

MARKET NOTICE

Johannesburg
Stock Exchange

Tel: +27 11 520 7000
www.jse.co.za

Number: 394/2018
Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives

Date: 16 October 2018

SUBJECT: CHANGE OF AUCTION PROCESS: CIRCUIT BREAKER CHANGES AND RANDOMISED AUCTION UNCROSS PERIOD

Name and Surname: Valdene Reddy
Designation: Head - Equity and Equity Derivatives

Dear JSE Stakeholder

CIRCUIT BREAKER CHANGES

Following a review of the circuit breaker parameters, the JSE will be updating the circuit breaker tolerance percentages for the Closing Auction Call Session applicable for trading segments ZA01 and ZA02.

Circuit breaker tolerance is defined as a percentage in relation to the Static Reference Price and / or Dynamic Reference Price. If the difference between the price of the next trade and the Static Reference Price or Dynamic Reference Price is equal or greater than that permitted by the circuit breaker tolerance defined for the relevant session the instrument will automatically be moved into a Volatility Auction Call session, market order extension or price monitoring extension.

Current:

	ZA01		ZA02	
Trading Session	Static Circuit Breaker %	Dynamic Circuit Breaker %	Static Circuit Breaker %	Dynamic Circuit Breaker %
Closing Auction Call	8%	6%	20%	10%

Proposed:

	ZA01		ZA02	
Trading Session	Static Circuit Breaker %	Dynamic Circuit Breaker %	Static Circuit Breaker %	Dynamic Circuit Breaker %
Closing Auction Call	4%	2%	10%	5%

These figures will be updated in the client reference data files, 'session parameter entries'.

RANDOMISED AUCTION UNCROSS PERIOD

Following an internal review and consultation with members of the market, the Randomised Auction Uncrossing period will be modified from 30 seconds to 60 seconds.

The uncrossing will occur at a random time after the scheduled end time of applicable sessions.

If there is an auction extension applicable, the System will first attempt to uncross during the random 60 second period, after which the appropriate auction extension will trigger. If there are multiple auction extensions applicable, there will be a random 60 second period between each extension, until there are no more extensions available. The uncrossing will then occur during the random 60 second period, after the end of the last auction extension.

The above mentioned changes will be effective **Monday, 3 December 2018**.

Further information of circuit breaker functionality and the randomised auction uncross period can be found in volume 00, available in the following link: [JSE Volume 00 - Trading and Information Overview](#)

Please note: The trade cancellation rules are under consideration and any revisions to those rules will be implemented post these changes following the standard consultation process for rule amendments.

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

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