MCX launches futures trading on MCX METLDEX, India's first real-time Base Metal Index

Mumbai, October 19, 2020: Multi-Commodity Exchange of India Ltd (MCX), India's largest Exchange in the commodity derivatives segment, launched futures trading on the country's first tradable real-time Base Metals Index, i.e. MCX iCOMDEX Base Metal (METLDEX).

The Exchange has launched METLDEX futures expiring in the months of November 2020, December 2020 and January 2021. Atleast 3 consecutive month contracts will be available at all times. The contract has a lot size equal to 50 times of underlying MCX iCOMDEX Base Metals Index. The tick size (minimum price movement) for the contract is Re.1. The contracts would finally be settled in cash at the end of expiry of each contract. The final settlement price will be based on the Volume Weighted Average Price (VWAP) of the underlying constituents between 4:00 p.m. and 5.00 p.m. on the expiry day of the index futures contract.

The sectoral index tracks real-time performance of a basket of MCX Base Metal (near month) futures that includes Zinc (5 MT), Copper (2.5 MT), Nickel (1.5 MT), Lead (5 MT) and Aluminium (5 MT) futures. Presently it carries around 33.06% weight for Zinc, 29.81% for Copper, 14.77% for Nickel, 12.88% for Lead and 9.48% weight for Aluminium.

On August 24, 2020, the Exchange has launched MCX Bullion Index (MCX BULLDEX) futures. Since inception BULLDEX futures clocked an average daily turnover of Rs 251.2 crore as on October 15, 2020.

"After successful launch of bullion index futures, we are glad to introduce METLDEX futures that will further strengthen commodities as asset class in the country. Index trading will facilitate instant portfolio diversification and encourage passive, thematic elements in portfolios. The Index will soon emerge as a new real time barometer for Indian metal industry," said Mr. P.S. Reddy, MD & CEO, MCX.

About MCX:

Having commenced operations on November 10, 2003, Multi Commodity Exchange of India Limited (MCX) is India's first listed, national-level, electronic exchange. It is also the first exchange to introduce commodity options in India. In the financial year 2019-20, the market share of MCX was at a record high of 94.01%. MCX offers the benefits of fair price discovery and price risk management to the Indian commodity market ecosystem. Various commodities across segments are traded on the Exchange platform. These include bullion, energy, metals and agri commodities. The exchange has forged strategic alliances with various international exchanges, as well as Indian and international trade associations. For more information, about MCX and its products visit www.mcxindia.com.

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