



### **PMEX announces first trades in Sugar Futures Contract**

Karachi –Tuesday 21 February 2012. Pakistan Mercantile Exchange Limited announced the commencement of trading in the Sugar Futures Contract this week. Trading started in the February contract. PMEX has currently three contracts at the months of March, April and May.

The sugar contract launch marks a big step forward in the domestic commodities portfolio of Pakistan Mercantile Exchange. First trades were done in the February contract, Soon after the activation of the contract this month, the first trade in this contract also took place and has reached expiry also.

PMEX Sugar Futures are deliverable contracts. Trading Unit for the contract is 10 Metric Tonnes. Primary advantage of the contract is to provide market participants with opportunities to trade and hedge over a transparent platform. Millers, processors and traders get the superior advantage of PMEX settlement guarantee mechanism whereby participants can eliminate counterparty risk from their trading.

On this occasion, Mr Samir Ahmed, MD PMEX said, “Over the next five years PMEX will focus on developing our domestic agricultural markets. The main objective will be to initially list all the major domestic agricultural products on the Exchange. This will be followed by an extensive marketing plan to create awareness of the immense benefits that an active futures market offers for growers, consumers, traders and processors of agricultural commodities in Pakistan.”

He further added that the intention is to follow best international practices in terms of transparency, fairness and open access so that all players in the value chain benefit equally.

In order to achieve the objectives set out, PMEX is planning to open offices near the major agricultural zones of the country for easy access and trust building to take place between the Exchange and the agricultural stake holders. The initial plan is to open 4 offices during 2012 in the approved areas.

PMEX will continue to follow the tight risk management procedures and controls that it has pioneered in Pakistan and that have stood it in good stead, especially in recent times of immense volatility in the international markets.

**ABOUT:** Pakistan Mercantile Exchange Limited is Pakistan’s first and only technology based commodity and futures exchange. It is licensed and regulated by the Securities and Exchange Commission of Pakistan. Its shareholders are National Bank of Pakistan, Pak Kuwait Investment Co, Zarai Taraqiati Bank and the three stock exchanges of the country. PMEX currently lists various contracts for trading in Gold, Silver, Crude Oil, IRR16 Rice, Palm Olein, Sugar and Kibor.

For more information: [www.pmex.com.pk](http://www.pmex.com.pk)