

### PMEX welcomes World Bank Delegation

**Karachi – October 27, 2015:** Pakistan Mercantile Exchange (PMEX) hosted a dinner for a visiting World Bank delegation which is looking into the possibility of collaborating with the Pakistan private sector with its various agriculture projects. The dinner was hosted on the back of PMEX's listed contracts of Red Chilli that has attracted the attention of growers, corporate buyers and traders in Pakistan.

The delegation of the World Bank was led by Mr. Martien Van Nieuwkoop, the Agriculture Manager for South Asia. Other representatives at the event included the executives of Agility Logistics, SGS Pakistan, National Foods, K&N, HBL, Pakistan Agriculture Coalition (PAC) and Habib Oil Mills.



The dinner provided an opportunity for all participants to discuss opportunities of bringing agricultural commodities trade on a regulated platform of PMEX. It is anticipated that with the active participation of growers, certifications companies, warehousing and logistic service providers the vision of trading agricultural produce at a national institute, PMEX, can be achieved.

### PMEX signs collaboration agreement with DGCX

**Dubai - October 20, 2015:** Pakistan Mercantile Exchange Limited (PMEX), the country's only multi-commodity exchange, and Dubai Gold & Commodities Exchange (DGCX), UAE's leading derivatives bourse, today announced that they have signed a Collaboration Agreement (CA) to create a forum to work together, share information, and bridge connections between the financial markets of Pakistan and UAE.

Speaking at the occasion, Ejaz Ali Shah, Managing Director, PMEX, said: "It is an exciting time for us to be collaborating with DGCX. We see various similarities between both Exchanges, one of them being our mutual commitment to provide a world-class commodity futures platform for market participants, driven by best global practices, professionalism and transparency. We are also both leaders in selling and trading gold in our respective markets. Therefore, the partnership is only a natural and expected step forward for both entities, as we join hands to contribute to the derivatives global market."

Gaurang Desai, CEO of DGCX, commenting on the CA, said: "The CA with PMEX will enable DGCX to develop a better understanding of Pakistan's derivatives markets at a time when these markets are evolving rapidly, the economy is on a growth trajectory. We believe this agreement

will build upon the business relationships we have established in other Asian markets and provide an important foundation for the development of futures markets in Pakistan.”

PMEX is working to develop strategic ties with international exchanges to explore new business opportunities and adapting best practices. In line with this objective, after UAE, PMEX plans to sign similar accords with exchanges of Iran and South Africa.

### **PMEX launches Red Chilli Weekly Futures Contract**

**Karachi - October 7, 2015:** Pakistan Mercantile Exchange (PMEX), the country’s only commodity futures exchange, launched the Red Chilli Weekly Futures Contract and successfully commenced trading at the Exchange on October 07, 2015. Three contracts have been listed at the Exchange at the moment based on quality of the commodity i.e. Grade A+, A and B.

The key partners to develop and promote Red Chilli Trade at PMEX are, Agility Pakistan (Pvt.) Limited, SGS Pakistan (Pvt.) Limited and Pakistan Agriculture Coalition (PAC). Agility is responsible for providing warehousing and logistic facility, SGS has been mandated to issue the quality certificate and PAC is playing the role of the trade facilitator.

The listing of these contracts at a regulated trading platform will ensure better price to growers, offer superior quality product to the buyers at a cheaper price and provide ease of buying and selling of the commodity. Furthermore, these contracts will pave way for the listing of similar contracts for other agricultural products such as onions, potatoes and tomatoes.

PMEX is constantly striving to list new agriculture products at the Exchange to develop an active futures market that provides a neutral platform for farmers and traders and help make Pakistan’s agricultural sector more competitive.

### **PMEX and Izmir Commodity Exchange ink MoU**



**August 20, 2015:** Pakistan Mercantile Exchange (PMEX) has signed a Memorandum of Understanding (MoU) with Izmir Commodity Exchange (ICE). This is the second MoU that

PMEX has signed with an exchange in Turkey. Prior to this MoU, PMEX has signed a pact with Borsa Istanbul.

