



# DGCX

بورصة دبي للذهب والسلع  
DUBAI GOLD & COMMODITIES EXCHANGE

The right **place.**  
The right **time.**

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## About DGCX

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- Region's 1<sup>st</sup> and largest commodity derivatives exchange
  - Commenced trading in November 2005
  - Since launch over 3 million contracts traded with a value in excess of almost US \$125 billion
- 48% growth (2006-07) and 26% growth (2007/08)
- Operates the region's sole derivatives clearing house, Dubai Commodities Clearing Corporation (DCCC)
- Wide portfolio of futures and options contracts from precious metal, base metal, energy and currencies
- Business transacted and cleared in UAE and funds remain in the region – benefits of local taxation and regulation
- Dubai Commodities Clearing Corporation, a fully owned DGCX subsidiary - guaranteed settlement and removal of 'counterparty credit risk'

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# Enterprise Risk Management

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## RISK

Chance that a specified undesired event or missed opportunity will occur leading to loss

## ENTERPRISE RISK MANAGEMENT

Enterprise-wide structured approach to Risk Management embedded in processes owned and operated by business managers

# Why ERM

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- Complex business environment and management need for 'clear view of risks'
- Risks unique to each operating jurisdiction e.g. political, currency, regulatory
- Physical threats e.g. terrorism, hurricanes, kidnapping, political risks
- Required by credit rating agencies
- Corporate Governance requirements to protect shareholders e.g. SOX, Turnbull, Combined Code
- Increased 'personal' liability of Directors
- Listing requirements in operating jurisdictions

