MCX
METAL & ENERGY
Trade with Trust

INDEX DERIVATIVES PERFORMANCE REVIEW REPORT



2025-2026

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FOREWORD

The Index Derivatives Performance Report (PR) is the outcome of the SEBI circular SEBI/HO/CDMRD/DNPMP/CIR/P/2020/21 dated February 04, 2020, directing all recognised Stock Exchanges offering Commodity Derivatives Segment to conduct performance review of commodity derivatives contracts on an annual basis based on various parameters. The said performance review shall be consulted with the Product Advisory Committee (PAC) and the same shall be disclosed by 30th June of the following financial year.

Following the above directive, the Index Product Management Team at the exchange has created Performance Review for Index Derivatives contracts that are traded on the exchange. This has been approved by the PAC.

The Index Derivatives Performance Report highlights information on the Volume, Turnover, Open Interest of Index Derivatives Contracts on MCX iCOMDEX BULLDEX® and METLDEX® on the Exchange, along with the price correlations with underlying instrument.

Acknowledgement

We have been ably guided by the MCX Index Derivatives PAC members in improving the content of the report and we are extremely thankful to them. We hope to keep improvising the report going forward.

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INDEX DERIVATIVES PERFORMANCE REVIEW REPORT

1. BACKGROUND

a. Brief about the Commodity Index

MCX India Commodity Indices (iCOMDEX) are excess return indices which consist of Single Commodity Indices, Sectoral Indices and Composite Index. MCX iCOMDEX indices derive values from prices of futures contracts traded on Multi Commodity Exchange of India Ltd. (MCX). An excess return index is considered to be ideal for benchmarking and trading as, along with price returns, it also shows the return attributed to rolling constituent contracts to a new expiry.

