



DGCX Indian Rupee Futures

More Liquidity. More Opportunity to Trade.

Launched in 2007, the DGCX Indian Rupee futures contract is the only one of its kind outside of India and is therefore available to a wide range of international participants and Non Resident Indians. The Indian Rupee futures contract offers trading opportunities and an ideal hedging mechanism for the Indian currency versus the US Dollar.

With extended trading hours from 8.30am to 11.30pm Dubai Time (10.00am to 1.00am Indian Standard Time) and an ideal contract size, the DGCX market allows easier fungibility with the Non Deliverable Forwards (NDF) market.

The DGCX Indian Rupee futures contract has many advantages for market participants:

- Contract size of two million Rupee (approx. US \$45,000 depending on market) while the minimum NDF contract size is approximately US \$100,000
- Cash settled in US dollars, based on the reference rate published by the Reserve Bank of India on the last day of trading
- Monthly expiries available up to twelve months forward
- Simple fee and competitive margin structure. The current minimum initial margin is US \$700 per contract (subject to change)
- Accessible via 180 broker members and tradable electronically via the DGCX 'Trader Work Station' or a range of ISVs

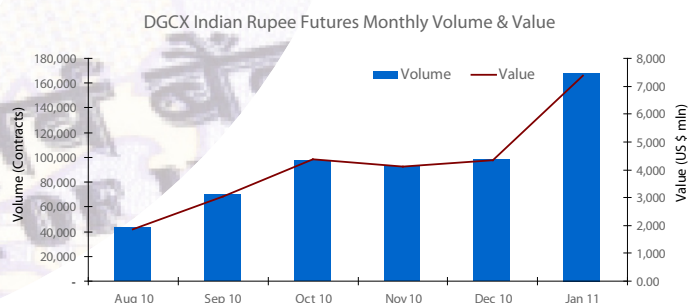
The Growth of Indian Rupee Futures on DGCX

Currency trading has increased across the globe and DGCX Indian Rupee futures are no exception, with new records set throughout the last 12 months. Participation in the contract continues to grow month on month.

January 2011 saw the highest ever monthly trading volumes for DGCX Indian Rupee futures, with 168,088 contracts traded, valued at US \$ 7.4 billion.

Average daily volumes for Indian Rupee futures also continue to rise, with an ADV of 8,000 as at January 2011.

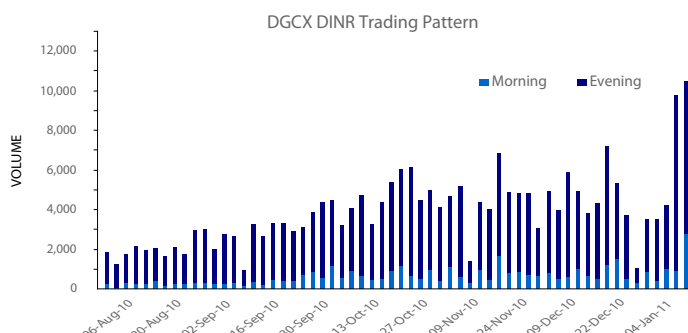
The record trading day was achieved on 22 February 2011: 12,499 contracts, valued at US \$ 552 million.



Evening Trading Patterns

The DGCX Indian Rupee futures contract is open for trading from 8.30am to 11.30pm Dubai time / 10am to 1am Indian Standard Time, Monday to Friday.

The DGCX markets are open for eight hours post closure and settlement of the Reserve Bank of India and the Indian domestic futures markets. The DGCX Indian Rupee future is therefore the only exchange traded futures contract available for trading after 5pm (Indian Standard Time) and trading activity in the contract increases significantly during this time period as the graph demonstrates.



Morning session: 8.30am to 3.30pm Dubai Time (10am to 5pm Indian Standard Time)
Evening session: 3.30pm to 11.30pm Dubai Time (5pm to 1am Indian Standard Time)



A Comparison: DGCX Indian Rupee futures v the Non Deliverable Forwards (NDF) Market

Clearing & Settlement:

- Trading on a regulated exchange such as DGCX means that all contracts are settled via the Dubai Commodities Clearing Corporation (DCCC), a wholly owned subsidiary of DGCX
- Operational and credit default risks are reduced, by the guaranteed settlement of transactions via DCCC
- DCCC has experienced zero defaults since inception and is supported via a settlement guarantee fund, comprising commitments from clearing members, shareholders and insurance policies
- In the NDF market, transactions take place bilaterally 'over-the-counter' with no central clearing corporation in place. This an especially important consideration in the current economic and credit environment

Transparency & Best Price Discovery:

- On DGCX, liquidity is brought together to form one transparent central order book for market participants to buy and sell Indian Rupee futures
- DGCX provides a transparent, orderly market where best prices and spreads are available on-screen, whereas NDF deals are often negotiated privately so traders are not aware if they are receiving the best price
- Market Makers provide tight bid and offer spreads on DGCX, while the NDF market offers one price from one source, so the consolidated best price is not always available
- Margins, trading and clearing fees are competitive and published on www.dgcx.ae

An Example: DGCX v NDF

	DGCX Indian Rupee Futures	Non Deliverable Forwards
Contract Size	<ul style="list-style-type: none"> • One DGCX contract (DINR): R2 million (approx. US \$45k) 	<ul style="list-style-type: none"> • Minimum contract size: US \$100k
US \$1 million Notional Value Trading Example	<ul style="list-style-type: none"> • US \$1 million = 23 lots (contracts) on DGCX @ US\$ 45k notional value per contract 	<ul style="list-style-type: none"> • US \$1 million notional value
Spread	<ul style="list-style-type: none"> • Typical spread on DINR after 5pm IST: 3 DGCX pips which is equivalent to 3/4th paisa • For notional value US \$1 million (23 contracts), the total entry and exit costs are: US \$460 	<ul style="list-style-type: none"> • Typical spread in NDF market after 5pm IST: 4 to 6 paisa mark up and mark down which equates to total 8 paisa • For notional value US \$1 million, the approx. total entry and exit costs are: US \$1,739
Margin	<ul style="list-style-type: none"> • On DGCX, the margin is c. 2% 	<ul style="list-style-type: none"> • In the NDF market, the margin is c. 5%
Trading	<ul style="list-style-type: none"> • DGCX Indian Rupee Futures are available to trade electronically 	<ul style="list-style-type: none"> • The NDF market is predominantly traded over the phone via a broker

Please note that the above example is for illustrative purposes only. Figures and exchange rates are subject to change, additional brokerage costs may apply and depend on individual circumstances.

Further Information

For further information on DGCX, our products and how to access our markets or become a Member, please contact us on the details below. Alternatively, please refer to the contract specifications on our website for product related information. Delayed prices for all DGCX contracts are also available on our website.

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