

## IME: Meeting Supply and Demand

### Back to History of IME

The history of commodity exchanges in Iran dates back to 2001 when the Iranian parliament enacted the law of 3rd and 4th Development Plans. Based on the clause (C) of the article 95 of the 3rd plan and the clause (A) of the 4th plan laws, the High Council of Exchange (HCE) was assigned to launch and develop the commodity exchanges in Iran. Tehran Metal Exchange and Iran Agricultural Commodity Exchange were the offsprings of the mentioned laws launching operation in 2003 and 2004 respectively. Finally, by virtue of the Law of the Securities Market the two exchanges merged and the ground was prepared to form a new exchange in Iran. The merger marked a new chapter in the Iranian capital market leading to establishment of Iran Mercantile Exchange providing endless trading opportunities for the clients in and out of the country. IME launched operation in 2007 as a demutualized organization in the form of open public joint stock company. Since then more than 180 petrochemical, chemical, metal, mineral and agricultural products have been listed and traded in IME.

from metals, agricultural, petrochemical and precious metals to the oil-related products through listings process which complies with the latest standards of quality in the world. This has made the IME a world-class market serving individual and institutional suppliers and buyers at internationally certified level. Having in place spot alongside derivatives market especially the futures contracts has for the trade counterparties and clients to sell and purchase their requirements. The exchange has provided risk management services to the market through futures contracts. This service helps market participants manage their risks and take delivery of the underlying assets where needed and at the same time hedge against the adverse market movements.

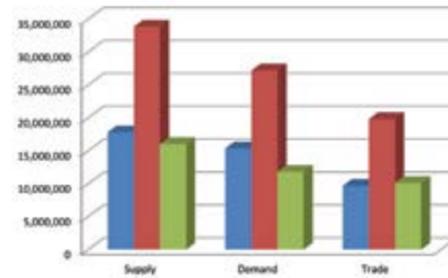


IME is a self-regulated organization operating under the supervision of the SEO, market regulator. IME is the leading multi-commodity exchange trading spot and futures contracts in Iran and in the Middle East. Enjoying the state-of-the-art technology, electronic trading floor, fully electronic derivatives market, low latency, efficient trading system, unmatched sound and fast settlement-delivery mechanism, it provides a transparent and, at the same time, competitive marketplace where investment needs and trade requirements of a nationwide range of market participants and foreign entities are met through exchange's trading solution. The exchange provides opportunity to producers to offer their products ranging

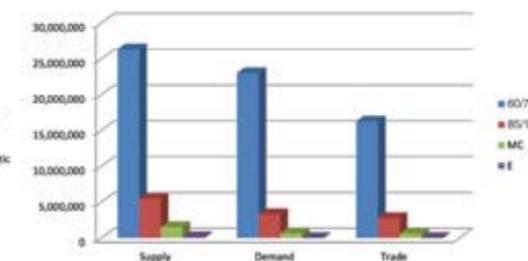
## IME: Expanding to East Asia and Beyond

### Graphs

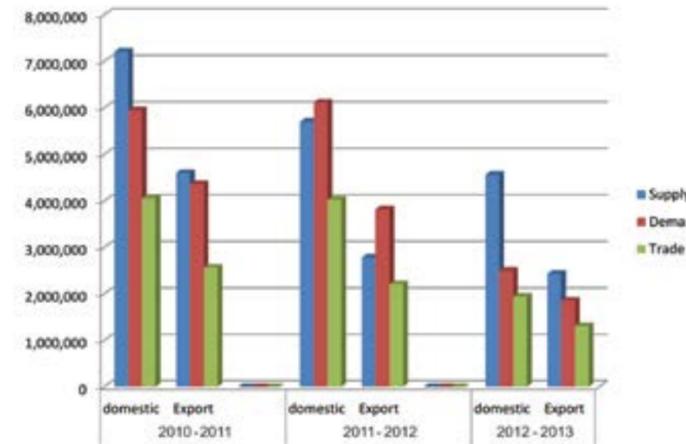
Bitumen Trade Volume since 2008



Trade Volume in terms of Grade



Trade Volume, Domestic vs. Export



# Bitumen in IME



## IME: The Reliable Source of Bitumen Trade in Asia

### Export Trading of Bitumen in IME

Bitumen trades in IME, as the first exchange-traded export transaction, opened a new chapter in the terminology of commodity and particularly bitumen trade in the world where supply and demand are met through trading mechanism provided by the exchange platform under the rules and regulations of the Iranian capital market and cleared and guaranteed by the IME clearing house as the central counterparty in all trades and transactions. Due to sound exchange price discovery and transparency the prices of oil and polymer products on the exchange are quoted by data vendors as a benchmark across Asia.