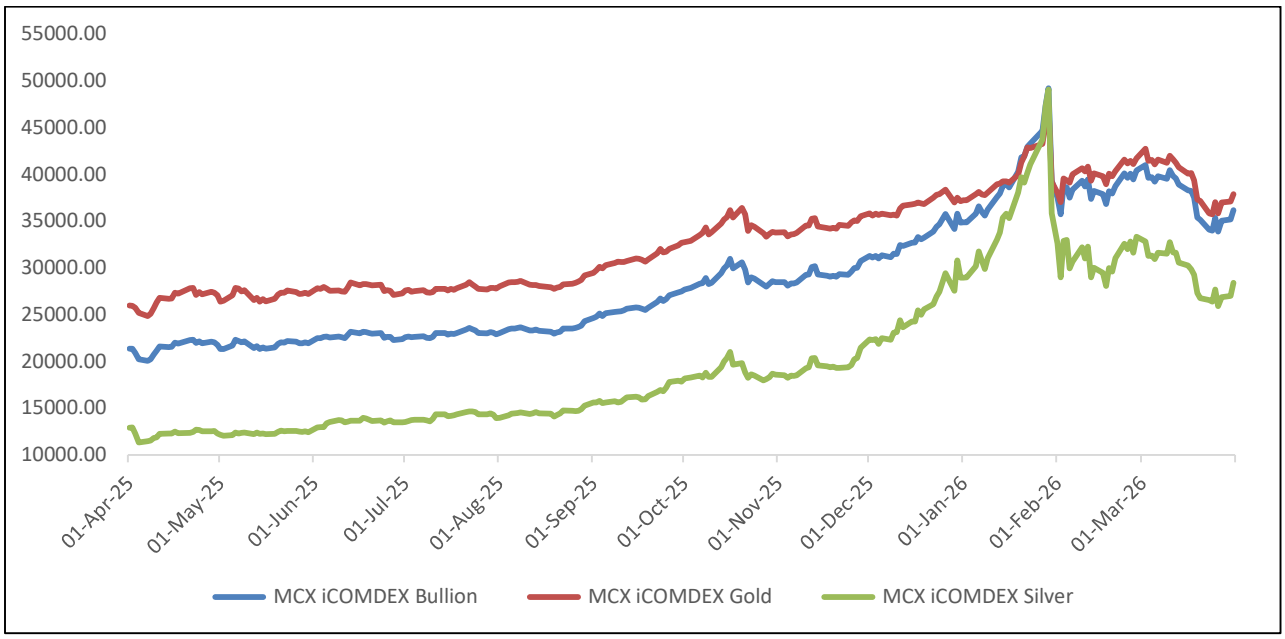
I. BULLDEX

MCX iCOMDEX Bullion Index® is one of the sectoral indices in the MCX iCOMDEX family that reflects real-time performance of bullion sector as a whole. It provides an efficient tool to investors looking to manage their investments in bullion. The index includes gold (1 Kg) futures and silver (30 kg) futures listed on MCX. Each commodity within the index is weighted three-fourths by its liquidity and one-fourth by its physical market size in India, determined by local production and imports.

Long-term investors can use the MCX iCOMDEX Bullion Index® (BULLDEX) for gaining from exposure to the bullion sector as an asset class. Market participants including individual investors, professional traders, and financial institutions such as hedge funds and mutual funds, can use the MCX iCOMDEX Bullion Index® (BULLDEX) either as a reference benchmark for their investments in bullion or related asset classes or as the basis of investment products which provide direct exposure to bullion.

The MCX iCOMDEX Bullion Index® (BULLDEX) conforms to the standards of the International Organisation of Securities Commissions (IOSCO) Principles for Financial Benchmarks (July 2013) in its computation and governance.

The price movements in the MCX iCOMDEX Bullion, Gold and Silver indices are provided below.



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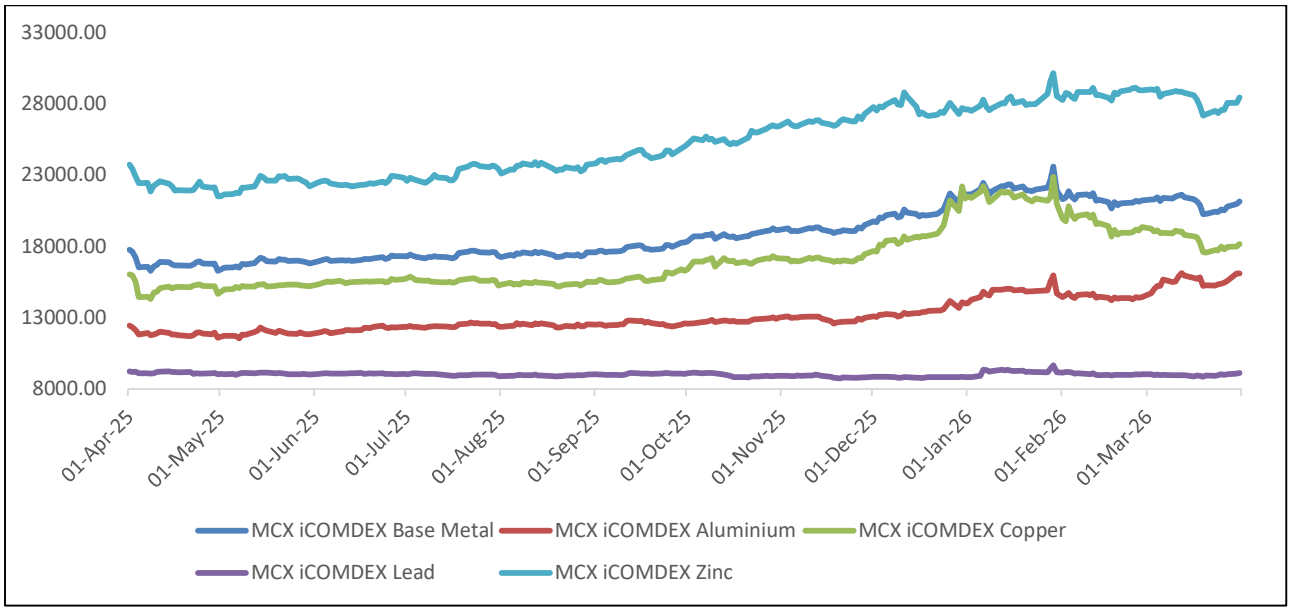
II. METLDEX