The MoU with ICE was signed by Mr. Ejaz Ali Shah, Managing Director, PMEX and Ms. Işinsu Kestelli, Chairperson of ICE. This agreement will pave the way for both the institutions to work in close coordination for the development and enhancement of derivatives and financial markets in Pakistan and Turkey by sharing market information and expertise with each other, introduce programs for cross training of staff and build upon each other's best practices and experiences.

Commenting on this auspicious occasion, Mr. Ejaz Ali Shah said: "I am touched by the warmth and hospitality of the Turkish Exchanges extended to us during our visit. As Pakistan and Turkey enjoy special relationship spanning over decades, I am sure that these MoU's will lay the foundation for a long lasting & fruitful relationship. I look forward to learning from each other's experiences and to explore other areas where we can build upon, for the benefit of our exchanges".

PMEX is working to develop strategic ties with international exchanges to explore new business opportunities and adapting best practices. In line with this objective, after Turkey, PMEX plans to sign similar accords with exchanges of UAE and Iran.

#### **PMEX and BORSA Istanbul sign pact for cooperation**

**August 17, 2015:** Under the pact, the two exchange houses would share information and expertise to establish a long-term relationship. PMEX and Borsa Istanbul would be introducing staff programmes to learn from each other's best practices and experiences.



The agreement would facilitate exchange of information and encourage both bourses to adopt best practices on their platforms

Istanbul: Pakistan Mercantile Exchange (PMEX) and Borsa Istanbul have signed a memorandum of understanding (MoU) to develop and improve capital markets in Pakistan and Turkey respectively. The MoU was signed by Ejaz Ali Shah, Managing Director, Pakistan Mercantile and Commodity Exchange and Dr Mustafa Yilmaz, Executive Vice-President, BORSA Istanbul.

Under the pact, the two exchange houses would share information and expertise to establish a long-term relationship. PMEX and Borsa Istanbul would be introducing staff programmes to learn from each other's best practices and experiences.

Commenting on the pact, Ejaz Ali Shah said: "This MoU will contribute immensely to learning from each other and adopt global best practices to protect interests of all stakeholders including investors and brokers. This will also help us in developing our key asset, which is our human capital."

Both organisations will consider hosting joint events (such as conferences and workshops) with the common objective of improving the knowledge of capital markets in both countries.

PMEX is a member of Association of Futures Markets (AFM) and Futures Industry Association (FIA). By actively participating at these forums, PMEX is not only keeping itself abreast with the new developments, but is also learning from the experiences of other members located in various countries. These platforms allow PMEX to network with industry peers, discuss common issues, exchange ideas and learn from the experiences of other member exchanges.

PMEX is also planning to strengthen its ties with the regional exchanges in order to learn from their experiences and explore possibilities of working together in the areas of common interest. To meet this objective, PMEX is planning to sign MoUs with Borsa Istanbul, Izmir Commodity Exchange, Iran Mercantile Exchange and Dubai Gold and Commodities Exchange (DGCX) in the near future

### **Mitsubishi Corporation Visits PMEX**

**Karachi - June 17, 2015:** A delegation of Japanese trading house, Mitsubishi Corporation, visited Pakistan Mercantile Exchange Limited (PMEX) to get acquainted with the operations of the Exchange and to gain a better understanding of commodities trading in Pakistan. Mitsubishi Corporation Resource to Market International (MC RtMI) is a subsidiary of the Metals Group of Mitsubishi Corporation and is the group's trading arm. It is currently surveying the potential of Pakistan as a market for their metals and resources business.

