MCX launches brass futures contracts

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Multi Commodity Exchange of India (MCX) has launched futures trading in brass for the first time globally.

The country's largest commodity exchange will commence futures trading in brass on Monday. It will offer three contracts, ending in April, May and June for trading, with a lot size of one tonne.

Brass futures will not only provide its stakeholders a more organised and robust price discovery platform. It will also help them use a national-level benchmark price as a ready reference to enable them to mitigate price risk, the exchange said.

Significantly, MCX Brass futures is the first non-ferrous contract with compulsory delivery option.

The price is quoted ex-warehouse Jamnagar (delivery centre), inclusive of taxes and duties but excluding the goods and services tax.

Brass is an alloy, which primarily contains around 55-60 per cent copper and the rest is zinc, with small amounts of lead and iron.