

16th Annual AFM Conference



JOHANNESBURG
SOUTH AFRICA



February 27-28,
March 1,
2013

Pre-conference educational seminar on February 27

16th AFM Annual Conference on February 28 - March 1

Venue: Michelangelo Hotel, Sandton, South Africa, L'ilcontro Ballroom

Organized by:



Welcome



Contact AFM

For more information on AFM, its members and its conferences, please contact Krisztina Kasza, Secretary of AFM at krisztina@afmorg.net, (36-30) 34 35 370 (phone) or (36-1) 249 0057 (fax) or visit the AFM website at www.afmorg.net.

Conference Agenda

**Wednesday,
February 27, 2013**

sponsored by:



**Pre-conference educational event:
Exploring the Requirements for Establishing a
Sustainable Exchange**

Facilitator: *Roderick Gravelet-Blondin*
- Introduction to the training workshop

— 09:00 – 10:15 —

Session I: Benefits of Commodity Exchanges

- a) To the Agricultural Sector *by Paul Meier, Honorary Member, AFM (TBC)*
- b) To the Financial Sector *by Johann Theron, Blue Alpha Investment Company*

— 10:15 – 10:45 —

Coffee break

— 10:45 – 12:45 —

**Session II: Important Elements in Establishing a
Sustainable Exchange**

- a) Policy Environment
by Adam Gross and Keith Mukami, Bourse Africa
- b) Ownership of the Exchange
by Eleni Gabre Madhin, CEO, eleni LLC
- c) Rules and Regulation
by Louis Cockeran, Legal Counsel, Johannesburg Stock Exchange
- d) Product Development
by Clive Furness, Managing Director, Contango Markets
- e) Clearing and Guarantee Structures
by Otto Naegeli, Principal, OEN Consulting

— 13:00 – 14:00 —

Lunch

sponsored by:



— 14:00 – 15:45 —
**Session III: Lessons Learned by Established
Exchanges**

- a) Role of Marketing and Education; Relationship with stakeholders
by Mansoor Ali, Chief Business Officer, Pakistan Mercantile Exchange
- b) Importance of ensuring support from market participants for the exchange
by Derek Mathews, Private Farmer, South Africa
- c) Sharing experience in extending the use and acceptance of option strategies around the world
by Gary Delany, Options Industry Council
- d) Physical delivery in commodity markets
by Chris Sturgess, Director, Johannesburg Stock Exchange
- e) Case Study of Malawi
by Kristian Schach-Möller, ACE Africa, Malawi

— 15:45 – 16:15 —

Coffee break

— 16:15 – 16:45 —

**Session IV: Recap of the key messages for the day,
summarising the prerequisites for
establishing an effective and sustainable exchange**

— 17:30 —

AFM General Assembly

— 20:00 —

Opening Cocktails in
Johannesburg Stock Exchange Atrium

sponsored by:



**Thursday,
February 28, 2013**

— 08:00 – 09:00 —

Registration

— 09:00 – 09:15 —

Welcoming Remarks

- *Alan van Griethuysen, President, AFM*
- *Károly Mátrai on behalf of AFM Chairman György Dudás*
- *Nicky Newton-King, CEO, Johannesburg Stock Exchange, Incoming AFM Chairperson*

— 09:15 – 09:30 —

Keynote Address

Representative of Standard Bank (TBD)

— 09:30 – 10:45 —

**Roundtable 1: Interactive Panel Discussion on
the South African Market**

Moderator:

Godfrey Mutizwa, Chief Editor, CNBC Africa

Panelists:

- *Nicky Newton-King, CEO, Johannesburg Stock Exchange*
- *Stephen Linnell, COO for Equities and Prime Services, Absa Capital*
- *Garth Mackenzie, Founder, Traders Corner*
- *Representative of Standard Bank (TBD)*

— 10:45 – 11:15 —

Coffee break

sponsored by:



— 11:15 – 12:30 —

**Roundtable 2: Understanding the Dynamics
within the African Continent**

Moderator:

Dr. Jendayi Frazer, Managing Partner, Africa Exchange Holdings Ltd.