The delegation was led by Hisashi Ikeda, General Manager / Senior Business Development Officer, Mitsubishi Corporation (Singapore). The other dignitaries of the delegation included senior officials of Mitsubishi Corporation Karachi Branch Tomoyuki Hashizume, Deputy General Manager, Taichi Arioka, Senior Business Manager, Shahzad Shabbir, Manager (Metals Department) and Asim Gul, Management Trainee (Metals Department).

PMEX officials welcomed the members of the delegation and briefed them about the Exchange's integrated business model, technology infrastructure, legal & regulatory framework and existing and upcoming products. The briefing was followed by a tour of the PMEX office.

Speaking on the occasion, Mr. Ejaz Ali Shah, Managing Director of PMEX said, "It is honor to receive the delegation of one of the largest trading house of Japan and the keen interest in the operations of Pakistan's only multi-commodities futures exchange. We are always open to new product ideas and projects which can bring both process & cost efficiency across the value chain. I look forward to explore opportunities where Mitsubishi Corporation and PMEX can work together."

### **PMEX Re-launches International Cotton Contract**

**Karachi - April 21, 2015:** Pakistan Mercantile Exchange (PMEX) has re-launched International Cotton (ICotton) contract which is duly approved by Securities & Exchange Commission of Pakistan (SECP). The contract aims to offer opportunities to the entire value chain of the textiles sector to hedge the risk of price variation of their basic raw material, Cotton.

PMEX has re-launched the contract based on the response of the market participants and growing interest of investors in ICotton futures contract. PMEX in this respect has inducted a new market maker who will ensure ample liquidity in the market to facilitate entry and exit of investors.

Cotton is a global agriculture commodity and investors have been trading in cotton derivatives since almost the inception of modern futures trading. Pakistan is among the top five cotton producing countries of the world and nearly two-thirds of its export proceeds come from textiles and clothing. Salient features of the PMEX ICotton contract include; price of the contract is referenced to the futures contract of Intercontinental Exchange (ICE), USA which is considered as the most liquid global cotton pricing benchmark, the price quotation offered is in US Cents/pound and it is a cash settled contract in PKR with no physical delivery involvement. These unique features of the contract gives the local market participants an international flare with the ease and convenience of local trading.

Speaking at the re-launch of the contract, Mr. Ejaz Ali Shah, Managing Director, PMEX said, "We are glad to announce activation of another product, ICotton. PMEX's ICOTTON Contract offers the cotton industry an opportunity to hedge their price risk in a safe and transparent environment using a convenient state-of-the-art trading platform.

### **New Memberships open at Pakistan Mercantile Exchange (PMEX)**

**Karachi - February 12, 2015:** Pakistan Mercantile Exchange (PMEX) announced the re-opening of new membership rights. The issuance of new memberships, which were temporarily suspended by Securities & Exchange Commission of Pakistan (SECP) in 2012, has commenced

again. A limited amount of new memberships are being offered and interested parties can now contact PMEX on the Membership Hotline 0300-8213324 for further details and guidance.

PMEX is Pakistan's first and only multi-commodity futures exchange, which is licensed and regulated by the SECP. It is the second biggest exchange in terms of value traded after Karachi Stock Exchange (KSE). With a sophisticated infrastructure and state-of-the-art technology, PMEX provides a complete suite of services i.e. trading, clearing & settlement, custody as well as back office, all under one roof.

The Exchange's has recently introduced a new innovative product namely Milli Tola Gold, a unique savings product aimed for the masses allowing them to purchase Gold in multiples of approx. PKR 50. Similarly, Electronic Murabaha Market to serve the need of the Islamic Finance Industry, Mill Specific Sugar, Copper and Brent Crude Oil futures contracts are also in the pipeline of new products to be introduced on the Exchange.

Commenting on the new development, Mr. Ejaz Ali Shah, Managing Director of PMEX said: "The re-opening of membership rights provides a great opportunity to the market players to participate on a global platform of a young and growing Exchange. New members will be able to build on the success of existing PMEX members, which have seen significant growth in trading and their business over the past 7 years. Our focus will be to provide membership opportunities in relatively smaller cities also so that our member brokers network can be widespread covering the entire country, thereby, providing trading opportunities to a broader investor base."

