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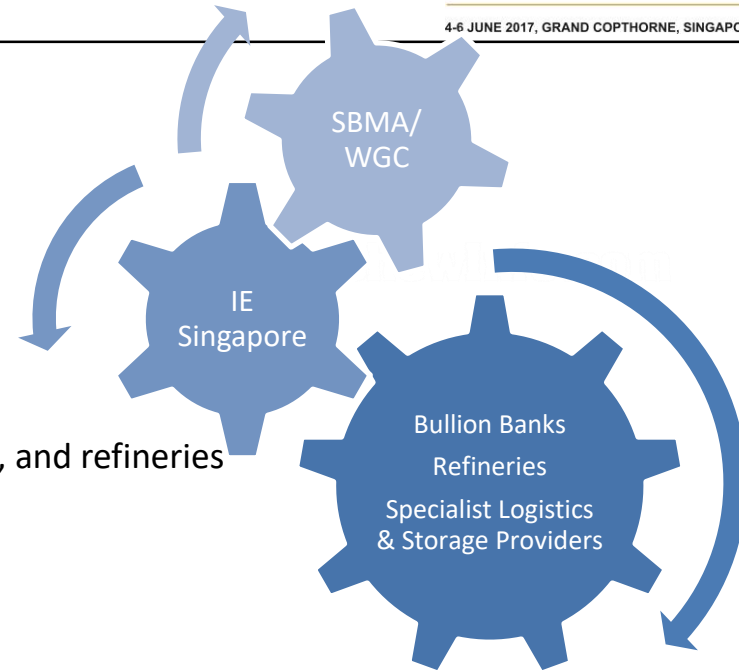
# SGX Kilobar Gold Contract

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# Wholesale Physical Market for Asia

## Singapore Kilobar Gold Futures

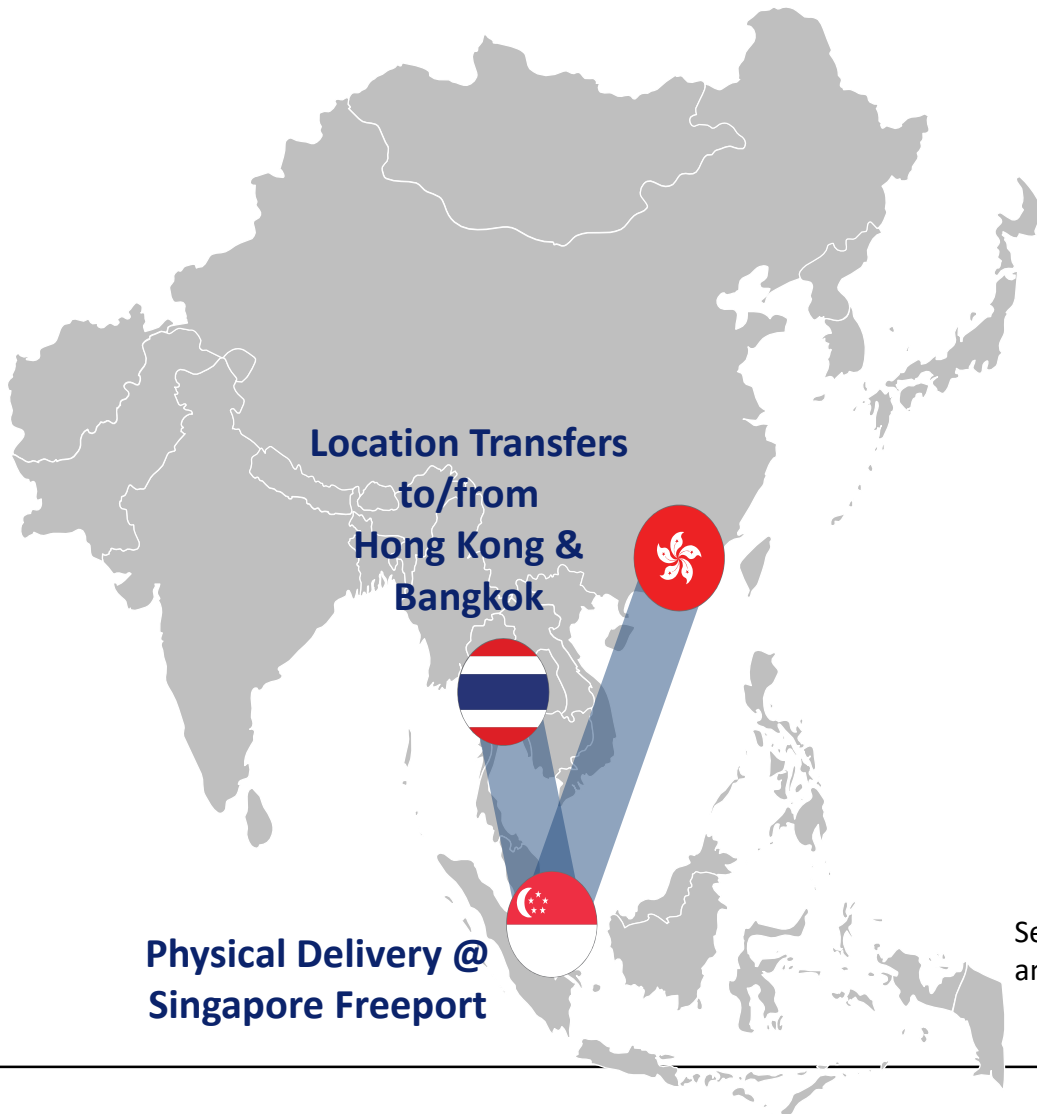
- Complement shifting physical flows
  - Premium-over-spot
  - Rise of Asia and kilobars
- Physical delivery in Singapore Freeport
  - Strategically located between key producers and consumers
  - GST exemption for investment-grade gold
  - Ecosystem of bullion banks, traders, secure storage facilities, and refineries
  - Neutral marketplace
- Reliable marketplace – authenticity & availability



## Enhancing the OTC Model

	SGX GD Gold	OTC Market
1. Price Transparency	All-in Price Central Orderbook	Premium-over-Spot Bilateral
2. Counterparty Risk	SGX as Central Counterparty Futures Regulation	Accept Counterparty Risk Trust-based Arrangement
3. Settlement	Delivery Specifications T+2	Flexible

# Delivery in Hong Kong and Bangkok



## OTC Arrangement

Specifics of delivery and settlement to be agreed bilaterally



## Minimum 1 Lot

25kg of gold deliverable against SGX Gold Contract



## 1 tonne/day

Bullion banks commit to at least 1 tonne of gold every day

See [www.sgx.com/commodities/gold](http://www.sgx.com/commodities/gold) for latest indicative prices and each bank's contact information.

# First Shariah-compliant Gold Futures

## Singapore Kilobar Gold Futures

- Launched October 2014
- Phase 1 upgrades in 2015
  - Longer trading hours (9-3.30pm)
  - (World-first) for sellers to transfer away short position(s) after the last trade date
  - Broadening delivery points via the OTC channel
- Compliant with AAOIFI Shariah Standard on Gold
- Complements Singapore's position
  - Precious metal trading hub
  - International centre for Islamic finance
- Complements international efforts on price discovery and regional transparency

# Thank you

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