MCX, CME in pact for global exchange in Gift City

OUR BUREAU

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Multi Commodity Exchange has signed an agreement with CME Group to study the opportunity of setting up operations in the new International Finance Service Centre coming up at the Gujarat International Finance and Tec-City.

Gift City is being developed as India's first global financial hub. Part of the City is notified as multi-service SEZ with International Financial Service Centre status. It is estimated to provide 5 lakh direct and an equal number of indirect jobs with an investment of about ₹78,000 crore over next 10 years.

NCDEX, has already signed an agreement to set up global commodity exchange in the finance centre. Leading stock exchanges – NSE and BSE – have expressed their plans to set up operations in the Gift City.

MCX and CME has set up a joint working group to explore opportunities to develop new products and services for the US and Indian markets. The commodity exchange also extended the licensing agreement which enables MCX to settle its rupee-denominated oil and gas contract to CME Group's NYMEX prices.



A view of the Gujarat International Finance Tec-City (GIFT)

Derek Sammann, Senior Managing Director, CME Group, said it looks forward to work more closely with MCX in internationalising its commodity markets and providing international market participants greater access to Indian markets.

Parveen Kumar Singhal, Joint Managing Director, MCX, said the relationship holds particular significance in the forthcoming new liberalised and stronger-governed era of commodities markets under the purview of Sebi.