Panelists:

- *Kristian Schach-Möller, ACE Africa, Malawi*
- *Brian Tembo, Executive Director, ZAMACE Limited, Zambia*
- *Adam Gross, Director of Strategy, Bourse Africa Limited*
- *Peter Mwangi, CEO, Nairobi Securities Exchange, Kenya*
- *Bharat Kulkarni, Director, Stalwart Management Consultancy Services*

— 12:30 – 14:00 —

Lunch

sponsored by:



— 14:00 – 15:15 —

Roundtable 3: Ethics and Client Protection; Regional Integration of Regulatory Issues

Moderator:

Paul Meier, Honorary Member of AFM

Panelists:

- *Brett Riley, CEO, Silocerts (Pty) Ltd*
- *Otto Naegeli, Principal, OEN Consulting*
- *Stella Kilonzo, Policy and Regulatory Advisor, Africa Exchange Holdings*
- *Alan van Griethuysen, President of AFM, Board Member of the Dutch Financial Integrity Institute, Board Member of Association of Capital Amsterdam*
- *Johannes Assefa, Managing Director, Stalwart Management Consulting, Ethiopia*

— 15:15 – 15:45 —

Coffee Break

— 15:45 – 17:00 —

Roundtable 4: IT in Developing Markets

Moderator:

Paul Constantinou, Trayport Limited

Panelists:

- *Louisjan Bonthuys, Securities Trading Technology, South Africa*
- *Pat Kenny, Senior Vice President, COG*
- *Michele Carlsson, Head of Business Development MEA, NASDAQ OMX*
- *Lalin Dias, Vice President, Exchange Systems, MilleniumIT*
- *Pasi Miettinen, Managing Director, Sage Markets (TBC)*

— 19:00 —

Conference Dinner

sponsored by:



**Friday,
March 1, 2013**

— 08:45 – 10:00 —

Roundtable 5: Product Development: Precious Metals, Single Stock Futures, Bonds, Currency Futures, Carbon, Energy? ...

Moderator:

Clive Furness, Managing Director, Contango Markets

Panelists:

- *Naikuan Huang, Senior Executive Vice President, Taiwan Futures Exchange*
- *Ireneusz Lazor, President of the Management Board, Polish Power Exchange*
- *Graham Smale, Johannesburg Stock Exchange*
- *Allan Thomson, CEO, Dreadnought Capital, South Africa*

— 10:05 – 11:15 —

Roundtable 6: OTC in the Overall Market Structure

Moderator:

Stuart Turner, Bourse Consult LLP

Panelists:

- *Michael Jesch, Partner, bankon Management Consulting GmbH*
- *Károly Mátrai, CEO, KELER CCP Ltd.*
- *Danny Corrigan, MD, EMEA, CME Group*
- *Stephen Linnell, COO for Equities and Prime Services, Absa Capital*
- *Pasi Miettinen, Managing Director, Sage Markets (TBC)*

— 11:15 – 11:45 —

Coffee break

sponsored by:



— 11:45 – 13:00 —

Roundtable 7: Challenges for Exchanges Ahead – How Should Exchanges Position Themselves in the Next 10 Years

Moderator:

Siobhan Cleary, Director Strategy, Johannesburg Stock Exchange

Panelists:

- *Frank Ammerlaan, Head of Sales and Client Coverage, NYSE Euronext*
- *Mustafa Baltaci, Vice President, Istanbul Stock Exchange; General Secretary of Federation of Euro Asian Stock Exchanges*
- *Danny Corrigan, CME Group*
- *Roderick Gravelet-Blondin, Honorary Member, AFM*
- *Chip Dempsey, Executive Director, Morgan Stanley*

— 13:00 – 14:00 —

Lunch

sponsored by:



— 14:30 —

Farewell Program: Mongena Game Lodge - bush safari closing with a traditional South African barbeque (braai)

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AFM reserves the right to change the programme.

Conference Social Programs

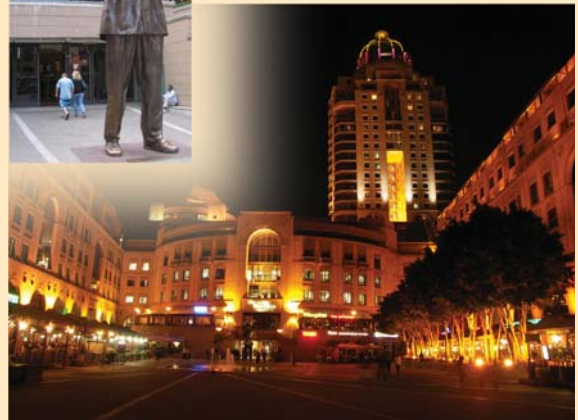
Opening Cocktails in JSE Atrium

Wednesday 27 February: Just a short walk from the conference hotel, visit the Johannesburg Stock Exchange positioned in the heart of the Sandton business district and enjoy the evening catching up with old friends and making new ones. The cocktail evening will be held in one of the JSE's entertainment area's with a hotel shuttle available for those who don't want to walk back to the hotel after a fun evening.



