SGX and CME mutual offset arrangement to cover Nifty futures

8 July 2010 – Singapore Exchange (SGX) and the Chicago Mercantile Exchange (CME) are extending their mutual offset arrangement to include the S&P CNX Nifty Index futures contract.

The addition effective 19 July allows round-the-clock trading of the contract as investors can offset Nifty futures positions in one exchange to the other.

The Nifty futures contract will be the fifth covered by the arrangement between SGX and CME, which has been in place since 1984 and is one of the most successful and longest-running collaborations between two derivatives exchanges. Other contracts covered by the arrangement are the Eurodollar, Euroyen, Yen Nikkei 225 and US$ Nikkei 225 futures contracts.

Mr. Gan Seow Ann, President of SGX said, “The addition of the Nifty futures to our mutual offset agreement will enable our customers to clear Nifty futures transactions in any time-zone that suits them. This strengthens our partnership with CME and enhances SGX’s value proposition as an exchange of choice for access to Asia.”

Mr. Phupinder Gill, President of CME Group said, “Adding the Nifty futures to our current mutual offset system agreement with SGX, which dates back more than 25 years, is an important part of CME Group’s continued global growth throughout Asia. Giving customers the ability to offset their positions between exchanges provides them with the opportunity to manage overnight risk.”