PMEX plans to conduct a nationwide drive which will include cities like Lahore, Rahim Yar Khan, Multan, Faisalabad, Sahiwal, Sargodha, Chakwal, Rawalpindi, Gujranwala, Karachi, Hyderabad, Sukkur, Larkana, Quetta and Peshawar to ensure participation from across the country.

### **Islamic Financial Institutions show keen interest in Murabaha Contract to be offered by PMEX**

**Karachi - January 15, 2015:** Pakistan Mercantile Exchange (PMEX) held a briefing session on Murabaha contract, a product exclusively designed by the Exchange for the Islamic Financial Institutions (IFIs). The session was attended by senior officials from various IFIs such as Al Baraka Bank, Bankislami Pakistan, Dubai Islamic Bank, Habib Metropolitan Bank, MCB Bank, Meezan Bank, Standard Chartered Bank, UBL Ameen and National Bank of Pakistan. PMEX Shariah advisor, Mufti Hassan Kaleem was also present at the occasion.

Welcoming the representatives of IFIs Mr. Ejaz Ali Shah, Managing Director, PMEX said "PMEX over the years has been actively working to introduce innovative products to serve and attract a wide array of clients. In line with this, PMEX has taken the initiative to develop an online Murabaha contract to facilitate the IFI's in line with International commodity exchanges such as London Metal Exchange, Bursa Malaysia and Jakarta Futures Exchange which are also enabling Murabaha transactions and are acting as hubs for Islamic Banking liquidity management. We are confident that the proposed Murabaha product would greatly strengthen the Islamic financial sector of Pakistan by bringing it at par with conventional banks with regards to efficient deployment of liquidity. We envision that the proposed Murabaha product will eventually serve as an industry benchmark and be the first choice for the IFIs."

PMEX feels that the keen interest shown by the participants is encouraging and the proposed product will be a game changer for Islamic banks in overcoming excessive liquidity issue. Presently, all the modalities have been worked out and the Exchange is planning to launch the product as soon as it gets the necessary approval from Securities and Exchange Commission of Pakistan (SECP)

### **PMEX announces successful integration with MetaTrader 5 trading platform**

**Karachi - February 03, 2015:** Pakistan Mercantile Exchange (PMEX), the first and only multi commodity futures exchange in Pakistan, announced successful integration of MetaTrader 5, one of the world's most popular trading system, with its existing trading platform.

PMEX, the biggest exchange of the country in terms of members and the second biggest in terms of value traded after Karachi Stock Exchange, is on a continuous quest to transform itself into a next generation futures exchange, providing innovative products, superior services and leading edge technology driven trading platforms to its brokers and clients. In line with this spirit, integration of MetaTrade 5 is a step towards providing a seamless trading experience to brokers and their clients.

Commenting on the landmark occasion, Ejaz Ali Shah, Managing Director, PMEX said, *This is yet another milestone in PMEX's brief history. We are happy to announce the successful integration of MetaTrader 5 with PMEX trading platform. Market participants now have a choice of 3 front end platforms; namely, NEXT- PMEX's in house trade portal, Tradecast - a front end trading system by Catalyst IT Solutions and now MetaTrader 5 by MetaQuotes Software Corp. The Exchange is on a continuous lookout to offer the best trading environment to the Pakistan market.*

*"Integration of MetaTrader 5 with PMEX is a complete technological solution that fully covers the needs of the exchange members, - says Renat Fatkhullin, CEO of MetaQuotes Software. - It does not only allow brokers to trade on Pakistan Mercantile Exchange via MetaTrader 5 but also provides the entire cycle of operational client accounting. The MetaTrader 5 brokers that will use our new Gateway will have no need for additional plugins and back-office applications. MetaTrader 5 Gateway to PMEX contains all the required functionality".*