

Market Roundup

The past week witnessed commodities taking a hit while the beleaguered dollar made substantial gains, despite another rate cut by the Fed. The stunning rally seen in Gold since the start of 2008 seems to have ebbed with Spot Gold trading below \$850/troy oz. As demand for Oil abates with the summer extending its warmth into the Northern Hemisphere, Oil futures plunged to around \$110/bbl. After seven rate reductions since September'07, the US Federal Reserve has signaled it may pause cutting interest rates. The ambiguous statement "that rate cuts have been substantial" came in a day after US Fed Reserve Chairman Ben Bernanke announced a 25 basis point rate cut, bringing the lending rates to 2%. Whilst the ECB & Bank of England chose not to tamper with their rates, the Indian government announced their Credit Policy keeping their rates steady, but hiking the CRR by 0.25% to rein in inflation. With the fear of a recession looming large, financial wizards around the world are caught in the quagmire of growth, food shortages, inflation, interest rates and eroding bottom lines. To add woes to an already besieged market came the news that Warren Buffet's Berkshire Hathaway first quarter profits slumped by 64% clearly indicating that no one is spared when global business is on a slump.

During the week, DGCX recorded a total volume of 18048 contracts valuing \$996.27 million.

Opening the week at \$895.30, June Gold Futures on DGCX crashed to a low of \$847.50/troy oz before closing a tad higher at \$858.90 amidst losses aggregating to 3.37% over the previous week. 9600 lots valued at \$267.88 million were transacted on the yellow metal. Open Interest on Gold futures slid by 130 contracts and stood at 3814 with the near month contributing 3046 while August Gold OI stood at 768. Standard Bank in its report raises a significant point indicating sales by major Exchange Traded Funds (ETF) towards the fag end of April thereby changing the sentiment in Gold. Holdings in ETF's that stood at 930 tons on April 21st declined sharply to 877 tons. The fall in prices could be a fillip to physical traders in the Dubai market, as the wedding season in India gets underway in May. The far month (August Gold) mirrored the reaction of near month (June Gold), declining by \$32 to end

at \$861.80/troy oz with a loss of 3.57% .

July Silver opened the week at \$17.06/troy oz, made a high of \$17.155 before closing with a weekly loss of 2.66% at \$16.485/troy oz. The total volume on Silver was 42 lots valuing \$0.69 million. The Open Interest on Silver was 34 lots with the weekly low at \$16.11/troy oz.

The Energy markets were a beehive of activity with Crude oil touching a record high of \$119.93/bbl on Nymex. As the greenback strengthened during the week, Crude oil futures slumped to a low of \$110.30 before closing the week at \$116.32. Brent Crude closed the week at \$114.56/bbl. On DGCX, Fujairah bunker prices were settled at \$523.25

A total of 8336 contracts worth \$727.01 million were transacted on currency contracts during the week. The currencies weakened to the dollar on the back of fair economic data emanating from the United States; however, the stimulus was provided on the assumption of an end to interest rate cuts. June Euro futures opened the week at \$1.5603, made a high of \$1.5653 before closing on Friday at \$1.5379. Equating values to the previous week, Euro lost its value by 1.23%. The OI on Euro was 227 lots with a volume of 3888 lots amounting to \$301.37 millions. GBP futures weakened and ended the week with a loss of 0.41%. Opening the week at \$1.9775, GBP made a weekly low of \$1.9556 before marginally closing higher at \$1.9668. The OI on GBP was 78 with the weekly volume of 4185 lots valued at \$412.70 millions. Yen was thinly traded during the week with 53 lots transacted. To curb the rampant inflation that engulfs Indian economy, the latest Credit policy released by the Reserve Bank of India initiates to suck the liquidity from the markets by raising the Cash Reserve ratio. The interest rates were left untouched. 210 lots valued at 10.38 million were traded on INR futures with the Open Interest on Rupee at 372. During the week INR fluctuated in the range of 249 to 245.50.

64 lots valued at \$0.69 million were transacted on Steel futures.

Weekly Volumes

ADV 3610



Xchange Snapshot

Market	Previous Week close	Current Week close	% Change
DGCX Jun'08 Gold Futures - (\$/ounce)	888.90	858.90	-3.37%
DGCX Aug'08 Gold Futures - (\$/ounce)	893.90	861.80	-3.58%
DGCX Jul'08 Silver Futures - (\$/ounce)	16.935	16.485	-2.66%
DGCX Jun'08 Euro Futures - (\$/Euro)	1.5570	1.5379	-1.23%
DGCX Jun'08 GBP Futures - (\$/GBP)	1.9748	1.9668	-0.41%
DGCX Jun'08 JPY Futures - (\$/100 Yen)	0.9596	0.9518	-0.81%
DGCX May'08 INR Futures - (\$/100 INY)	2.4910	2.4550	-1.45%
DGCX June'08 Steel Futures - (\$/mt)	1058.3	1144.10	8.11%

DGCX-JRG Business Meet

DGCX on April the 28th held a business meet in collaboration with JRG Metals and Commodities, one of the leading trading and clearing members of the exchange. The purpose of this meeting was to provide attendees with an opportunity to become part of DGCX as an Introducing broker.

The presence of His Highness Sheikh Mohamed bin Rashid Bin Mana Al Maktoum graced the occasion. A number of high profile individuals from both Abu Dhabi and Dubai also attended highlighting increased interest in participating in the commodities markets.

Mr. Malcolm Wall Morris, Chief Executive Officer of DGCX gave a presentation on the role of DGCX during the function. Mr. Sajith Kumar P K, Vice-President of JRG Metals & Commodities, DMCC highlighted the advantages of becoming an introducing broker through JRG. Mr. Tony Day, Head of Compliance, DGCX addressed the importance of compliance and regulations in the commodities exchange market and ending the session Mr. Nishat Bandali, Chief Marketing Officer, DGCX conducted a question & answer session.

Mr. Malcolm Wall Morris expressed his thanks to Mr. Sajith Kumar and the JRG team for their dedication and continued support in helping to build DGCX into a world class commodities exchange. Mr. Sajith Kumar, VP, JRG Metals and Commodities said "JRG are delighted with the continued support received from DGCX and we want to further continue building on the success seen

in DGCX in Q1 of 2008 by increasing our introducing brokers. This event has proven the increased interest in commodities in the Middle East and we would like to thank everyone that attended for your support and interest."

