

### Exchange for Physicals (EFP's) report only trade type

The JSE APD offers an Exchange for Physical (EFP) facility. This facility allows members to exchange either their physical or future positions. EFPs work on the basis that the counterparties pre-arrange amongst themselves and agree that they wish to transfer either a physical or futures position. This trade type will not be taken into account in determining the mark to market.

The EFP trade type accommodates the following scenarios

- Close-out open positions by taking the equal and opposite position in any agricultural futures contract month (no longer specific to the delivery month);
- Maintain positions by rolling-forward a futures position into later contract months; and, or
- Utilise the Exchange's delivery mechanism to facilitate the settlement process via Safex silo receipts.

**Note:** EFPs can result in either the opening of new or the closing down of existing exchange traded positions.

### **The JSE will require the following from the member(s) involved:**

- Exchange may request evidence to support the underlying physical transaction.
- EFPs may be reported during trading hours to be processed on the same day provided this is **confirmed no later than thirty minutes after close of trading (12h30)**.
- EFP trades must be reported to the Commodity Derivatives Trading Team by email in the prescribed manner ensuring a confirmation note acknowledging the EFP is received from the Exchange.
- The EFP will be processed at either the current or the previous day's mark-to-market price depending on the expiry month of the request
- Details of the EFP transaction above 100 contracts where physical delivery is not immediately processed will be published via the electronic trading screen using the "announcement" functionality

The Exchange reserves the right to remove the above trade type at any time without prior notice.

All queries or EFP requests including supporting documentation must be emailed to [cdmtrading@jse.co.za](mailto:cdmtrading@jse.co.za)