

DALIAN COMMODITY EXCHANGE

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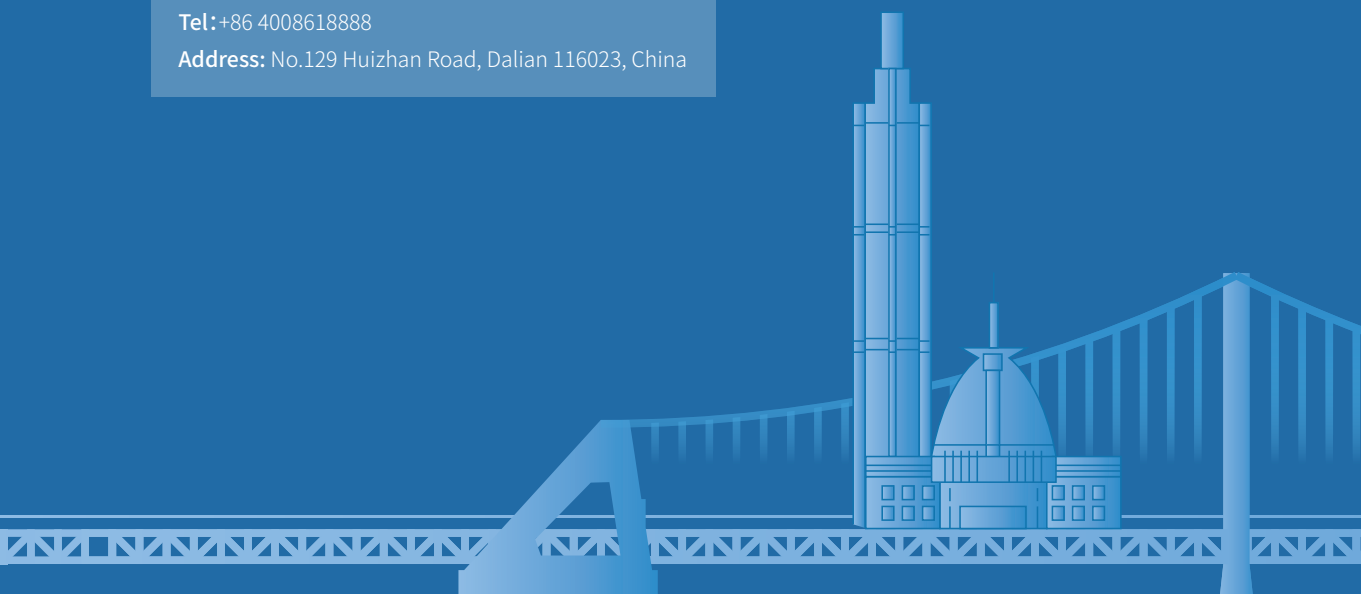
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About Dalian Commodity Exchange

Established in 1993, Dalian Commodity Exchange (DCE) is one of five futures exchanges under the supervision and administration of the China Securities Regulatory Commission (CSRC) upon approval of the State Council.

Currently DCE has 21 listed futures and 13 options approved by the CSRC. DCE futures products cover agricultural, petrochemical, energy and metal sectors, serving several important industries in China's national economy.

Dalian futures market helps in price discovery and risk management for market participants and facilitates development of related industries. In 2023, DCE was ranked 9th by the Futures Industry Association (FIA) in terms of total trading volume.

DCE has always been devoted to open up more products to overseas investors. Currently overseas investors could have access to **iron ore futures, RBD palm olein futures, RBD palm olein options, No.1 soybean futures, No.2 soybean futures, soybean meal futures, soybean oil futures, No.1 soybean options, No.2 soybean options, soybean meal options and soybean oil options** in DCE.

