

Press Release

PMEX lists Copper Futures Contract

Karachi - Tuesday, October 25, 2016: Pakistan Mercantile Exchange (PMEX), the country's only commodity futures exchange, launched Copper Futures Contract duly approved by the Securities and Exchange Commission of Pakistan (SECP). PMEX Copper Futures Contract is a cash settled contract. Trading unit of the contract is 1,000 pounds and the price quotation is in USD but margins are paid in PKR. The contract was made available for trading from Wednesday, October 26, 2016.

Copper ranks as the third-most-consumed industrial metal in the world, after iron and aluminum. Presently, in Pakistan, copper is used in industrial manufacturing, cable, electronic and home appliances. Its consumption centers are located in Karachi, Lahore, Gujrat, Gujranwala, Rawalpindi, Islamabad, Peshawar, Kasur and Kotri. Pakistan is deficient in indigenous production of copper, therefore bulk of the requirement has to be met through import exposing the consumers to price volatility risk. Introduction of Copper Futures Contract will provide hedging opportunities to all such consumers against the price volatility risk in a convenient manner.

At the launch of the Copper Contract, Mr. Ejaz Ali Shah, Managing Director, PMEX said, "The Exchange endeavors to offer products that cater to the needs of all types of market participants such as investors who invest in commodities for long term, traders who work with the aim of earning profit based on their market strategy and hedgers who trade to mitigate their risk, using commodity futures market. Against this backdrop, PMEX is relentlessly striving to broaden its product range by launching a rich mix of products to further enhance its product portfolio. This will not only help the brokers to attract new business but also provide portfolio diversification opportunities to market participants."

End of Release