

## MARKET NOTICE

**Number:** 288/2020  
**Relates to:**  Equity Market  
 Equity Derivatives  
 Commodity Derivatives  
 Interest Rate and Currency Derivatives  
**Date:** 4 June 2020

**SUBJECT:** JIBAR FUTURES - LISTING THE FULL FUTURES STRIP, CONTRACT SPECIFICATIONS AND REDUCED FEES

**Name and Surname:** Udesh Moodley

**Designation:** Head - Bonds, Interest Rate Derivatives & Currency Derivatives

The JIBAR futures have only been listed as the near and middle contracts in recent years. In order to promote the use of these instruments, the JSE will [list the full JIBAR futures strip in the Interest Rate Derivatives Market](#). The futures will be available to trade on a central order book and to report on the Nutron trading system.

This Market Notice covers the following:

1. JIBAR Futures Expiries
2. JIBAR Futures Specifications
3. JIBAR Futures Reduced Fees
4. JIBAR Futures Margins
5. JIBAR Futures Market Times

**Appendix A: Initial Expiry Dates**

**Appendix B: JIBAR Futures Contract Specification**

### 1. JIBAR FUTURES EXPIRIES

The full strip includes the listing of 12 expiries which allows market participants to trade these contracts out to two years. The listing of these contracts is expected within the first few weeks of June 2020 subject to all conditions being met. The initial expiry dates are shown in Appendix A and new expiries will be added as the older ones expire.

### 2. JIBAR FUTURES SPECIFICATIONS

The JIBAR Futures contract specification is shown in Appendix B. The only change from original specification is the Mark-to-Market.

### 3. JIBAR FUTURES REDUCED FEES

The JSE has implemented a reduction of the fees as per the table:

JIBAR FUTURES FEE PER CONTRACT (ZAR)			
	Old Fee	New Fee	% Change
Jibar Future Fee	ZAR 0.25	ZAR 0.125	-50%
Jibar Future Assign Fee	ZAR 0.125	ZAR 0.0625	-50%

The fees are charged on a per trade leg basis and are inclusive of VAT

### 4. JIBAR FUTURES MARGINS

The margins will be implemented and updated as per JSE's margin guidelines and made available at this link <https://www.jse.co.za/downloadable-files?RequestNode=/Initial%20Margin%20Parameter%20Data/Official%20Initial%20Margin%20Parameters/IRC/Fixed%20Income>

### 5. JIBAR FUTURES MARKET TIMES

The market open and close times will be implemented as per the JSE's Interest Rate markets, and a specific time for the availability of the continuous central-order-book screen:

Market Period	Times
Administration Period (Admin & Reported Trades)	07h00
Continuous Trading (Central Order Book)	08h00-17h00
Market Close	18h00
Market Offline (only file downloads allowed)	18h00

Should you have any queries regarding this notice, please contact [irc@jse.co.za](mailto:irc@jse.co.za)

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

**APPENDIX A: INITIAL EXPIRY DATES**

<b>Jibar 12 Contracts</b>			
<b>Contract#</b>	<b>Expiry Date Adj</b>	<b>Type</b>	<b>Date Adjusted Earlier</b>
1	Wed, 15-Jul-20	Serial	
2	Wed, 19-Aug-20	Serial	
3	Wed, 16-Sep-20	Qtrly	
4	Wed, 21-Oct-20	Serial	
5	Wed, 18-Nov-20	Serial	
6	Tue, 15-Dec-20	Qtrly	adjusted for Wed holiday
7	Wed, 17-Mar-21	Qtrly	
8	Tue, 15-Jun-21	Qtrly	adjusted for Wed holiday
9	Wed, 15-Sep-21	Qtrly	
10	Wed, 15-Dec-21	Qtrly	
11	Wed, 16-Mar-22	Qtrly	
12	Wed, 15-Jun-22	Qtrly	

For further information about Serial and Quarterly Contracts, please see the Contract Specification

**APPENDIX B: JIBAR FUTURES CONTRACT SPECIFICATION**

<b>JIBAR Futures Contract Specification</b>	
Contract	JIBAR 3 Month Future
Contract Base	The 3-month Johannesburg Interbank Agreed Rate (JIBAR)
Contract Notional	ZAR 100,000 face value
Contract Quotation Style	The effective Interest Rate per contract
Contract Price	Price = 100 – Rate Eg: a contract quoted at a Rate of 4.2%, implies a Price = 100 – 4.2 = 95.8
Contract Months	12 available contracts made up as follows: The nearest 8 months in the March, June, September and December Quarterly cycle plus the 4 nearest Serial months (those not in the March Quarterly cycle) such that the 6 nearest months are available for trading.
Expiry Date and Time	The time of the JIBAR Fix, normally 10am, on the 3rd Wednesday of relevant months or in the event that this day falls on a South African public holiday, the first South African business day prior to the 3rd Wednesday of the relevant month.
Minimum Tick Size	0.001% (1/10 of a basis point)
Movement per point	ZAR 2.50 per basis point per contract
Settlement	Cash
Settlement yield (for daily mark-to-market)	Closing mark-to-market rate of the contract
Settlement yield (on expiry)	3-month JIBAR rate on the expiry date

Mark-to-Market	Explicit Daily Fixing Rate calculated as the mid of the best bid and offer taken at 16h00 daily, subject to JSE's guidelines and policies
Mark-to-market Process	Brought forward positions and traded contracts converted from their yields to the settlement price
Margining	Risk position margined according to the JSE's JSPAN margining with offset. The JSE reserves the right to amend the margin methodology from time to time
Trading Fees	As per the JSE's Fee Schedule, as amended from time to time
Trading Time	As per JSE's Interest Rate Market, as amended from time to time

Note: Contract specifications are subject to change from time to time.