



上海黄金交易所  
SHANGHAI GOLD EXCHANGE

# Promoting the Inclusive Development of China's Gold Market

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**Chairman of Shanghai Gold Exchange**

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## Shanghai Gold Exchange (SGE)

### Commercial Banks

- ◆ Gold proprietary trading
- ◆ Gold brokerage
- ◆ OTC business

### Securities Firms

- ◆ Gold proprietary trading
- ◆ Gold brokerage

### Physical Market

- ◆ Physical Trading
- ◆ Deferred Trading

Price Matching platform

### Derivatives Market

- ◆ Forward
- ◆ Swap
- ◆ Option
- ◆ Gold ETFs

Price asking platform

### Leasing Market

- ◆ Bank-enterprise leasing
- ◆ Interbank leasing

### Shanghai Futures Exchange (SHFE)

- ◆ Gold futures



SGE has ranked as **the world's largest physical gold exchange** for nine consecutive years;



**34.1 thousand tonnes of gold trading volume** in 2015;



SGE's **market growth rate ranked first** in the world in 2015.

# Inclusive Development: A Better Market for All



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- Open to all participants
- Offer equal opportunities
- Share the fruits of market development

# Providing Global Investors Direct Access to China's Gold Market

**The Establishment of SGEI:** welcomes global investors to benefit from the rapidly growing gold market in China

SGEI, as the bridge connecting the domestic gold market with the global gold market, was established in September, 2014.



As of the end of September 2016:



**67**  
International  
Members



**7,838**  
tonnes



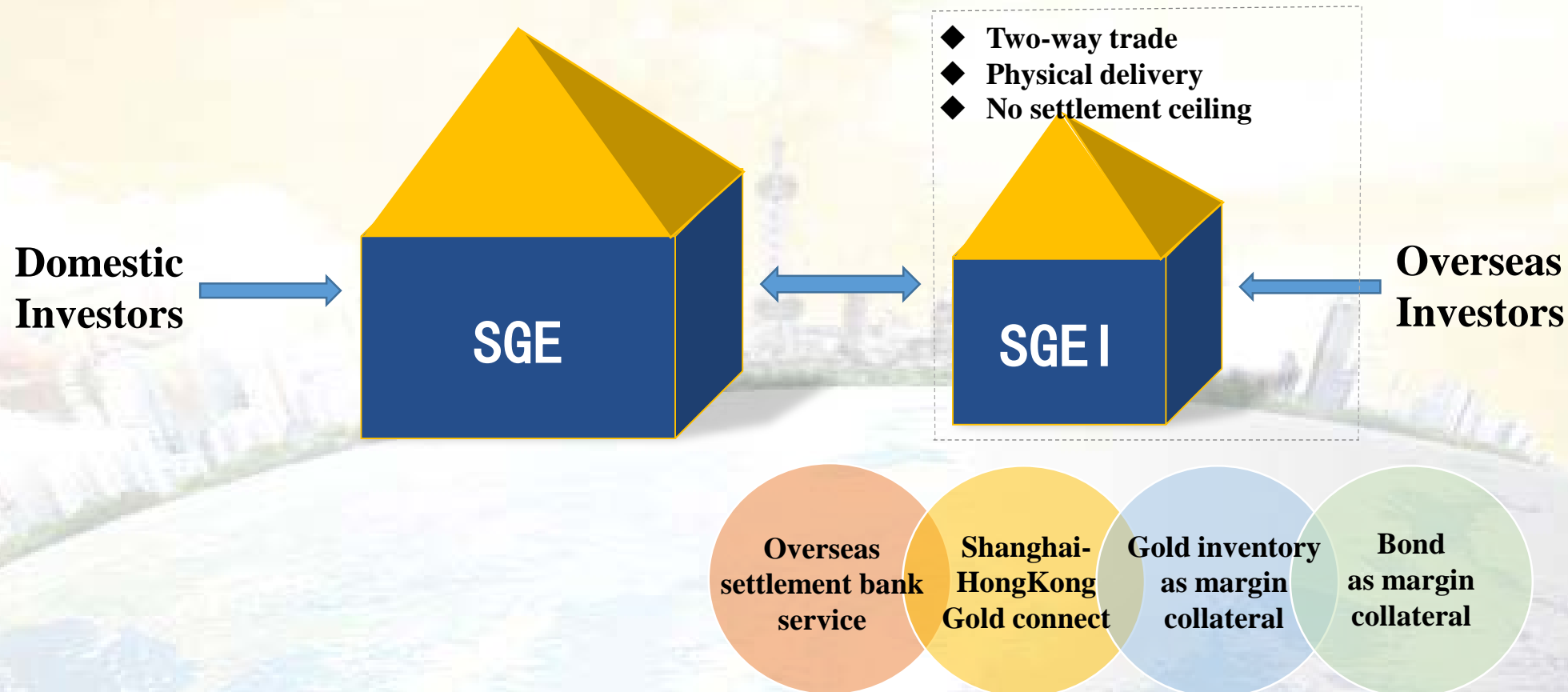
**1.96**  
trillion RMB

# Promoting Innovation to Satisfy the Needs of Market Participants



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## Innovation of Mechanism



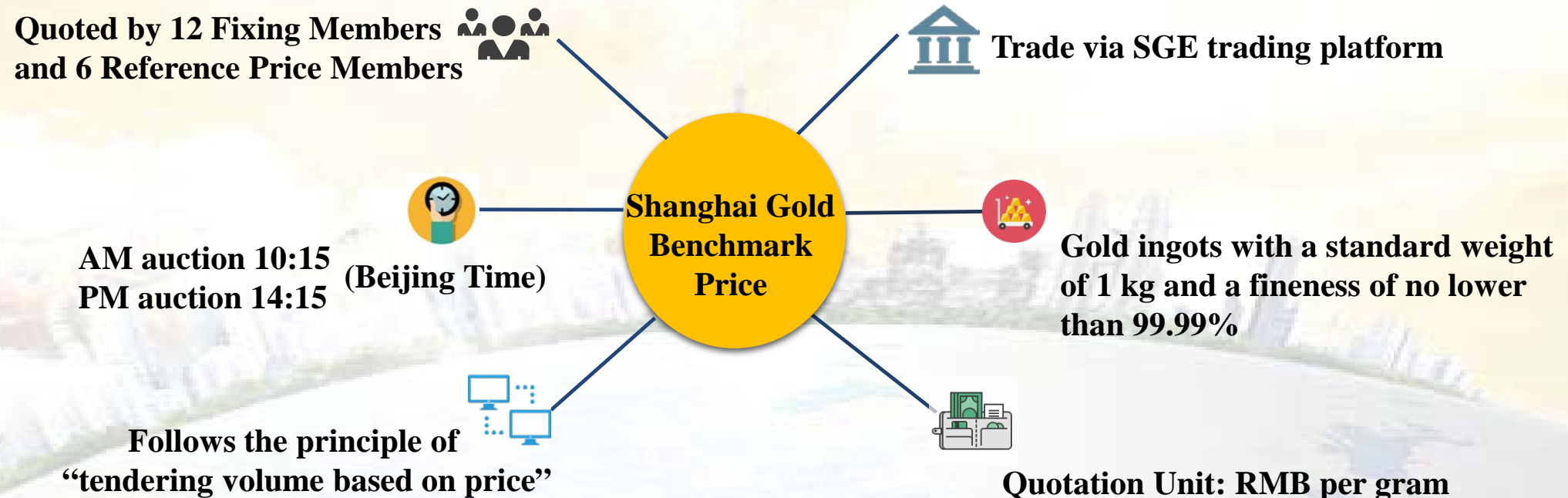
# Promoting Innovation to Satisfy the Needs of Market Participants



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## Product Innovation

On April 19<sup>th</sup>, 2016, Shanghai Gold Exchange introduced Shanghai Gold Benchmark Price to the world.



As of the end of September 2016, Shanghai Gold Benchmark Price Trading has a total trading volume of 384 tonnes, a total trading amount of 105.5 billion RMB, with the daily trading volume reaching 3.4 tonnes.

# Promoting Innovation to Satisfy the Needs of Market Participants



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## Service Innovation

- ◆ SGE has established 61 vaults in 35 cities across the country.
- ◆ Providing services such as Physical bullion registration and custody, Physical bullion deliverable transferring, Storage, logistic, and transportation, quality certification, gold lease and pledge, repurchase and redeem of Gold ETF physical product, etc.
- ◆ SGE has also established a thousand-tonne vault in Shanghai Free Trade Zone for international investors.



# Building a Market System as a Level-Playing Field with Diversified Products and Services



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## Expanding the Breadth and Depth of the Market

- ◆ Attracting high quality and diversified international members
- ◆ Innovating products and services to better serve the needs of SGE members and clients
- ◆ Providing a safe, fair, and efficient trading platform for investors both at home and abroad

## Exploring Cross-Market Cooperation

2014-  **CME Group**  
芝商所 远见启新智 卓识创未来  
Signed MOU with  
CME

 **金銀業貿易場**  
The Chinese Gold & Silver Exchange Society

2015- The launch of  
Shanghai-HongKong Gold Connect



2016-  **香港交易所**  
Signed MOU with  
HKEX

 **BURSA  
MALAYSIA**

2016- Exploring  
cross-market  
cooperation with  
Bursa Malaysia





# While the Globe Looks to the East, We Look to the Future



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**THANK YOU**