MCX iCOMDEX Base Metal Index® (METLDEX) is one of the sectoral indices in the MCX iCOMDEX family, providing an efficient tool to investors looking to manage their investments in base metals. The index includes 4 base metals futures listed on MCX, viz., Aluminium (5 MT), Copper (2.5 MT), Lead (5 MT), and Zinc (5 MT). This index can therefore serve as an indicator of the performance of the Indian industrial sector. Every commodity within the base metal index is weighted three-fourths by its liquidity and one-fourth by its physical market size in India, determined by local production and imports. Additionally, the commodity selection process is also subject to further conditions and needs to meet the threshold set forth in the methodology.

Market participants including individual investors, professional traders, and financial institutions such as hedge funds and mutual funds, can use the MCX iCOMDEX Base Metal Index® (METLDEX) either as a reference benchmark for their investments in base metals or related asset classes, or as the basis of investment products to provide direct exposure to Indian base/industrial metals.

The MCX iCOMDEX Base Metal Index® (METLDEX) conforms to the standards of the International Organisation of Securities Commissions (IOSCO) Principles for Financial Benchmarks (July 2013) in its computation and governance.

The price movements in the MCX iCOMDEX Base Metal Index® and other single commodity indices are provided below.



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b. Commodity fundamentals and balance sheet

c. Major changes in the polices governing trade in the spot markets of the commodity

d. Geopolitical issues in the commodity and its impact on Indian scenario.

Please find details in respect to points 1 (b), (c) and (d) below.

The brief fundamentals of underlying commodities are elucidated as below.

MCX iCOMDEX Bullion Index futures underlying commodities

Gold

- The World Gold Council's full year 2025 Gold Demand Trends report reveals that the total gold demand hit a new all-time high of 5,002 tons last year.
- Global investment demand reached a landmark level of 2,175 tons. Across the world, investors seeking safe haven and diversification, piled into gold ETFs, adding 801 tons throughout the year. Investors also bought bullion with global bar and coin demand reaching 1,374 tons. The two major markets China (+28% y/y) and India (+17% y/y) recorded significant gains, making up more than 50% of demand in the category.
- Central bank demand remained elevated in 2025, with the official sector adding 863 tons of gold. While annual demand was below the 1,000 tons mark surpassed in the previous three years, central bank buying remained a prominent and additive factor in the global gold demand picture.
- Global jewellery demand softened as expected throughout the year, declining 18% compared to 2024. Annual jewellery consumption volumes fell to a five-year low of 1,542 tons.
- Technology demand for gold in the technology sector, yielding full year demand of 323 tons. Gold used in other industrial applications fell 7% y/y to 11 tons. Continued growth in AI-related electronics demand was tempered by ongoing volatility in traditional consumer electronics, resulting in stable demand.
- Total gold supply in 2025 increased 1% y/y to 5,002 tons, the highest in annual data series back to 1970, driven by record mine production and higher recycling supply. Annual mine production grew fractionally y/y to a new record high of 3,672 tons. Full-year recycled gold supply rose only 3% despite surging gold prices.

Silver

- Silver mine production rose by 3% to 846.6 Moz (26,331 tons), with Central and South America leading gains on Chilean project ramp ups and higher grades in Peru, while Mexico continued to weigh on North American output.
- Recycling rose by 2% to 197.6 Moz (6,145 tons), the highest level in 13 years, helped by gains in jewellery and silverware recycling, although refinery bottlenecks and elevated lease rates capped the response.
- Fabrication losses were also notable in jewellery and silverware, both hit by record prices, especially in India. Partly offsetting this, coin and net bar demand rebounded by 14%, with sizable gains in several regions. This resulted in the market deficit falling sharply to 40.3 Moz (1,252 tons).
- In terms of demand segments, offtake from the electrical and electronics sector fell 2%. The global race to expand AI computing capacity drove major upgrades in data centers and high-speed data transmission

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infrastructure, in turn increasing silver use in servers and high-performance hardware. Rising EV penetration and the expansion of charging infrastructure further underpinned demand, especially in countries like China.

