

MICRO OMAN CRUDE OIL FUTURES ON DUBAI FINANCIAL MARKET

Dubai Financial Market (DFM) introduces a new investment opportunity to access one of the most significant asset classes in the region. A derivative monthly micro contract on the Oman Crude Oil Futures, in collaboration with Gulf Mercantile Exchange (GME). This provides an opportunity for investors to diversify their portfolios.

BENEFITS

With the Micro Oman Crude Oil Futures, you will be able to diversify your portfolio and benefit from:

CASH-SETTLED

No physical delivery, our contracts are **cash-settled only**.

LEVERAGE

Access **leverage** to maximize your portfolio size and returns.

TWO MARKET

Profit when **price falls** by short selling, as well as rise by buying.

TRADE CURRENCY

Contracts are traded in the **US Dollar**.

MICRO CONTRACT

Micro contract with a **size of 100 barrels** per contract.

HEDGING

Hedging strategy acts as an insurance cover to **protect against market volatility**.

CONTRACT SPECS

Product	DFM Micro GME Oman Crude Oil Futures
Symbol	OMOIL
Underlying	GME Oman Crude Oil Futures
Currency	USD
Contract size	100 barrels
Price Quotation	U.S. dollars and cents per barrel
Maturity	Monthly contracts for the next twelve months forward
Settlement Type	Cash Settled
Last trading day	Five-business days prior to the last Business day of the second month preceding the delivery month. If the Last Trading Day is a holiday then the Last Trading Day will be the one business day for both DFM and GME preceding the holiday (e.g. The Last Trading for July Futures 2022 delivery contract will be 24 May 2022)
Final Settlement Day	Business day next to last trading day
Future Type	Daily settled with cash settlement after the last trading day
Listing of new expiries	Business day following the last trading day
Price Limits	No limits
Tick Size	\$0.01
Daily Settlement Price	Closing price of Futures Contract (or) Closing Price derived from the underlying as determined by Dubai Clear from time to time
Final Settlement Price	GME Market Price on the Last Trading Day or as determined by Dubai Clear from time to time
Trading Hours	Monday to Friday, 10:00 to 15:00
Trading Board on Matching Engine	605

HOW DOES THE FUTURE CONTRACT WORK

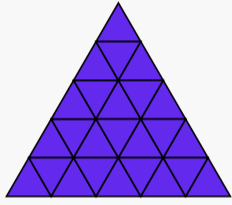
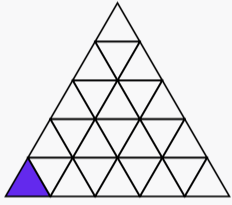
Oil futures allow you to gain exposure and benefit from the increase and decrease in oil prices.

1. Buy or sell?

Micro Oman Crude Oil (OMOIL) PRICE TODAY -\$110	What do you think will happen to the price? I think the oil price will go Down  <hr style="border: 1px solid red;"/> You will Sell	I think the oil price will go Up  <hr style="border: 1px solid green;"/> You will Buy
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2. What's the Margin or Leverage?

Leverage magnifies the size of any profits or losses as investors only pay a small amount upfront called initial margin. This allows investors to maximize their portfolio size and return, but can also lead to higher losses.

BUYING OIL BARREL <div style="border: 1px solid #ccc; padding: 2px; display: inline-block;">BUY</div> \$10,000 worth of Oil barrel <div style="border: 1px solid #ccc; padding: 2px; display: inline-block;">PAY</div> \$10,000 at the time of purchasing  Pay in full amount The impact of leverage: If your return is \$1000 and bought Oil barrels and paid \$10,000 your rate of return would be $\$1000/\$10,000 = 10\%$	BUYING OIL FUTURES <div style="border: 1px solid #ccc; padding: 2px; display: inline-block;">BUY</div> \$10,000 worth of Oil futures <div style="border: 1px solid #ccc; padding: 2px; display: inline-block;">PAY</div> 10-15% of the value  Pay initial margin only The impact of leverage: If your return is \$1000 and bought Oil futures and paid \$1,500 (15% of \$10,000) your rate of return would be $\$1000/\$1,500 = 66\%$
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3. How is the profit calculated?

Let's imagine that per barrel oil price goes from

-\$110 > **\$100** 

1 Contract = 100 Barrels

SCENARIO 1 If you expected the price to go down and went short (sold a contract) you would have made a profit Original value $\\$110 \times 100 \text{ Barrels} = \\$11,000$ New value $\\$100 \times 100 \text{ Barrels} = \\$10,000$ Your profit is the difference in value <div style="background-color: #90EE90; padding: 2px; display: inline-block;">\$1000</div>	SCENARIO 2 If you expected the price to go up and went long (bought a contract) you would have made a loss Original value $\\$110 \times 100 \text{ Barrels} = \\$11,000$ New value $\\$100 \times 100 \text{ Barrels} = \\$10,000$ Your loss is the difference in value <div style="background-color: #FF4500; padding: 2px; display: inline-block;">\$1000</div>
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Contact us

For more information about the Micro Oman Crude Oil Futures, please call +971 4 305 5555

Disclaimer:

DFM disclaimer:

Derivatives trading (Future contracts, Options and any others) involves substantial risk and are not suitable for all investors/traders. Investors should be aware of all the risks associated with Derivatives trading, and seek advice from an independent financial or investment advisor if they have any doubts.

GME Disclaimer:

"The GME Oman Crude Oil Futures Contract (OQD) ("GME Assessment") is a product of GME and has been licensed for use by DFM. DFM Micro GME Oman Crude Oil Futures Contract ("Contract") is not sponsored, endorsed, sold or promoted by GME or its affiliates or licensors. GME, its affiliates and licensors make no representation or warranty, express or implied, regarding the Contract or regarding the advisability of investing in securities or commodities generally or the ability of the GME Assessment to track general market performance or commodity price movements, nor do GME, its affiliates and licensors have any liability for any errors or omissions in, or interruptions of, the GME Assessment or the Contract. GME, its affiliates' and licensors' only relationship to DFM with respect to the GME Assessment is the licensing of the GME Assessment and of certain trademarks, service marks and/or trade names of GME, and/or its affiliates or licensors. The GME Assessment is determined, composed and calculated by GME without regard to DFM or the Contract. GME, its affiliates and licensors have no obligation to take the needs of DFM or any clients or users of the Contract into consideration in determining, composing or calculating the GME Assessment. GME, its affiliates and licensors have no obligation or liability in connection with the creation, development, preparation, marketing, sale and/or trading of the Contract".