

Dear member/customer,

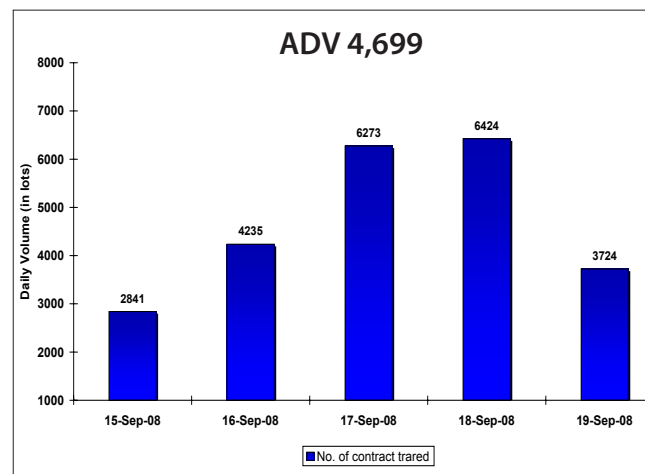
Welcome to this week's Xchange update from DGCX. This week's update includes a snapshot of DGCX volumes and news, as well as guest market commentary from JRG Metals & Commodities DMCC.

Please note that the observations expressed in the guest commentary do not reflect the views of DGCX and are solely the view of the writer. We welcome guest commentary on the commodity markets from all of our members.

DGCX Market Close

Market	Previous Week close	Current Week close	% Change
DGCX Oct'08 Gold futures - (\$/ounce)	765.00	873.80	14.22%
DGCX Dec'08 Silver futures - (\$/ounce)	10.880	12.620	15.99%
DGCX Sep'08 Euro Futures - (\$/Euro)	1.4218	1.4450	1.63%
DGCX Sep'08 GBP Futures - (\$/GBP)	1.7932	1.8272	1.90%
DGCX Oct'08 INR Futures - (\$/100 INR)	2.1901	2.1629	-0.64%
DGCX Sep'08 JPY Futures - (\$/100 Yen)	0.9271	0.9412	1.52%
DGCX Sep'08 Steel Futures - (\$/mt)	1090.00	1060.00	-2.75%
DGCX Oct'08 DBRC Futures - (\$/b)	97.58	99.61	0.23%
DGCX Sep'08 DWTI Futures - (\$/b)	101.18	104.55	3.33%

DGCX Daily Volumes



Market commentary

by JRG Metals & Commodities DMCC

Crude Oil

Crude Oil prices recovered from a seven months low of \$90.51 a barrel and closed at \$104.55 last week on growing U.S. and Nigerian supply concerns. On Friday itself oil rose more than 7 percent on expectations a sweeping U.S. government bailout plan would boost liquidity across the battered financial markets.

According to the U.S. Federal Reserve, it would expand its reciprocal currency agreements to \$180 billion, boosting its existing swap lines with the European Central Bank and Swiss National Bank and setting up new currency swap arrangements with the Bank of Japan, Bank of England and Bank of Canada.

Oil prices also got a boost from weakness in the U.S. dollar which recorded a weekly low of 1.4541 (1.4307) -- which strengthens overseas buying power in commodities -- and disruptions of supply from the hurricane-hit United States and from OPEC-member Nigeria.

According to the U.S. Energy Information Administration, for the week to Sept. 12, domestic gasoline stocks fell 3.3 million barrels to a record low 184.6 million barrels. But Reuter's poll had called for a 3.8 million barrel draw. Crude supplies fell by 6.3 million barrels to 291.7 million barrels. The forecast was for a 3.8 million barrel decline.

Refinery utilization dropped 0.9 percentage point to 77.4 percent of capacity, the lowest since October 2005, after hurricanes Katrina and Rita ravaged the U.S. Gulf Coast.

Crude has fallen sharply from the all-time high of \$147.27 a barrel on July 11 to \$90.50 on last week, It has promoted bargain-hunting buying at lower levels. Light, sweet crude oil for October delivery in Dubai Gold and Commodities exchange traded in the range \$102.80 - \$90.5, before settling at \$102.8 a barrel in last week.

Outlook:

The prices crossed the key resistance area of \$99 and closed above this level, however if sustained above this level it is expected to continue the Bull Run, while supports are \$95.00, \$90.00, 85.00 and 77, Resistances are \$105, \$110.4 \$115.60 and \$122.00.

Gold

Gold witnessed a fierce rally last week and ended higher at \$871.15(763.45) an ounce as safe-haven buying amid market turmoil and jewelry demand. On Wednesday last week gold recorded a biggest one-day rise of \$78 in since 1980. Weakness in dollar also supported the gold movements.

Due to the economic problems in US, fed has taken more steps to develop the economy. According to the U.S. Federal Reserve, it would expand its reciprocal currency agreements to \$180 billion, boosting its existing swap lines with the European Central Bank and Swiss National Bank and setting up new currency swap arrangements with the Bank of Japan, Bank of England and Bank of Canada.

At the same time the U.S. Labor Department said that jobless claims were up 10,000 last week to 455,000, more than expected and influenced by Hurricane Gustav. Initial claims for state unemployment insurance benefits rose to a seasonally adjusted 455,000 during the week ended Sept. 13 from 445,000 the prior week. Analysts polled by Reuters had forecast claims to drop to 440,000 last week.

