



CFTC grants exemption to enable greater US access to NZX Derivatives Market

5 November 2020 – The US regulatory agency the Commodity Futures Trading Commission (CFTC) has granted a Part 30 Exemption Order to NZX in its capacity as a Foreign Board of Trade.

The exemption will allow New Zealand-based NZX Derivatives Participants to solicit US-based clients and trade on their behalf on NZX's dairy derivatives market, without registering with the CFTC as a futures commission merchant. Whole Milk Powder, Skim Milk Powder, Anhydrous Milk Fat, Butter and NZ Milk Price derivatives can be traded on the NZX dairy derivatives market.

Head of Derivatives, Nick Morris, says NZX is pleased to soon be able to offer New Zealand-based NZX member firms the same level of access to US customers as their US counterparts.

"This will open up more channels to market for customers in the US wanting access to our dairy derivatives market to manage risk in globally-traded dairy commodities," he says.

The exemptions will become effective once the Order is published in the US Federal Register, and the required representations are provided to the US National Futures Association by NZX and NZX Derivatives Participants.

ENDS

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About NZX:

For more than 150 years we have been creating opportunities for Kiwis to grow their personal wealth and helping businesses prosper. As New Zealand's Exchange, we are proud of our record in supporting the growth and global ambitions of local companies.

NZX operates New Zealand's equity, debt, funds, derivatives and energy markets. To support the growth of our markets, we provide trading, clearing, settlement, depository and data services for our customers. We also own Smartshares, New Zealand's only issuer of listed Exchange Traded Funds (ETFs), and KiwiSaver provider SuperLife. Our NZX Wealth Technologies subsidiary is an online asset management platform. Learn more about us at: www.nzx.com