Conference Dinner in Restaurant Lekgotla

Thursday 28 February: After another productive day, step out of the hotel onto Mandela Square and see the statue of Nelson Mandela overlooking this lively square. A perfect picture opportunity. Enjoy dinner at "Lekgotla", one of many restaurants on the square that will provide you with a truly African experience. The Meeting Place offers you a unique opportunity to experience fusion of exotic flavours and foods from the African continent.



Farewell Programme: Visit to Mongena Game Lodge

Friday 1 March: Again a short walk from the hotel, depart from the Sandton Guatrain station on South Africa's first high speed underground train that will take you to Pretoria in a flash, avoiding the Friday afternoon traffic rush. On arrival at the station, busses will then take us to Mongena Game Lodge, a convenient 30 minute drive, 50 km north of Pretoria/Tshwane in the Gauteng Province. The 4 star Lodge guarantees a bush safari with lion, elephant, rhino, buffalo, leopard, zebra, hippo, crocodile, giraffe, all antelope species, warthogs and splendid birdwatching makes for excellent game viewing in the distinctive African bush. After a thrilling game drive enjoy the true South African hospitality with a braai under the African stars. To take us back safely to the hotel the luxury busses will make their way back to Sandton to close off another special AFM conference.



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The **Johannesburg Stock Exchange (JSE)** is a key part of South Africa's economic landscape. As South Africa's only full service securities exchange, it connects buyers and sellers in a variety of different financial markets, namely equities, equity derivatives, commodity derivatives and interest rate instruments. For more information visit www.jse.co.za



Established in 1985, **Securities & Trading Technology (Pty) Ltd, or STT**, has grown over the years to become a leading financial software development company, based in South Africa. We have an impressive footprint throughout Africa, with extensive collective knowledge in the financial markets.

Our core products cover Exchange solutions to back office management systems to front end trading tools.



The Agricultural Risk Management Team (ARMT) of the **World Bank** provides clients with technical assistance and capacity-building services to assist them to manage their risks. Examples of the work of ARMT include working with governments to identify agricultural sector risks, quantify them and assess their potential budgetary impacts; conducting assessments of risks and vulnerability within agricultural supply chains; providing capacity building to a wide range of agricultural actors operating in developing countries. Additionally, ARMT collaborates with other departments and units within the World Bank Group to provide comprehensive solutions.



NYSE Euronext (NYX) is a leading global operator of financial markets and provider of innovative trading technologies. The company's exchanges in Europe and the United States trade equities, futures, options, fixed-income and exchange-traded products. With approximately 8,000 listed issues (excluding European Structured Products), NYSE Euronext's equities markets - the New York Stock Exchange, NYSE Euronext, NYSE MKT, NYSE Alternext and NYSE Arca - represent one-third of the world's equities trading, the most liquidity of any global exchange group. NYSE Euronext also operates NYSE Liffe, one of the leading European derivatives businesses and the world's second-largest derivatives business by value of trading. The company offers comprehensive commercial technology, connectivity and market data products and services through NYSE Technologies. NYSE Euronext is in the S&P 500 index. For more information, please visit: <http://www.nyx.com>



As the world's leading and most diverse derivatives marketplace, **CME Group** is where the world comes to manage risk. CME Group exchanges offer the widest range of global benchmark products across all major asset classes, including futures and options based on interest rates, equity indexes, foreign exchange, energy, agricultural commodities, metals, weather and real estate. CME Group brings buyers and sellers together through the CME Globex electronic trading platform and trading facilities in New York and Chicago.

CME Group also operates CME Clearing, one of the largest central counterparty clearing services in the world, which provides clearing and settlement services for exchange-traded contracts, as well as for over-the-counter derivatives transactions through CME ClearPort. In addition, CME Group has a growing presence in Europe. Launched in May 2011, CME Clearing Europe is a London-based clearing house that clears OTC transactions in a broad range of derivative products in an English law and European regulatory environment. As an FSA-approved Recognised Clearing House, CME Clearing Europe's service combines operational flexibility with a transparent risk management and an account structure that offers a range of protection choices for clients should their clearing broker fail. CME Group has also announced it is in the process of applying to the United Kingdom's Financial Services Authority to create a London-based derivatives exchange. Pending regulatory approval, CME Europe Ltd is expected to launch in mid-2013 and will initially offer FX futures with plans to expand into additional asset classes. CME Group has a growing London-based team committed to serving the financial risk management needs of customers throughout Europe, the Middle East and Africa.

To find out more, please visit www.cmegroup.com/international/emea or email europa@cmegroup.com



Farmwise offers a comprehensive brokerage service with a diverse client base which includes producers, consumers and speculators from a wide geographical area. This enables us to keep an “ear to the ground” at all times. We have a low Client to broker ratio, which ensures prompt and efficient service. The company has developed an internet based trading system that enables our clients to monitor the market in real time, as well as placing electronic orders. Farmwise was one of the founding members of the AMD Division of SAFEX, so we have stood the test of time.

