



Market opening bell ringing to celebrate the launch of the new platform:

DFM debuts equity futures trading, in a significant boost to its product offering diversification strategy

- **Future contracts on single stocks of five listed companies including: Emaar Properties, Dubai Islamic Bank, Emirates NBD, Emaar Development and Emaar Malls**
- **H.E. Essa Kazim: “The diversification strategy reinforced DFM’s position as one of the leading regional markets in terms of asset classes’ variation”**
- **Hassan Al Serkal: “Growth prospects are promising, considering investors’ rising demand for diversified asset classes and brokers’ active participation”**
- **Hamed Ali: “Robust regulatory framework to ensure that equity futures are well-positioned to resonate growth levels on international markets”**
- **Maryam Fekri: “Dubai Clear provides the new platform with world-class clearing solutions”**

Dubai, 18 October 2020; The Dubai Financial Market (DFM) today introduced equity futures trading, as part of its new Futures Trading Platform amid unprecedented participation from



the brokerage community. This significant step provides further impetus to DFM's strategy to diversify product offerings and attract more investments. The DFM has developed a robust regulatory framework in line with international best practices, creating a favorable environment for active participation from various market participants. This strategic step enables investors to diversify and hedge their portfolios and equity futures access leverage.

To celebrate the launch of this comprehensive equity futures platform, the DFM today hosted a market opening bell ringing ceremony in the presence of Hassan Al Serkal, CEO of DFM, Maryam Fekri, CEO of Dubai Central Clearing & Depository Holding (DCCD), Hamed Ali, CEO of Nasdaq Dubai and Deputy CEO of DFM as well as senior representatives of "Launch partners". To date, the platform has attracted 16 leading companies as Launch Partners including trading members, market makers as well as technology and data providers.

His Excellency Essa Kazim, Chairman of DFM said: "The DFM spares no effort in its quest to continuously develop its products and services, providing market participants with wider range



of innovative products in response to their evolving expectations. The launch of this new platform is another milestone in DFM's momentous journey. It underlines our commitment to diversify investment opportunities for DFM's large and diversified base of local and international investors. Owing to this strategy, the DFM has become one of the leading regional markets that provide multiple asset classes including, shares, bonds, Sukuk, ETFs and equity future. Additionally, we plan to add REITs trading and expand our platforms and attract new companies for listing in the coming period.”

The platform currently includes futures contracts on single stocks of five of the most liquid equities listed on DFM including: Emaar Properties, Dubai Islamic Bank, Emirates NBD, Emaar Development and Emaar Malls, with tenures of 1, 2 and 3 months. The platform plans to increase the range of its contracts including index-based futures in due course.

Promising prospects



“We look forward to see various market participants fully leverage the benefits of this promising platform, as we are confident of its growth prospects considering investors’ growing demand for diversified financial instruments and multiple asset classes,” Hassan Al Serkal, CEO of DFM said. “This demand enabled us to launch the platform with an unprecedented support and strong participation from brokerage firms that showed interest to take part from day one as trading members and market making Launch Partners,” He added.

Favorable framework

Hamed Ali, CEO of Nasdaq Dubai and Deputy CEO of DFM said: “Dubai’s capital markets have successfully created all-inclusive infrastructure and regulations that support listing and trading of numerous asset classes. They also provide trading-support mechanisms such as market making, liquidity provision, etc. We have developed a favorable trading rules for equity futures in line with best practices and in coordination with members and regulators, to ensure that equity futures are well-positioned to resonate growth levels witnessed on international markets.”



Futures Industry Association (FIA) statistics show that futures trading activity volume rose 12% to 19.24 billion contracts in 2019.

World-class clearing solutions

The DFM equity futures will be cleared on the CCP of DFM's subsidiary, Dubai Clear, using Nasdaq Dubai Operational and IT infrastructure. Maryam Fekri, CEO of DCCD said: "We welcome the launch of the platform, as one of the first clients to employ our world-class solutions since Dubai Clear's official launch in April 2020. Dubai Clear is one of the region's first fully operational independent central counterparty (CCP) company for equity clearing, noting that CCP ensures efficient use of collateral by Clearing Members to optimize market liquidity in an efficient and safe manner in accordance with international best practices."

Warm welcome from Launch Partners



Senior executives of leading brokerage firms, technology providers and data providers have welcomed the new platform as an important initiative to diversify investment opportunities and attract further investments. As a result of the strong commitment from the brokerage community, the DFM has licensed ten brokerage firms namely; BH Mubasher Financial Services, Al Daman Securities, EFG HERMES (UAE), Arqaam Securities, Shuaa Securities, Global for Shares & Bonds, Al Dar Shares and Bonds, Al Ramz Capital, SICO Financial Brokerage and Mena Corp Financial Services, as equity futures members, while both Al Ramz Capital and BH Mubasher Financial Services have been licensed as equity futures market makers. Additionally, SK Advisory FZ (Zag Trader), First Information Technology, Global Market Access Holding (DIFC) and Horizon Software have joined hands with the DFM as technology and data providers.

The DFM plans to further expand the equity futures platform and attract more trading members as well as licensing of market markers to further enhance trading and cater to investors' growing demand.



It is noteworthy that the new platform leverages the gigantic experiences and capabilities of DFM's Group members including; DFM, Dubai Clear and Nasdaq Dubai. These capabilities and experiences will be utilized to realize the strategic objectives and respond to market participants' requirements.

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About Dubai Financial Market: Dubai Financial Market (DFM) was established as a public institution with its own independent corporate body. DFM operates as a secondary market for the trading of securities issued by public shareholding companies, bonds issued by the Federal Government or any of the local Governments and public institutions in the country, units of investment funds and any other financial instruments, local or foreign, which are accepted by the market. The DFM commenced operations on March 26, 2000 and became the first Islamic Shari'a-compliant exchange globally since 2007. Following its initial public offering in November 2006, when DFM offered 1.6 billion shares, representing 20 per cent of its paid-up capital of AED 8 billion, DFM became a public joint stock company and its shares were listed on 7 March 2007 with the trading symbol (DFM). Following the IPO, the Government of Dubai retained the remaining 80 per cent of DFM Company through Borse Dubai Limited. www.dfm.ae

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