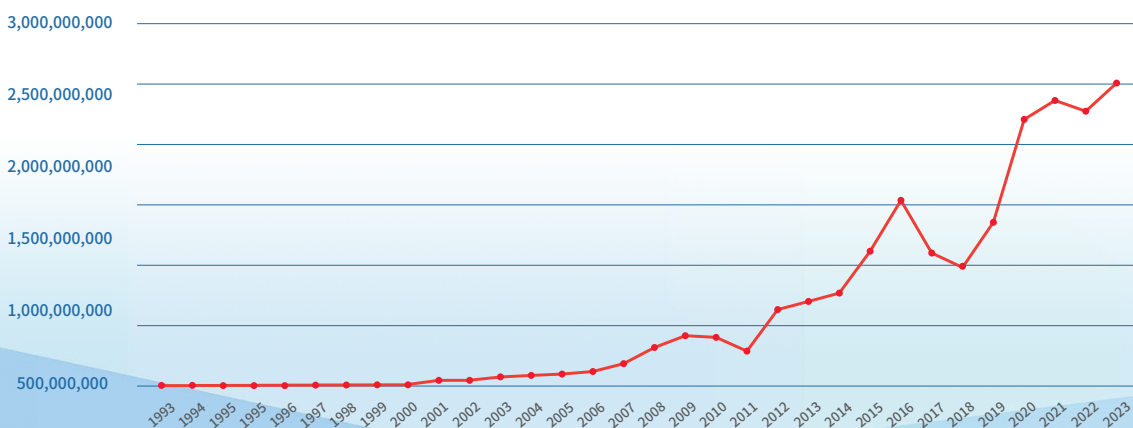
Futures

Corn	Corn Starch	No.1 Soybean	No.2 Soybean	Soybean Meal	Soybean Oil	RBD Palm Olein
Fiberboard	Blockboard	Egg	Polished Round-grained Rice	Live Hog	LLDPE	PVC
PP	Coke	Coking Coal	Iron Ore	Ethylene Glycol	Ethylbenzene	LPG

Options

Soybean Meal Options	Corn Options	Iron Ore Options	LPG Options	LLDPE Options	PVC Options	PP Options
RBD Palm Olein Options	No.1 Soybean Options	No.2 Soybean Options	Soybean Oil Options	Ethylene Glycol Options	Ethylbenzene Options	

Trading Volume (in number of contracts)



2023 FIA Exchange Ranking

Source:FIA

Rank	Exchange	2023 Volume (in billion lots)
1	National Stock Exchange of India	84.82
2	B3	8.31
3	CME Group	6.10
4	BSE	5.87
5	Cboe Global Markets	3.71
6	Intercontinental Exchange	3.66
7	Zhengzhou Commodity Exchange	3.53
8	Nasdaq	3.20
9	 Dalian Commodity Exchange	2.51
10	Shanghai Futures Exchange	2.23



2023 FIA Contract Ranking (Agricultural)

Source:FIA

Rank	Contract	2023 Volume (in million lots)
1	 Soybean Meal Futures, Dalian Commodity Exchange	354.53
2	Rapeseed Meal (RM) Futures, Zhengzhou Commodity Exchange	230.59
3	 RBD Palm Olein Futures, Dalian Commodity Exchange	214.93
4	 Soybean Oil Futures, Dalian Commodity Exchange	203.94
5	White Sugar (SR) Futures, Zhengzhou Commodity Exchange	188.62
6	Rapeseed Oil (OI) Futures, Zhengzhou Commodity Exchange	185.66
7	Cotton No. 1 (CF) Futures, Zhengzhou Commodity Exchange	165.41
8	 Corn Futures, Dalian Commodity Exchange	162.63
9	Woodpulp Futures, Shanghai Futures Exchange	125.80
10	Natural Rubber Futures, Shanghai Futures Exchange	86.77
11	Corn Futures, Chicago Board of Trade	83.09
12	Soybean Futures, Chicago Board of Trade	62.41
13	 Soybean Meal Options, Dalian Commodity Exchange	58.46
14	 Corn Starch Futures, Dalian Commodity Exchange	54.76
15	 RBD Palm Olein Options, Dalian Commodity Exchange	48.36

