



АГЕНТСТВО РАЗВИТИЯ
МЕЖДУНАРОДНОГО
ФИНАНСОВОГО ЦЕНТРА

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Commodities Exchange Opportunities



Kyrgyz Republic's legislation on commodities exchanges enables the use of a local commodities exchange for trading a wide variety of contracts, involving either the delivery of physical commodities or the settlement of options, forwards, futures and other derivatives.

The registration procedure for a new contract introduced for trading on the commodities exchange is fairly simple and requires the filing of its terms with the regulator only if the contract is for a derivative transaction (such filing is of informational nature and is not a solicitation of

approval). Thus, any trader interested in listing a certain position on the exchange can arrange for it to be listed fairly quickly.

Besides gaining exposure to the market participants, availability of an exchange quote may be of ancillary benefit for the purposes of tax planning or establishing a public price for a certain asset or contract.

With regards to trading physical goods and commodities the Kyrgyz commodities exchange rules are quite liberal in that the subject of the trade can be located in any part of the world, not only in Kyrgyzstan. The location parameters must be duly noted in the standard contract terms registered by the exchange.

Since the legislation of Kyrgyzstan does not provide for any exchange (currency) controls and supports the free flow of capital, settlement of the transactions made on the exchange can be effected in any currency and through any suitable clearing platform, not necessarily a local one.

Besides traditional trading in commodities, the Bishkek-based International Commodity Exchange (INTERCOMEX) offers its traders and clients an innovative service enabling to purchase a forward contract for gold and receive the physical gold bars either in Bishkek (locally made gold bars are LGD-certified and can be exported tax-free) or in Switzerland or Liechtenstein.

Another unique feature of the local commodities exchange is the ability to list and trade cryptocurrencies and other blockchain-based assets (which are considered «commodities» under the laws of Kyrgyzstan). We will be delighted to direct you to the developers of these legal solutions for any

cooperation interest.