



Circular No: 026/2015/CnS/GEN/8

August 21, 2015

Change in methodology for computation of Initial Margin

In pursuance of the provisions of the Rules of the Clearing House, Members of the Exchange and the Clearing House are informed that it has been decided to change the margin computation methodology.

Presently, the Clearing House computes initial margin using SPAN[®] (Standard Portfolio Analysis of Risk). Henceforth, the computation methodology will be changed from SPAN based margining to VaR based margining for all the contracts in the Currency & Commodity Derivatives Market Segment and Equity Market Segment.

The minimum initial margins to be levied are already mentioned in the respective contract specification.

This change shall be applicable with effect from September 01, 2015.

Members are requested to take note of the same.

For and on behalf of
Bourse Africa Clear Ltd

Stanley Verghese
Senior Vice President

For any clarifications, please contact Mr. Nikhil Gohil or Mr. Sandeep Jaishankar on (+230) 4040000 or send an email at clearing@bourseafrica.com