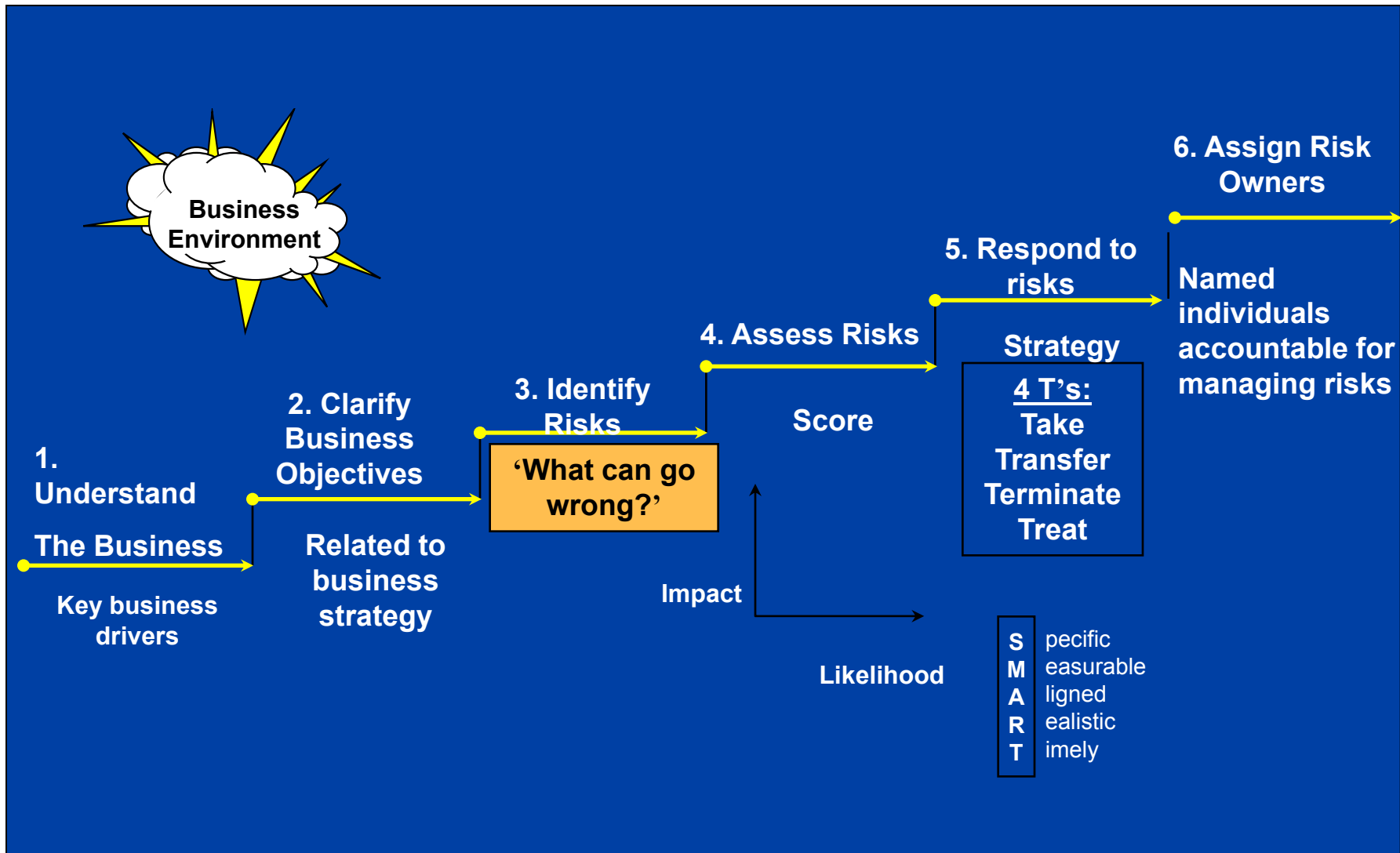
# Benefits of ERM

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- Aligns risk appetite and strategy
- Enhances risk response decisions
- Reduces operational surprises and losses
- Identify and manage multiple and cross-enterprise risks
- Seize opportunities
- Improves deployment of capital

Source: *Enterprise Risk Management — Integrated Framework* Copyright © 2004 by the Committee of Sponsoring Organizations of the Treadway Commission

