

SMX iron ore contract sets a record volume of 1.1 mn tons in September

Physical market players find iron ore futures contract attractive

- September was the first full month of trading in the iron ore futures contract
- SMX also achieves record turnover and trade volume on September 30

Singapore, 4 October 2011 – The world’s first and only global Metal Bulletin Iron Ore (MBIO) Index Futures Contract (SMMBIO) traded on the Singapore Mercantile Exchange (SMX) crossed the volume of 1.1 million tons in September, its first full month since the launch on August 12, 2011. The last day of September also saw SMX record its highest ever overall turnover and volume on a single day. The turnover was USD 635.23 million with a total volume of 19,231.

Active trading interest from the physical market has enabled the iron ore futures contract reach this key milestone within the iron ore derivatives industry. Ever since the launch of SMX MBIO Index futures contract there has been an enthusiastic response from major physical market and financial market players to trade in the contract. Traders based in China, the biggest importer and one of the largest markets of iron ore trade, have also shown active interest in the contract.

SMMBIO is the world’s first Iron Ore Futures Contract on a global platform, settled based on the Metal Bulletin Iron Ore (MBIO) Index. The Metal Bulletin’s MBIO index is a good reflection of the seaborne merchant market for sinter fines delivered to China.

Mr V Hariharan, interim CEO of SMX said, “We are extremely pleased with the steady growth of trading on the SMX. Based on the response that the Iron Ore futures contract is receiving we are confident of creating a robust benchmark for the iron ore industry. The growing success of this contract has further strengthened Singapore’s position as a major iron ore trading hub.”

Mr Cameron Hunt, Director, Metal Bulletin Index said, “The excellent start to the SMX Iron Ore Futures contract is a testament to the strength of the SMX - Metal Bulletin Iron Ore Index combination. This is the strongest start to any iron ore financial product, and the rapid growth in liquidity demonstrates the appetite for a futures contract on a global exchange priced against an accurate, independent and established Index.”

SMX which went live on August 31, 2010 has seen its membership number double over the past 12 months crossing 50. The exchange had started with 25 members and four contracts and today has more than 50 members including 7 clearing members and 12 contracts. Among the leading clearing members signed-up thus far include Newedge, Ong First, Morgan Stanley, UOB, ICICI Bank, Citi and Phillip Futures. The prominent trade members include Glencore, Total Global Steel, Trafigura, Vitol and TransMarket. SMX trading sessions span Asian, European and US business hours, with central counterparty clearing performed by SMXCC. The SMX platform allows to remote participation through its diverse network of

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About Singapore Mercantile Exchange

Singapore Mercantile Exchange is a pan-Asian multi-product commodity and currency derivatives exchange situated in Singapore. It offers a comprehensive platform for trading a diversified basket of commodities including futures and options contracts on precious metals, base metals, agriculture commodities, energy, currencies and indices.

SMX offers market participants the benefits of market transparency, time zone convenience, price discovery and benchmarking, price risk management and multiple connectivity options. Counterparty clearing and settlement risk is effectively managed through its clearing house, the Singapore Mercantile Exchange Clearing Corporation.

The regulator of Singapore's financial markets – the Monetary Authority of Singapore (MAS) – has granted SMX 'Approved Exchange' status since 2010.

SMX is backed by the world's leading creator of exchanges - Financial Technologies (India) Limited - which has successfully established 10 exchanges across India, Dubai, Singapore, Africa, Mauritius and Bahrain.

SMX is a member of leading international derivatives industry associations, such as the Futures Industry Association (FIA), the Swiss Futures and Options Association (SFOA), the Association of Futures Markets (AFM) and the Futures and Options Association (FOA).

More information is available at www.smx.com.sg

About Metal Bulletin

Metal Bulletin is the established leader in metals and minerals reporting. It has been reporting on iron ore transactions since the first print issue of the magazine was published in May 1913. Metal Bulletin's reporting was instrumental in the development of the original iron ore benchmark pricing system, and it was also the first publisher to track the Chinese iron ore spot market since its creation in 2004. Since its development and launch in 2008, the Metal Bulletin Iron Ore Index has impartially and accurately tracked the iron ore spot market, and facilitated the industry's move towards transparent pricing and longer-term risk management.

The MB Iron Ore Index is a tonnage-weighted calculation of actual transactions which are normalised on value-in-use and freight to a single base chemistry and delivery point.

Metal Bulletin's breadth of product offerings extends from online news and prices services, magazines, newsletters and online real time services, to directories and databases, books, research reports, and consultancy and the staging of events around the globe in the form of conferences and exhibitions.

Metal Bulletin Limited is a wholly-owned subsidiary of Euromoney Institutional Investor Plc, which is itself majority-owned by the Daily Mail & General Trust Plc (DMGT). Since 2010, Metal Bulletin has been working with Shanghai Steelhome, the leading independent data provider and iron ore research house in China, to consolidate its strength in data collection.

More information is available at www.metalbulletin.com & at www.mbironoreindex.com

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