- After a modest rise in 2024, global silver jewelry fabrication declined by 8% in 2025 to 189.3 Moz (5,889 tons), the lowest since 2021. Price-driven losses were widespread, with the biggest fabricator, India, recording the steepest decline, as record high prices eroded affordability and curtailed rural demand.
- Physical investment in India rose by a significant 33% y/y. The total would have been even higher if not for the substantial rise in ETP holdings which saw inflows of an estimated 68.3 Moz (2,125 tons).
- 2025 was the year when silver's deficit finally caught up with it, as lower inventories and metal being pulled out of London or tied up in exchange traded products (ETPs) created explosive conditions for lease rates and prices. Against that backdrop, silver delivered a remarkable year having started 2025 below $29, its price broke a series of all-time records, peaking at $84 in December, before rallying further into 2026. The annual average climbed by 42% y/y to just over $40.
- Exceptionally strong physical demand, tight inventories and robust industrial metal prices, copper in particular, fueled silver's outperformance of gold during that period. This trend eventually became self-fulfilling, as investors that had previously favored gold shifted their attention to the white metal.

(Source: world silver survey 2026-The Silver Institute)

For further details, please refer to Performance Review report of respective individual commodity.

MCX iCOMDEX Base Metal Index futures underlying commodities

- Base metals price performance in FY 2025-26 remained mixed to positive, supported by energy transition demand, constrained mine supply in select metals, and periodic China stimulus expectations. Copper and Aluminium outperformed, while nickel remained under pressure due to persistent oversupply.
- China's economic recovery remained uneven during FY 2025-26, with weakness in the property sector and deflationary pressures weighing on industrial metals demand. However, targeted fiscal stimulus and infrastructure support helped stabilize manufacturing activity and metals consumption.
- U.S. tariff measures and ongoing trade policy uncertainty continued to disrupt global supply chains and alter metal trade flows, particularly in copper and aluminium markets. Tariff-related inventory shifts increased price volatility across major exchanges.
- Sanctions and restrictions on Russian-origin metals tightened availability in parts of the global market, especially for aluminium and copper, supporting regional premiums and increasing supply-chain fragmentation.
- Energy transition themes including renewable power, EV adoption, battery storage, and transmission infrastructure continued to underpin medium- to long-term demand prospects for copper, aluminium, nickel, and zinc.
- Indian base metals demand remained healthy, supported by infrastructure spending, renewable energy projects, construction activity, railways, and power-sector investments. Strong domestic manufacturing activity and steady imports supported physical market consumption during FY 2025-26.

For further details, please refer to Performance Review report of respective individual commodity.

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2. TRADING RELATED PARAMETER

a. Monthly and Annual traded volume (quantity in appropriate units)

Month/ Year	BULLDEX Futures	METLDEX	BULLDEX Options
Apr-25	1,413	-	-
May-25	661	-	-
Jun-25	1,809	-	-
Jul-25	1,167	-	-
Aug-25	869	-	-
Sep-25	934	-	-
Oct-25	1,344	-	259
Nov-25	1,839	-	647
Dec-25	4,429	-	56
Jan-26	3,326	-	19
Feb-26	756	-	2
Mar-26	237	-	-
Total FY 25-26	**18,784**	**-**	**983**

Note: (i) Contract size is 30 times of Index. (ii) Monthly/Annual volume is in total traded lots.

b. Annual traded volume as proportion of total deliverable supply (quantity in appropriate units)

c. Annual traded volume as proportion of total annual production (quantity in appropriate units)

d. Annual average Open interest as proportion of total production

e. Annual average Open interest as proportion of total deliverable supply

Points 2 (b) to 2 (e) are Not Applicable

For product specific details of underlying commodities, please refer to Performance Review report of respective individual commodity.

