
Date

04 December 2008

Recipients

All DME Members

From

Thomas Leaver, Chief Executive Officer

Category

Business Development

Proposal

Proposed Rule changes to delist the DME Brent Crude Oil Financial Contract

Consultation Paper 07-009 is issued in accordance with Dubai Mercantile Exchange Limited (DME) Rule 4.21 and Section 9 of the Authorised Market Institutions Module of the Dubai Financial Services Authority (DFSA) Rulebook. This Consultation Paper seeks comments on proposals to amend the DME Rulebook to discontinue the existing DME Brent Crude Oil Financial Contract.

To whom does this Consultation Paper apply?

Consultation Paper 07-009 is directed primarily at DME Members and other users or prospective users of DME's facilities. DME also welcomes any comments from any organisation which represents groups of such users or prospective users.

How is this structured?

Discontinued Contract

DME proposes to discontinue trading in the DME Brent Crude Oil Financial Contract, detailed in Chapter 13 of the DME Rulebook.

The facility for trading the contract in Chapter 13 will cease immediately.

Open DME Contracts

There are no open positions in this contract as at the date of this notice.

Rationale for Rule changes

The DME Brent Crude Oil Financial Contract was developed and listed by the DME, on the DME Direct platform, in order to provide our members and other DME users with the ability to effectively make spread trades between Oman and Brent contracts on the same platform (rather than list spreads as individual contracts as was previously the case).

The recently announced migration of DME contracts from the DME Direct platform to the CME Globex platform renders a discrete DME Brent contract unnecessary because a financially settled Brent contract is already listed on the CME Globex platform, thereby providing the spread capability to users of the Globex platform.

To avoid confusion and the unnecessary replication of identical contracts on the same platform the DME is therefore proposing to discontinue the DME Brent Crude Oil Financial Contract.

How to provide comments?

The deadline for providing comments on the proposals in this Consultation Paper is twenty eight calendar days from the date of this Consultation Paper. All comments on the proposed changes should be addressed to:

Mr Matthew Thompson
Chief Strategy and Business Development Officer
Dubai Mercantile Exchange Limited
P.O. Box 66500
Dubai
United Arab Emirates
or matthew.thompson@dubaimerc.com

What is the next step?

Unless specifically requested otherwise, DME may publish on its website any comments it receives from this consultation.

As soon as practicable following the deadline for comments on the proposals in this Consultation Paper, DME will consider whether any amendment or revision to the proposed change is appropriate. DME will then change to the DME Rulebook (and may include any amendment or revision, if appropriate). The amendments to the DME Rules will only take effect once approved by the DFSA. DME will issue a Member Notice on the DME website confirming the date upon which the changes to the DME Rules will become effective.

Signed



Thomas Leaver
Chief Executive Officer

Please pass comments to:
Mr Matthew Thompson, Chief Strategy and Business Development Officer
matthew.thompson@dubaimerc.com