Meanwhile, the number of continued claims unexpectedly fell by 55,000 to 3.48 million in the week ended Sept. 6, the most recent week for which that data is available, after an increase of 129,000 the prior week. But analysts had expected continued claims to be almost unchanged from 3.53 million in the week ended Aug. 30, which was the highest reading since October 2003.

At the same time according to the U.S. Labor Department, the consumer price index was down .1% in August and up 5.4% from a year ago, as expected. Excluding food and energy, prices were up .2% in August and up 2.5% from a year ago.

In a report, the U.S. trade deficit swelled to \$62.2 billion, the largest since March 2007, from an upwardly revised estimate of \$58.84 billion in June. Wall Street analysts had forecast the deficit to expand to \$58.0 billion from the original June tally of \$56.8 billion.

At the same time on Tuesday Federal Reserve held interest rates steady at 2.0 percent rather than rate cuts.

Gold for October delivery in Dubai Gold and Commodities exchange traded in the range \$918 - \$765 before settling at \$874.60 an ounce in the last week.

Outlook:

The prices witnessed higher trading range of \$ 905 to \$ 819; further clear direction will come after the break of either side, resistances seen at \$884, \$905, \$918, \$933 and \$947. Supports are \$852, \$819, \$796 and \$730.

Euro v Dollar

Dollar fell against the Euro last week and closed at 1.4466 (1.4307) due to the ongoing financial problems and after effects of collapse mortgage agencies Fannie Mae and

Freddie Mac. Most of the data's which released last week in US were not supportive for the dollar .but at the end of the week US fed has taken more steps to develop the economy.

Federal Reserve held interest rates steady at 2.0 percent rather than rate cuts.

Outlook:

Expecting more weakness above 145.45, Resistances are 143.70, 142.50, and 140.70. Supports are 146.65, 148.10 and 149.80.

Sterling v Dollar

Pound sterling continued its recovery against the dollar last week and touched 3 week high of 1.8386 as the weakness in counterpart, a surprise jump in UK August retail sale data. And news of merger talks between Lloyds TSB and domestic rival HBOS.

According to the report of U.K.'s Office for National Statistics, retail sales volume was up 1.2% in August and up 3.3% from a year ago, stronger than expected also supported the sterling movements.

At the same time on Tuesday, The BOE injected 20 billion pounds as part of an exceptional fine-tuning operation in response to tight conditions in short-term money markets. It received nearly three times that amount in bids.

Meanwhile, U.K.'s Office for National Statistics, consumer prices were up 4.7% in August from a year ago, up from a 4.4% annual gain in July and the most in 16 years.

But According to the U.K.'s Office for National Statistics, the unemployment rate for May to July increased to 5.5%, up from 5.4% a month ago.

Weakness in dollar also supported the sterling movements, most of the data's which released in the last week in US were not supportive for the dollar. According to the U.S. Labor Department, jobless claims were up 10,000 last week to 455,000, more than expected and influenced by Hurricane Gustav. Initial claims for state unemployment insurance benefits rose to a seasonally adjusted 455,000 during the week ended Sept. 13 from 445,000 the prior week. Analysts polled by Reuters had forecast claims to drop to 440,000 last week.

Outlook:

Expecting bullish movements above 181.00. Resistances are 182.80, 183.90, 186.80. Supports are 179.20, 177.35 and 175.80.

DGCX News in Brief

DGCX continues to lead regional derivatives growth in 2008

Dubai Gold & Commodities Exchange (DGCX) has emerged as a leading newcomer in the international derivatives space in 2008, spurred by strategic product launches, record trade between Asia and the Middle East and growing interest in commodities.

Addressing leading participants from the energy industry at MF Global conference in Singapore, Nishat Bandali, Chief Marketing Officer, DGCX, said that "Increased commodity trade in emerging Asian economies coupled with a global shift in capital to commodities, has fuelled overall demand for commodity derivatives. In line with this trend, DGCX strengthened its product portfolio in 2008, providing market participants in Asia, the Middle East and beyond with local arbitrage tools for a wider range of commodities," he said.

DGCX launched the region's first WTI and Brent crude oil futures contracts this year, offering the large liquidity pools of Asia and the Middle East the opportunity to access one of the world's most strategic commodities without the operational complexities and cost inefficiencies of having to trade via the US or UK, Bandali added.

In a bid to expand its reach and offer Singapore-based market participants direct access to its growing portfolio of commodity and currency contracts, DGCX secured approval from the Monetary Authority of Singapore and became a Recognized Market Operator (RMO) earlier this year.

Highlighting 2008 as a year of success for DGCX, Bandali said year-on-year volumes on the Exchange grew 54%, with total 2007 volume surpassed in the first eight months of this year. The Exchange was also recently ranked first for relationship management and fee structure and fourth overall among leading international exchanges by the Future & Options Week buy-side survey.

Full details on all of our products and DGCX news can be found at www.dgcx.ae

Alternatively, if you would like to speak with a Relationship Manager, please contact us on the details below.

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Dubai Gold and Commodities Exchange

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