

Press Release

PMEX lists Brent Crude Oil Futures Contracts

Karachi - December 19, 2016: Pakistan Mercantile Exchange (PMEX), the country's only multi-commodity futures exchange, launched Brent Crude Oil Futures Contracts, duly approved by the Securities and Exchange Commission of Pakistan (SECP). These contracts are cash settled with trading units of 10 and 100 barrels and the price quotation is in USD but margins are paid in PKR. The above mentioned contracts have been made available for trading from December 19, 2016.

Crude oil is one of the most significant sources of energy in the world and is therefore critical for global economic growth. In Pakistan, crude oil is a key component of the economy where transportation & power industries are the major consumers. The country is deficient in indigenous production of crude oil, therefore bulk of the requirement is met through large quantity of import every year thus exposing the importers to price volatility risk.

At the launch of the Brent Crude Oil Futures Contracts, Mr. Ejaz Ali Shah, Managing Director, PMEX said, "We are delighted to add another product in our portfolio. With the introduction of this contract in our energy product mix, market participants can now trade in both Brent & WTI standards of crude oil. We are confident that the new product will provide an excellent opportunity for market participants such as refineries, oil marketing companies, airlines, etc. to hedge their price risk."

The Exchange is relentlessly striving to broaden its product range by launching a rich mix of products to further enhance its product portfolio. Recently, PMEX launched cash settled futures contracts of Copper and deliverable contracts of Paddy Super Basmati Rice. Additions of new products will not only help the brokers to attract new business but also provide portfolio diversification opportunities to the market participants.

End of Release