

PMEX Holds Red Chilli Awareness Programs

Karachi: Pakistan Mercantile Exchange Limited (PMEX) is relentlessly striving to bring the agricultural commodities on its platform. In this regard, the Exchange launched Red Chilli deliverable contracts in October 2015. PMEX received an encouraging response from all the market participants for the efforts that resulted in better quality red chilli production, quick cash payout to the farmers and overall efficiency in the red chilli trade.

Capitalizing on this success, PMEX in the upcoming trade season will offer another variety of red chilli commonly known as hybrid. The trade centers for hybrid are located across the country with major trade activity in Kunri, Sindh and Faisalabad, Punjab.

To encourage further trade and to create awareness among buyers, farmers and traders of red chilli, PMEX held awareness sessions in Kunri, Faisalabad and Karachi prior to the arrival of upcoming crop of 2016. All the three sessions were well received by the red chilli value chain participants who are looking forward for the upcoming trade season.

Moreover, PMEX is also collaborating with banks to provide finance against warehouse receipts to the value chain participants enabling them to meet their immediate liquidity requirements. Under the proposed scheme, the growers will get a warehouse receipt against the deposit of their produce at the PMEX designated warehouse. Once the warehouse receipt is issued, the grower will have the option to approach the participating banks for borrowing money against the warehouse receipt to fulfil their immediate liquidity needs and thereon sell their produce whenever the prevailing market price is favorable for them.

Going forward, PMEX plans to replicate the model of Red Chilli for other agricultural commodities as well.