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f. Monthly and Annual value of trade (in Rs. Crores)

Total Turnover (in Rs. Crores)

Month/ Year	BULLDEX Futures	METLDEX	BULLDEX Options
Apr-25	91	-	-
May-25	43	-	-
Jun-25	123	-	-
Jul-25	81	-	-
Aug-25	61	-	-
Sep-25	72	-	-
Oct-25	118	-	23
Nov-25	163	-	57
Dec-25	442	-	6
Jan-26	410	-	2
Feb-26	87	-	0
Mar-26	27	-	-
Total FY 25-26	**1,717**	-	**88**

g. Monthly and Annual quantity of delivery (in appropriate units)

h. Monthly and Annual value of delivery (in Rs. Crores)

Points 2 (g) and 2 (h) are Not Applicable

i. Monthly and Annual Average Open Interest (OI) (in appropriate units)

Average Daily Open Interest (in lots)

Month/ Year	BULLDEX Futures	METLDEX	BULLDEX Options
Apr-25	116	-	-
May-25	63	-	-
Jun-25	112	-	-
Jul-25	84	-	-
Aug-25	71	-	-
Sep-25	99	-	-
Oct-25	63	-	17
Nov-25	86	-	51
Dec-25	152	-	2
Jan-26	125	-	9
Feb-26	74	-	1
Mar-26	27	-	-
Total FY 25-26	**89**	-	**12**

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j. Annual average volume to open interest ratio

Index Futures	Average Daily Volume (in lots)	Average Daily Open Interest (in lots)	Volume to Open Interest ratio
BULLDEX Futures	73	89	0.82
METLDEX	-	-	-
BULLDEX Options	9	12	0.75

Data Source: Bhavcopy from MCX Website.

k. Total number of unique members and clients who have traded during the financial year.

Index Futures	Total number of unique members	Total number of unique clients
BULLDEX Futures	122	963
METLDEX	-	-
BULLDEX Options	68	96

l. Ratio of open interest by FPOs/farmers/Hedge/VCP positions to total open interest (Annual average as well as maximum daily value)

Commodity	Instrument	UNIT	Average of Open Interest	Average of FPOs / Farmers Long VCPs / Hedgers Long	Average of FPOs/ Farmers Short VCPs/ Hedgers Short	Average of Long %	Average of Short %	Max of FPOs/ Farmers Long VCPs/ Hedgers Long	Max of FPOs/ Farmers Short VCPs/ Hedgers Short
MCXBULLDEX	Futures	UNIT	2,162	213	950	0.11	1.72	32,999	59,995
MCXMETLDEX	Futures	UNIT	-	-	-	-	-	-	-

Note: Details are provided based on daily disclosure on the Exchange website for the period April 2025 to March 2026 in line with SEBI circular no SEBI/HO/CDMRD/DNPMP/CIR/P/2019/08 Dated January 04, 2019. Based on the data provided by the members from time to time pertaining to Farmers/ FPOs, VCPs/ Hedgers.

m. Number of unique FPOs/ farmers and VCPs/ hedgers who traded in the financial year.

Index Futures	VCPs/Hedgers
BULLDEX	3
METLDEX	-

Note:

- *Based on the classification provided by the members as on March 31, 2026, for clients traded during FY 2025-26.*
- *In case of classification of OWN (Prop Account) is uploaded as VCPs for any commodity, the same is included in "VCPs/ Hedger' category.*

n. Algorithmic trading as percentage of total trading

Index Futures	Percentage
BULLDEX Futures	38.91
METLDEX	-
BULLDEX Options	40.37

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o. **Delivery defaults**
   - **Number of instances**
   - **Quantity involved**
   - **Value involved**

   Not Applicable

3. **PRICE MOVEMENTS**

a. Comparison, correlation, and ratio of standard deviation of Exchange futures price vis-à-vis international futures price (wherever relevant comparable are available).

No representative Index futures are traded globally.

b. Comparison, correlation, and ratio of standard deviation of Exchange futures price vis-à-vis international spot price (wherever relevant comparable are available) and domestic spot price (exchange polled price).

Not Applicable

c. Correlation between exchange futures & domestic spot prices along with ratio of standard deviation.

