

The SGX logo consists of the letters "SGX" in a bold, dark blue sans-serif font, followed by a stylized graphic of three horizontal bars in blue and yellow.

## News Release

19 December 2016

### **SGX announces world's first Shariah-compliant gold futures contract**

Singapore Exchange (SGX) is pleased to announce that its Singapore Kilobar Gold Contract has become the world's first Shariah-compliant gold futures.

SGX launched the world's first exchange-traded, physically delivered wholesale gold futures in October 2014, in partnership with the World Gold Council and the Singapore Bullion Market Association. The contract is now certified by Amanie Advisors, a leading advisory firm specialising in Islamic finance solutions, to be in compliance with the Shariah Standard on Gold as set out by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

William Chin, Head of Metals and Bulk Commodities at SGX, said, "We are excited by the endorsement by renowned Islamic scholars that the SGX physically settled futures contract is a world-first in compliance with the AAOIFI Shariah Standard on Gold. This unlocks a new investment and risk management option for the rapidly growing Islamic finance industry estimated to hold about \$2 trillion in assets. It also strengthens Singapore's position as an international centre for Islamic finance, and builds on our vision to develop a global trading hub for gold."

Natalie Dempster, Managing Director for Central Banks and Public Policy at the World Gold Council, said, "We are delighted that the SGX contract has been certified Shariah compliant. We expect a considerable increase in demand for gold in South-East Asia as a result of the new standard, and this will offer investors a great way of buying kilobars via an exchange."

Albert Cheng, Chief Executive Officer of the Singapore Bullion Market Association, said, "I am excited to see the SGX contract obtaining Shariah compliance – it will be attractive to new customers in the region, particularly Indonesia and Malaysia. This development will also drive innovation in Islamic investment products."

The Singapore Kilobar Gold Contract seeks to serve as a transparent and centralised Asian price-discovery platform for the gold market. Globally, about 60% of the precious metal is traded in Asia.

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#### **About Singapore Exchange**

Singapore Exchange is Asia's leading and trusted market infrastructure, operating equity, fixed income and derivatives markets to the highest regulatory standards. As Asia's most international, multi-asset exchange, SGX provides listing, trading, clearing, settlement, depository and data services, with about 40% of listed companies and 75% of listed bonds originating outside of Singapore.

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SGX is the world's most liquid offshore market for the benchmark equity indices of China, India, Japan and ASEAN and offers commodities and currency derivatives products. Headquartered in AAA-rated Singapore, SGX is globally recognised for its risk management and clearing capabilities. For more information, please visit [www.sgx.com](http://www.sgx.com).

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