2023 FIA Contract Ranking (Other)

Source:FIA

Rank	Contract	2023 Volume (in million lots)
1	Soda Ash (SA) Futures, Zhengzhou Commodity Exchange	556.21
2	PTA (TA) Futures, Zhengzhou Commodity Exchange	520.81
3	Methanol (MA) Futures, Zhengzhou Commodity Exchange	399.31
4	Flat Glass (FG) Futures, Zhengzhou Commodity Exchange	362.03
5	 Polyvinyl Chloride (PVC) Futures, Dalian Commodity Exchange	268.92
6	PTA (TA) Options, Zhengzhou Commodity Exchange	188.19
7	CBOE Volatility Index (VIX) Options, Cboe Options Exchange	185.72
8	Urea (UR) Futures, Zhengzhou Commodity Exchange	137.88
9	 Polypropylene Futures, Dalian Commodity Exchange	134.31
10	 Ethenylbenzene Futures, Dalian Commodity Exchange	122.15
11	Methanol (MA) Options, Zhengzhou Commodity Exchange	118.99
12	 Linear Low Density Polyethylene (LLDPE) Futures, Dalian Commodity Exchange	102.36
13	 Ethylene Glycol Futures, Dalian Commodity Exchange	93.89
14	Polyester Staple Fiber (PF) Futures, Zhengzhou Commodity Exchange	70.62
15	CBOE Volatility Index (VX) Futures, CBOE Futures Exchange	52.90

Reference Pricing and Risk Mitigation

Listed futures and options on DCE market mainly involve oils and oilseeds, grain, petrochemical, metal, energy, livestock sectors, etc. DCE market has provided great assistance to industrial enterprises in terms of spot trade pricing reference and hedging, prices of certain futures contracts such as soybean oil, soybean meal, RBD palm olein had already become the regional pricing benchmark of the corresponding spot market.



70%

Over 70% of palm oil spot trades in China used DCE RBD palm olein futures price as the pricing benchmark.



40%

Over 40% of soybean oil spot trades in China used DCE soybean oil futures price as the pricing benchmark.



90%

Over 90% of vegetable oil crushing plants in China with a daily pressing capacity exceeding 1000 tons have already participated in DCE market.



85%

Palm oil enterprises that participated in DCE market together occupied over 85% share of China palm oil import market.



3000

Over 3000 petrochemical enterprises already participated in DCE market.



1900

Over 1900 iron ore and steel trading companies already participated in DCE market.

Internationalization

DCE began to make its derivative contracts available to overseas investors in 2018 through the **Specified Domestic Product** scheme, in an effort to enhance participation and risk mitigation of global industrial and institutional participants. Currently, there have been over 750 clients from 29 countries and regions already participated into DCE market. In 2022, China futures market has been opened up further to QFI investors, currently there are 14 products available on DCE to QFI investors.

Participation Channels

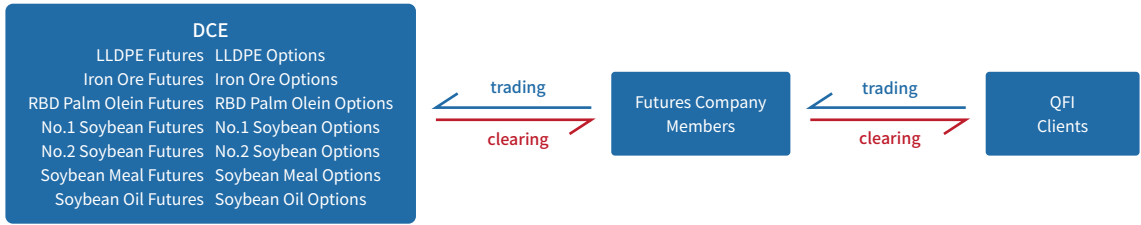
Overseas participants could have access to DCE market through various channels including **QFI** route and **Specified Domestic Product** route.