We now offer the services of Currency Futures trading, Farmwise is a member of the Yield-X division of the JSE. Allow us to hedge your currency risk.



RussellStone Group is a diverse agricultural private equity firm with investments in trading, farming, agricultural production and manufacturing companies. Driven by an entrepreneurial spirit RussellStone has diverse into a respected player in the local agricultural sector. RussellStone International and Grainvest Futures are both companies in the Group that supply corporate and individual clients respectively with access to trading of exchange traded products, research and physical trading of agricultural and energy products.



GroCapital Broking Services offers individuals or companies the peace of mind to know that they can hedge their commodities and currencies against price risk movements in a highly volatile market through SAFEX and Yield-X.

Stay informed about the markets with added services like:

- Market prices per SMS
- Market report (local and international)
- Portfolio management system



Rand Merchant Bank (RMB) is a diversified financial services brand encompassing investment banking, fund management, corporate banking and advisory services. All businesses in the RMB brand stable form part of the wider FirstRand Group.

For more information please visit: www.rmb.co.za, www.firstrand.co.za



RMD is a leading derivatives member on the JSE offering access to commodities, currencies and equity derivatives. The firm offers broking services to a number of local and international clients.

Website: www.rmd.co.za



The **Swiss Futures and Options Association (SFOA)** was founded in 1979 as a non-profit professional association and its purpose is to support the growth and development of the global derivatives industry and the strengthening of market integrity through its annual conference and regulatory summit, as well as its initiatives in education and publishing.

Internationally, SFOA is mainly known by its annual « Bürgenstock » conference. The 34th edition of this international meeting will be held for the first time in Geneva/ Switzerland, from 25th to 27th of September 2013. This year's conference will be - for the first time as well - jointly organized by SFOA and the Futures Industry Association (Washington/USA) and will be preceded by the International Regulators' Meeting and the Emerging Markets Forum.

SFOA is also the publisher of the Swiss Derivatives Review mailed and distributed around the globe – free of charge – and we support our members by educational and promotional road shows in the major financial centers of Switzerland. (See: www.sfoa.org)



Taiwan Futures Exchange (TAIFEX), established in 1997, is the first and only derivatives exchange in Taiwan. It provides a wide range of products, including stock index futures and options, single stock futures and options, interest rate futures and commodity futures and options. TAIFEX has continuously enhanced its technology and services in trading, clearing and settlement to ensure a fair and orderly marketplace.



Trayport is a leading provider of energy trading solutions to traders, brokers and exchanges worldwide. It develops, deploys and supports quality, resilient software for trading in multiple asset classes worldwide in cleared or OTC markets. Trayport's GlobalVision? software is used by the world's largest trading companies in high profile markets that include derivative and cash instruments.

Trayport's GlobalVision solutions form the cornerstone of many commodities trading businesses. Through GlobalVision, Trayport offers solutions and services to:

- Exchanges: Exchange Trading System enables high-performance cleared and bilateral matching, market operations and data distribution.
- Traders: Trading Gateway enables traders to view and execute the best prices across multiple energy markets on a single screen.
- IDBs: Broker Trading System offers solutions for whiteboard, data distribution, voice supported, OTC and cleared markets.

Trayport's global energy commodity trading network covers:

- 3,700+ traders
- 550+ trading companies
- 29 countries
- 23 exchanges
- 17 wholesale brokers
- 5 CCPs

Founded in 1993, Trayport has offices in London, New York and Singapore. Trayport is a subsidiary of GFI Group Inc.



Belarusian Universal Commodity Exchange OJSC (BUCE) is one of the largest commodity exchanges in Eastern Europe. Its electronic trading system allows buyers and sellers to trade in a wide range of commodities. BUCE includes more than 11 000 participants from 57 countries (2012).

The volume of exchange transactions in 2012 was more than 1,1 bln EUR.

BUCE includes the following sections:

- metal products,
- timber,
- agricultural products,
- industrial and consumer goods (incl. a wide range of products from food to high-tech goods).

BUCE in co-operation with Belarusian and foreign experts is working on futures commodity market development in the Republic of Belarus and has conducted auctions to trade in derivatives since 2012.

Additional information can be found at: www.butb.by



Sofia Commodity Exchange, established in 1991, is the largest in Bulgaria - more than 90 percent of the total exchange trade in Bulgaria.

The trading, accomplished by brokers, is focused mainly on grains, foodstuff, raw materials, metals, wood, fuels etc. 3 days per week.

The growth in activity is steady, in 2012 the turnover was 50% higher than in 2011.

Media sponsor

