derivatives
- Interest Rate and Currency Derivatives

Date: 7 April 2017

SUBJECT: NEW CAN-DO FUTURE (YPLQ) – OUT OF CURRENCY SETTLEMENT STRANGLE
Name and Surname: Valdene Reddy

Designation: Head –Equity and Equity Derivatives

The following Can-Do Future has been added to the list with immediate effect and will be available for trading as from today. Insofar as any contractual provision set out below is inconsistent with the rules and regulations (“Rules”) of the JSE Limited (“JSE”), the Rules will prevail unless the JSE expressly permits the Parties to give effect to their contractual provisions.

Summary Contract Specifications

GENERAL TERMS	
Description	Out of currency settlement option
Can-Do Name	Can-Do EXO
Underlying Exchange	NYSE
Underlying Share	SPY US Equity
Underlying ISIN CODE	US78462F1030
Underlying Currency	USD
Contract (Multiplier) Size	10 (for the avoidance of doubt, this means that each option references 10 shares)
Quotations	Price per future to four decimal places (i.e. 0.0001)
Minimum Movement Price	0.0001 (0.001 in the share price)
JSE Trading Fees	See Equity Derivative Can-Do Booking Fee Schedule: https://www.jse.co.za/content/JSE Pricing Items/2017%20Equity%20Derivatives%20Market%20Price%20List.pdf

Risk Parameters:	
Initial Margin *	2000
Class Spread Margin *	1000
V.S.R *	5
*The JSE reserves the right to amend the levels of the Initial Margin, Class Spread Margin and V.S.R.	

TERMS & CONDITIONS – OPTION 1	
Type	Put
Buyer	Long Party to the Can-Do contract
Seller	Short Party to the Can-Do contract
Strike Price (USD)	237.35
TERMS & CONDITIONS – OPTION 2	
Type	Call
Buyer	Long Party to the Can-Do contract
Seller	Short Party to the Can-Do contract
Strike Price (USD)	249.22
*Note	To clarify, the buyer of the strangle has twice as many puts as calls

EXPIRATION PROCEDURE AND VALUATION	
Expiration Date	19 June 2017 Further expiration dates may be added upon request
Final Valuation Date	16 June 2017
Expiration and Valuation Time	Official closing time as published by the Underlying Listed Exchange on the Final Valuation Date Note: If the official closing time of the underlying exchange falls outside The JSE trading hours the contract will close-out on the following JSE business day using the previous day's official closing price.
Reference Price	The official closing level of the Underlying Share
Expiration Currency Reference	Arithmetic average of 10 iterations of the Underlying Currency spot price taken every 30 seconds for a period of 5 minutes on the Expiration Date , commencing 09:55am ending at 10:00am New York time.

PAYOFF ON EXPIRATION DATE	
Automatic Exercise	Applicable. For the avoidance of doubt, options will be automatically exercised where the Strike Price Differential for that Option is greater than zero.
Cash Settlement	Applicable. If the Strike Price Differential for a given Option is greater than zero, the Short Party shall pay to the Long Party the Cash Settlement Amount for the number of contracts held at the Expiration and Valuation Date.
Strike Price Differential	<p>For any given call option, means an amount equal to the greater of:</p> <ul style="list-style-type: none"> a) Reference Price minus the Strike Price; and b) Zero. <p>on the Final Valuation Date</p> <p>For any given put option, means an amount equal to the greater of:</p> <ul style="list-style-type: none"> a) Strike Price minus the Reference Price; and b) Zero. <p>on the Final Valuation Date</p>
Cash Settlement Amount	<p>Means an amount equal to:</p> <p>In the case of option 1:</p> <ul style="list-style-type: none"> • the number of contracts exercised on the Expiration and Final Valuation Date multiplied by the Strike Price Differential, multiplied by the Expiration Currency Reference and multiplied by the Multiplier <p>In the case of option 2:</p> <ul style="list-style-type: none"> • half the number of contracts exercised on the Expiration and Final Valuation Date multiplied by the Strike Price Differential, multiplied by the Expiration Currency Reference and multiplied by the Multiplier

The above instrument had been designated as “Foreign” by the South African Reserve Bank

For Office Use Only	
Can-Do Type	Out of Currency Settlement Option - EXO
Can-Do Underlying Type	Index/ETF
Can-Do Underlying Code	SPY US Equity
Non-Linear Flag (Y/N)	Yes
Zero Fee OTM Flag (Y/N)	No

Should you have any queries regarding this notice, please contact structuredproducts@jse.co.za.

This Market Notice will be available on the website at <https://www.jse.co.za/redirects/market-notices-and-circulars>