### IME in a Glance

The Iran Mercantile Exchange launched operation in 2007 and shortly after beginning operation listed various oil-related products like bitumen, base oil, fuel, vacuum bottom, and petrochemical

products like plastics and polymers. Using the national potentials in oil and gas sector IME planned to establish export trading ring in Kish Island in Persian Gulf in order to provide facilities for foreign traders and turning the region to the hub for organized markets as the venue for export trades resulting in trust and reliability within the market participants to the extent that the number of overseas clients of the exchange are increasing on a regular basis despite the restrictions imposed on the country. Large potentials of the country including high production capacity and the success of IME sound and flawless trades enticed the governmental and private producers to list and offer more products resulting in trading of 9 million mt of oil and petrochemical products in IME according to latest statistics. By adding the trading volume of other asset classes like metals and minerals total volume of trades in IME amounts to 24 million mt per year. The transaction turnover in IME accounts for 12% of GDP of the country.

Iran domestic sale for 13-18 July 2013	Bitumen Grade	Volume(t)	Settled price (t/mt)
Iran export market	Pen 60/70	12,462	12,266-13,437
Iran export bitumen prices were steady from Pasargad Oil and most of producers, but were reduced by Jay Oil on the Iran Mercantile Exchange (IME) this week. High fluctuations in the exchange rate caused traders prices to vary in the Iran market this week. There were many bulk inquiries coming from UAE and Oman this week.	Pen 85/100	4,945	12,266-13,484
Pasargad Oil supplied new cargoes this week and the company settled Pen 60/70 in bulk at \$635/t (around \$490/t based on free market exchange rate) for Bandar Abbas. They also supplied Pen 60/70 in bulk for Imam Khomeini port, but no deals closed this week.	IME-250	848	17,300-19,128
	Emulsions rapid	28	7,665
	Emulsions slow	0	
	Exchange rate (\$ = 24,787Rial, 1= Metric tonne)		

Market demand was weak due to the Muslim holy fasting month of Ramadan. Thus, traders' sales were slow for bulk bitumen.

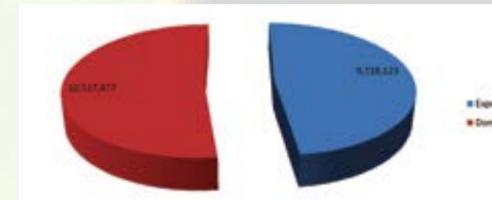
Traders' prices fluctuated due to the bulk exchange rate

## IME: The Largest Bitumen Trading Venue in the World

### Domestic vs. Export Market

Bitumen is listed and traded in both domestic and export markets of IME. The total volume of the traded bitumen in IME amount to 20.4 million mt of which the share of the export market has been nearly 9.7 million metric ton.

### Total Volume of Bitumen Trade since 2008



### Export Trading Floor

The export trading ring of IME was established in 2009 in Kish Island mandated to facilitate and boost export of petrochemical and oil related products through of the trading platform of the exchange which has been developed by domestic technology from the scratch.

Merits of trading in the exports floor of IME:

- 74 brokerage stations rendering trade and post trade services
- Proximity to international shipping routes
- Free trade zone, no visa , no tax
- Direct flights from UAE
- Free brokerage follow-up services
- On-site logistics and delivery



### Listed Suppliers and Producers

- Akam Bitumen
- Ayegh Bam Bastan
- AzarbamAyegh
- AzarDavam
- BamgostarZarrinShargh
- Baam Gum Ayegh
- Corus Energy Development
- Dejpa Bitumen
- East Bitumen
- IsoGum Tabriz
- Jay Oil
- NeginFakhrAzarbaijan
- Negin Gum Pars
- Pasargad Oil
- Petro SanatZommorod
- West Bitumen Asphalt



## IME: The Trusted Quality Bitumen Market for Overseas Consumers

### Tradable Bitumen Grades in IME

- 60/70
- 85/100
- MC 250
- Emulsions



### Admission and Listings of Foreign Producers

The IME is specialized and experienced in listings and offerings of more than 50 products in oil and petrochemical sector and is ready to list and trade products of foreign companies in the Middle East and Asia due to its robust mechanism and platform. The admission team would be at your door step in shortest period on demand. By listing your products and company in IME a large number of buyers and traders will be at your disposal and you will broaden your clients' base throughout the region.

### End User Destinations

IME exports to various destinations including:

- China,
- India,
- Malaysia,
- Singapore,
- South Africa,
- UAE,



### Trade Facts

- 20.4 million mt of bitumen in the value of 11 billion USD has been traded since listing on the exchange.
- 24 suppliers and producers have been listed on the exchange
- 5.5 million mt of confirmed bitumen supply and offering frequency by the producers.
- 3.8 million mt of bitumen grades offered and traded annually in IME.