For **QFI route**, participants need to obtain the **QFI** license in order to have access to 14 products available.

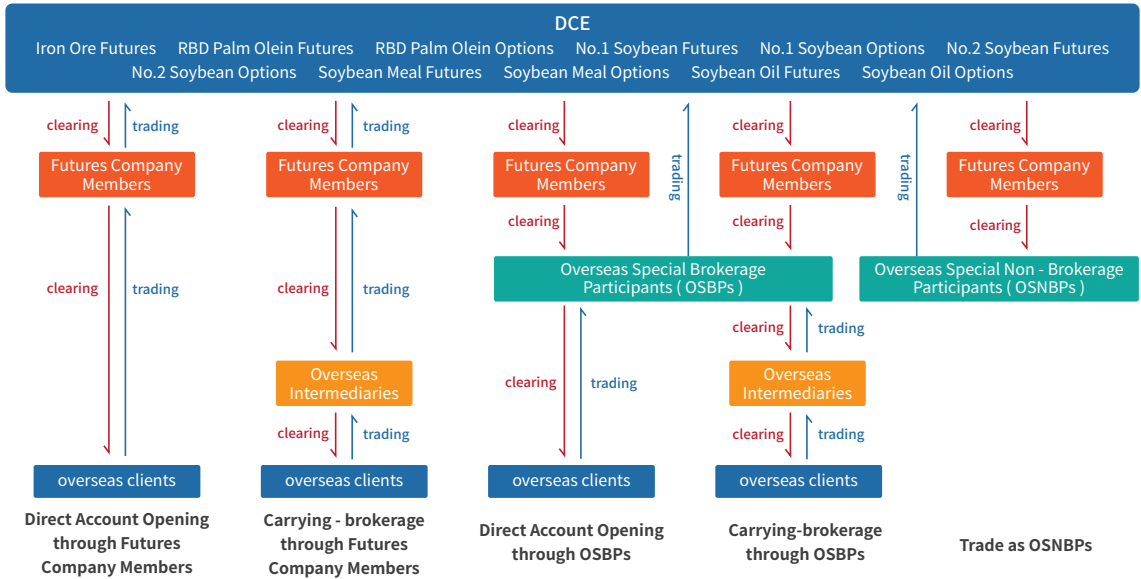
For **Specified Domestic Product** route, overseas clients could open accounts either directly with DCE's futures company members or via carrying-brokerage channel where overseas clients open accounts at registered overseas intermediaries who then entrust futures company members to carry out trading of 11 specified domestic products. Besides, direct access was also provided for overseas brokers and proprietary traders who could apply for **Overseas Special Participants (OSPs)** which are classified into **Overseas Special Brokerage Participants (OSBPs)** and **Overseas Special Non-Brokerage Participants (OSNBPs)**.

Lists of futures company members, registered overseas intermediaries and related rulebooks can be found on DCE official website at www.dce.com.cn.

QFI Route



Specified Domestic Product Route



Facilitating Participation of Overseas Investors

Timeline of key milestones for DCE's international expansion:

- 2018.1:** DCE established its first overseas office — Singapore representative office.
- 2018.5:** DCE was granted Automated Trading Service license (ATS) from Hongkong Securities and Futures Commission (SFC).
- 2018.7:** DCE has registered the Legal Entity Identifier (LEI).
- 2019.11:** DCE was granted Recognised Market Operators license (RMO) from Monetary Authority of Singapore (MAS).
- 2020.9:** DCE was included into the list of third-country venues (TCTV) in the context of the opinion on post-trade transparency by ESMA.
- 2021.6:** DCE established its working team in the joint office of Chinese commodity exchanges in Singapore.

Membership of International Organizations



FIA
2003.09



WFE
2012.10



WEF
2014.07



ISDA
2015.03