

ITaC Mandatory Market ETE Dress Rehearsal – 18 August 2018

In an effort to expedite the testing during the Market Dress Rehearsal taking place on 18 August 2018, the JSE has compiled a list of issues / defects that have been identified in previous rounds of internal testing (and which are still in the process of being fixed).

Clients are asked to review the list of Trading and Post-trade issues, so that similar issues are not logged during the dress rehearsal on Saturday and no unnecessary troubleshooting.

Known Trading Issues:

Category	Issue
API/Functional	Options trading at the money, where the future and strike price are the same, do not get a delta published at the moment.
API/Functional	On executions resulting specifically from an implied in order, the leg trade will always have a capacity of Agency. This may cause limitations on deal management.
API/Functional	<p>The Instrument Sub Category for an Anyday should have the word “ANY” and the Instrument Sub category for a Standard should have the word “STD”. However, due to the way that the Trading engine creates Anydays using the Standard as the Reference Instrument, the JSE had to make a change for the Anyday to have the SAME Instrument Sub category as the Standard.</p> <p>Hence the Instrument Sub category convention in Volume 09D for an Anyday does not align to the actual value on the Anyday Futures.</p>

Known Post-trade Real Time Clearing (RTC) Issues:

Category	Issue
API/Functional	The funding interest will not balance if there are multiple trades on the same CFD instrument with each trade having different interest rate spreads
API/Functional	The VM that will be calculated at EOD on 14 July 2018 will also include the VM calculated at EOD on 13 July 2018
API/Functional	VM calculated on 13 July 2018 on basket instruments were larger than experienced in production due to the migration of prices
API/Functional	Members that receive AccountPositionEvents after the BDA schedule runs will be missing sequence numbers – in the event that the affected member tries to recon, their recon would fail.

Please take note about the Dress Rehearsal

API/Functional	Opening Auctions will occur for all Strategy Instruments on the Equity Derivative Market
Production data cut	The data for the dress rehearsal is at EOD, 15 August 2018
Spot instruments IDP File	By design, the JSE trading system only receives spot instruments that have derivative instruments listed on them while the JSE RTC system may have additional spot instruments that are not underlyings of any derivative instruments. The Trading Reference data CSV files available via IDP includes the spot instruments on the trading system and will therefore does not contain the additional spot instruments that JSE RTC has.

Positions	All positions from the production cut will be in the dress rehearsal environment.
Member clients and tripartite agreements	Only member clients that have been active over the past 2 years will be migrated to RTC for the dress rehearsal. All active tripartite agreements of these active member clients will be available.
Dividend neutral positions	All dividend neutral positions have been migrated.
Volatility skews	Skew adjustments during the dress rehearsal testing may be unrealistic due to unrealistic prices being used
MTM Prices	The first set of MTM prices (being the previous day's closing prices) will be available in RTC at start of day at approx. 7:00am. <i>Note: This is the timing that will be applicable in production</i>
Initial Margin ZAR Collateral	Initial margin cash balances will be migrated for the 18 July MDR.
Margin parameters	Additional Margin percentages will not be migrated from production for the dress rehearsal. These can be set via the RTC API if required. Note however as above balancing (reconciling) on margins is not part of this dress rehearsal.