

Headline: NSE to soon offer sector-specific index futures on Singapore's SGX

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SPECIAL CORRESPONDENT

MUMBAI: Soon, futures contracts on sector-specific Indian indices will be available for trading in Singapore.

The Singapore Exchange (SGX) will soon list dollar-denominated index futures contracts namely, SGX Nifty Bank, SGX Nifty IT, SGX Nifty CPSE and SGX Nifty Midcap 50. This is the first time such derivative contracts are being made available outside India.

The Singapore-based bourse already offers SGX Nifty 50 Index Futures, which is quite popular among international market participants looking to gain off-shore exposure to the Indian benchmark index.

Volumes of SGX Nifty 50 Index Futures rose 30 per cent year-on-year during 2015 to \$360 billion. SGX's rupee-dollar futures contract is also



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SGX's most-active forex futures with more than \$750 million worth of notional trades a day.

The SGX Nifty IT Index Futures and SGX CPSE Index Futures will be launched on March 29, followed by SGX Nifty Bank Index Futures and SGX Nifty Midcap 50 Index Futures in mid-2016.

The introduction of sector index futures contracts will deepen SGX's Indian product offering and will provide off-shore investors access to specific trading opportunities in

the key growth sectors of the world's fastest growing economy, according to a statement from NSE.

"This (launch of new products) is aligned with the continued participation of foreign portfolio Investors in India. Derivatives on these new sector indices will provide useful tools for off-shore investors to benefit from these trends and also to manage market movement," Chitra Ramakrishna, Managing Director and CEO, NSE, said in the statement.