

DGCX Celebrates 1st Year of Eventful Trading

- 419,501 kilograms of Gold futures transacted, 27,425 contracts of currencies futures transacted
- First anniversary celebrated on counts of several notable Achievements

To commemorate its successful Completion of first year of trading, the Dubai Gold and Commodities Exchange, the first international commodities derivatives exchange in the Middle East, hosted a glittering function at Grand Habtoor Resort and Spa, Dubai on 19th November 2006. The function was very well attended by many high profile dignitaries, members of the press, DGCX members and eminent personalities from Banking, finance, stock exchanges, international commodity exchanges, Precious metals and energy trade.

The Exchange was inaugurated on November 22nd, last year by His Highness Sheikh Mohammad bin Rashid Al Maktoum, UAE Vice President and Prime Minister and Ruler of Dubai. In such a short span of time, DGCX has made. Itself known not only in the financial and commodity circles in the Middle East but also in other major financial hubs across the globe.

DGCX members are spread across centers such as London, Chicago, Auckland, Mumbai and Karachi. DGCX boasts of members such as FIMAT International Banque, Man Financial, Deutsche Bank, Mashreq Bank, HSBC and Standard Bank. Most of these members are global leaders when it comes to derivatives trading. With its continuous global awareness building initiatives, DGCX has been successful in attracting more than 100 institutions to establish their presence in Dubai.

It is indeed a feather in the cap of Dubai that an exchange which has just completed a year of trading has surpassed a volume of USD 11.5 billion, averaging almost 1 billion monthly. The Exchange recently recorded its highest volume of \$ 220 million on 9th November 2006, (breaking its earlier Mark of \$ 122 million recorded in May 2006). The average daily turnover on the exchange during November 2006 is around \$ 125 million. The exchange has introduced 6 contracts viz. gold, silver, Euro, GBP, Japanese Yen and Fujairah fuel oil futures contracts during this period.

A beaming Framroze Pochara, Chief Executive Officer, DGCX, said “It is a stupendous achievement for the exchange by any standard. Of course a lot of sweat and grind has gone into the making, but today it is all worth it. Obviously it has been a great team effort starting from the shareholders DMCC, MCX and FTIL, the Board of Directors, the DGCX staff members and of course the support received from His Excellency Sultan bin Sulayem and the DGCX members. The Exchange serves a crucial function of price discovery and risk management for the local trade and has strengthened Dubai's global standing as an economic powerhouse.” Pochara further stated “it is a good beginning but we have greater heights to conquer before we rub shoulders with the other established players.”

Commenting on the mood on the anniversary eve, Mr. Colin Griffith, Chairman, DGCX, said the impact of the Exchange on Dubai could be gauged by the fact that the local players are already using the exchange platform to source their physical gold and silver requirements, taking advantage of the cost efficient mechanism, robust price discovery platform, and smooth settlement framework that DGCX offers. A total of **338 kgs** of gold, **1200 kgs** of silver, **1.5 million** Euros, **3.05 million** GBP, totally valued at \$ **14.5 Million** has been physically delivered using the DGCX platform, he revealed, adding that the exchange has also provided the physical markets a platform for price discovery nearer home. Explaining his point, Mr. Griffith said that in spite of one in every eight tons of gold finding its way into the Dubai market, the city or the region lacked for long a mechanism for hedging price risks. “Traders here had to look overseas for discovering the prices of all these products. After DGCX came into the scene, this has changed for the better,” he pointed out.

Echoing Mr. Griffith's views, Mr. **Jignesh Shah**, Vice Chairman, DGCX and Managing Director, Multi Commodities Exchange of India, said he was very delighted that the first one year turned out to be so good. “Keeping up the momentum, our next step will be to further enhance the liquidity in the various contracts currently traded on the exchange.



DGCX will also be launching options on gold futures early in the coming year thus increasing the sophistication level of the market by many folds”, he revealed.

New contracts like steel futures will be rolled out along with some other commodities. Energy portfolio will see an addition with the introduction of Gasoline futures. A number of significant developments made the first one year very eventful for DGCX. Two major Memoranda of Understanding that the exchange had signed during this period put it on the world scene of commodities trade. The agreements were with the Chicago Board of Trade and the Tokyo Commodity Exchange (TOCOM), two of the world's leading exchanges. As a result of all these initiatives DGCX has helped in bringing a new avenue of earning and employment for the people of this region. DGCX conducted more than 50 training programs in the last year for disseminating knowledge on commodity derivatives thus creating a completely new segment of industry which barely existed in the region before.

**Notes for the Editor :
About DGCX :**

The Dubai Gold and Commodities Exchange (DGCX) is a fully automated, online commodities and currencies exchange. Strategically located in Dubai, the exchange is the first international commodities derivatives marketplace in the time zone between Europe and the Far East. DGCX is a joint venture between the Dubai Multi Commodities Centre, Financial Technologies and Multi Commodity Exchange of India Ltd. At present DGCX offers its members and their clients to trade in Gold, Silver, Currency and Fuel Oil futures. This will be followed by options on gold and silver futures. A diversified range of commodities such as steel, jet fuel oil, freight rates, pulses and cotton will be introduced for trading as the exchange progresses further.

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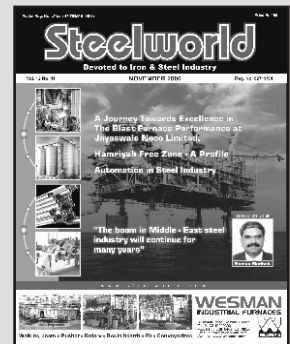
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