Correlation with Index Futures:

	Correlation (%)	Ratio of standard deviation
Bullion Index	85.50%	0.88
Base Metals Index	-11.14%	0.99

Note:
Correlation between Futures Prices and Index Values is computed based on daily returns using LN(Pt / Pt-1). Ratio of standard deviation is standard deviation of daily futures returns to standard deviation of daily spot (index values) returns.

d. Correlation between international futures & international spot prices along with ratio of standard deviation (wherever relevant comparable are available).

No representative Index futures are traded globally.

e. Comparison of Exchange polled price and mandi price (in case of agricultural commodities) / other relevant price (in case non-agricultural commodities) at basis centre.

Not Applicable

f. Maximum & Minimum value of daily futures price volatility and spot price volatility along with disclosure of methodology adopted for computing the volatility.

The volatility details for MCXBULLDEX, MCXMETLDEX for F.Y. 2025-26 is provided as under:

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Commodity	Max Future Price Volatility %	Min Future Price Volatility %	Max Spot Price Volatility %	Min Spot Price Volatility %
MCXBULLDEX	0.67%	5.14%	0.28%	2.66%
MCXMETLDEX	0.49%	14.50%	0.28%	0.28%

Note: Above details are based on near month contract volatility and for the period 1-Apr-2025 to 31-Mar-2026.
Methodology adopted for computing the volatility is Exponential Weighted Moving Average (EWMA).

g. Number of times the futures contract was in backwardation/contango by more than 4% for the near month contract in the period under review.

Particulars	No. of times Index Futures contract	In Contango/ Backwardation
BULLDEX	4	Contango
METLDEX	-	-

Formula: (Index Futures – Underlying Index)/Underlying Index *100

4. OTHER PARAMETERS

a. Qualitative and quantitative measure for Hedge effectiveness ratio and basis Risk (Volatility of Basis) along with disclosure of methodology adopted for such calculations.

Hedge Ratio and Basis risk for BULLDEX and METLDEX futures:

The methodology adopted is also indicated below.

Hedge Ratio for 2025-26	
Commodity	**Hedge Ratio**
MCXBULLDEX	0.9135
MCXMETLDEX	0.5337

Note:
Hedging efficiency is the value of Coefficient of Determination (R2) obtained from regressing changes in five-day moving average of daily MCX Spot Prices on changes in five-day moving average of daily MCX Futures Prices during the period.

Basis Risk for 2025-26			
Commodity	**Unit of Basis**	**Avg Return of Basis**	**Basis Risk**
MCXBULLDEX	Rs/Unit	-2.93	44.17
MCXMETLDEX	Rs/Unit	0.30	25.25

Note:
- Basis Risk is computed as the Standard deviation of daily normal return in Basis, which is excess of Spot over Futures price.
- In case Basis is zero for any day, next day's Basis return has been ignored for computing the standard deviation.

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- *'Hedge Ratio' is defined as the number of units of futures contracts which minimises the risk of the hedged asset position. When futures prices are perfect estimators of spot prices, Hedge Ratio is expected to be 1. That is, one unit of the asset position can be fully hedged by one unit of the futures contract. But, with imperfect link between spot and futures prices, as well as unequal volatility, the hedge ratio usually diverges from 1.*

b. Details about major physical markets of the commodity vis-à-vis market reach in terms of availability of delivery centers (information to be provided state-wise and UT-wise).

Not Applicable

c. Details about major physical markets of the commodity and average Open Interest for each month generated from those regions.

Not Applicable

d. Details, such as number and target audience, of stakeholders' awareness programs carried out by the exchange.

Index Futures	No. of awareness programs	No. of Target audience
FY 25-26	644	35,394

Target audience includes financial institutions, and investors.

e. Steps taken / to be undertaken to improve hedging effectiveness of the contracts as well as to improve the performance of illiquid contracts.

Conducted 644 awareness programs during FY 2025-26.

5. ANY OTHER INFORMATION TO BE DISCLOSED AS DEEMED IMPORTANT BY THE EXCHANGE OR AS SUGGESTED BY THE PAC.

None

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