

India International Bullion Exchange

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In news– The Prime Minister of India recently launched India International Bullion Exchange (IIBX) and NSE IFSC-SGX Connect in GIFT city in Gujarat.

India International Bullion Exchange (IIBX)-

- It is India's first International Bullion Exchange in GIFT-IFSC.
- Established with the vision of making India an influencer of the global bullion prices, the **IIBX will facilitate efficient price discovery and ensure standardisation**, quality assurance and sourcing integrity in addition to providing impetus to **financialisation of gold in India**.
- Registered jewellers and traders will be able to sell and buy physical gold and silver in the exchange. For this, they will have to become a trading partner or a client of an existing trading member.
- This initiative shall empower India to gain its rightful place in the global bullion market and serve the global value chain with integrity and quality.
- This also reinforces commitment of the Government towards enabling India to influence global gold prices as one of its principal consumers.
- **Only the 3rd exchange of its kind in the world, IIBX, with its technology-driven solutions**, will facilitate the transition of the Indian bullion market towards a more organised structure by granting Qualified Jewellers a direct access to import gold directly through the exchange mechanism.

Note: Bullion refers to physical gold and silver of high

purity that is often kept in the form of bars, ingots, or coins.

NSE IFSC – SGX Connect-

- Under this Connect, all orders for NIFTY(a benchmark Indian stock market index) derivatives placed by members of Singapore Exchange Limited (SGX) will be routed to and matched on the NSE-IFSC(a fully owned subsidiary company of National Stock Exchange of India Limited (NSE)) order matching and trading platform.
- The Connect will deepen liquidity in derivative markets at GIFT-IFSC, bringing in more international participants and creating a positive impact on the financial ecosystem.
- Currently, the average daily volume in NIFTY Futures at SGX is 1.09 lakh contracts valued worth approximately \$3.65 billion.
- This volume is expected to move to NSE-IFSC once the Connect is fully implemented, pursuant to a transition period of 4-5 months.
- Broker-Dealers from India and across international jurisdictions are expected to trade derivatives through the Connect in large numbers.

Further

reading:

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