# An approach to ERM

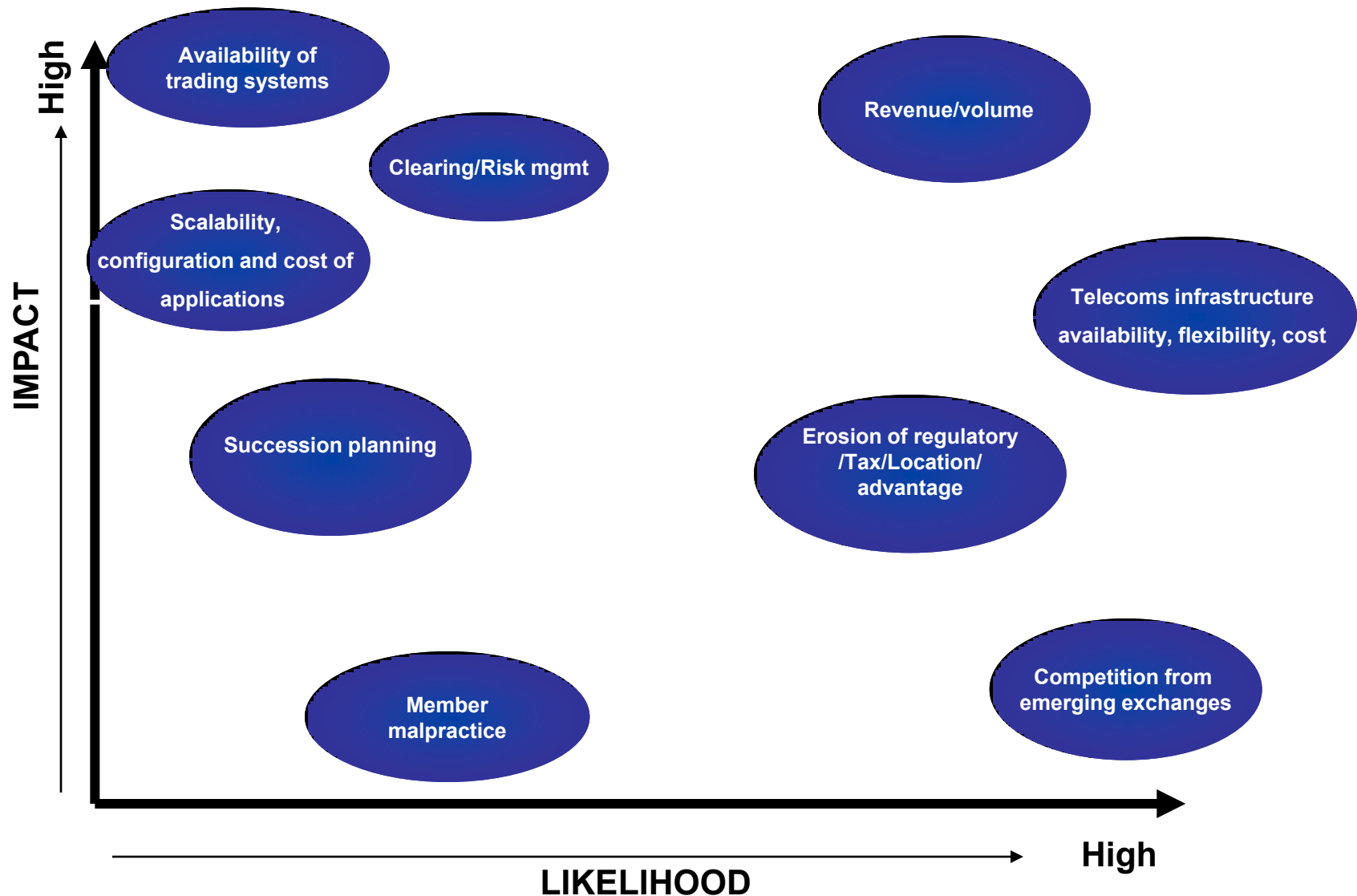


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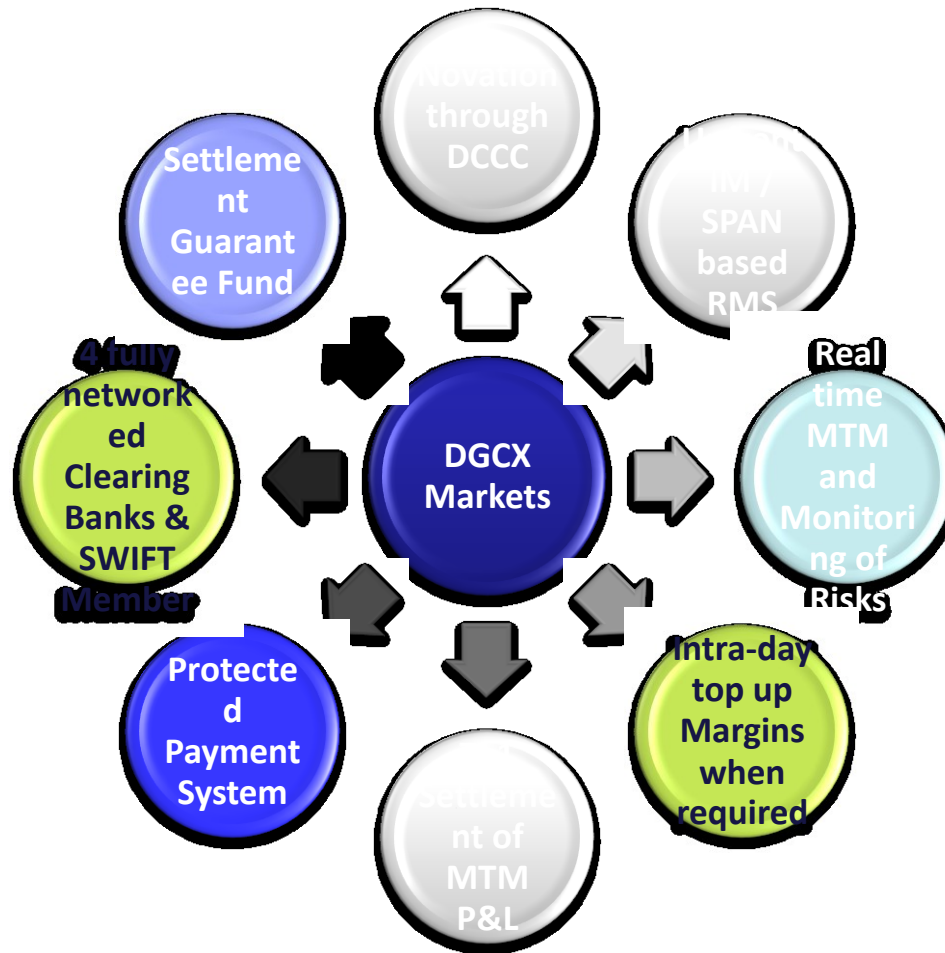
# Enterprise Risks – an example



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# Operational Risks management – an example



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