



WORLD'S TRADING COMMUNITY DESCENDS ON DUBAI FOR 7TH DUBAI PRECIOUS METALS CONFERENCE BY DMCC

More than 300 industry experts debate the way ahead for global precious metals across the value chain

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DMCC, the world's leading Free Zone for commodities trade and enterprise, held the 7th edition of its industry-leading annual Dubai Precious Metals Conference (DPMC) today, with more than 300 participants listening as speakers and panellists from the precious metals sector discussed issues and opportunities critical to the future of the worldwide trade, at The Westin Hotel, Habtoor City, Business Bay.

Following the opening speech by DMCC CEO Gautam Sashittal, the conference keynote speech was delivered by Lord Dr Hastings of Scarisbrick CBE, Global Head of Citizenship, KPMG.

Lord Dr Hastings said: *"If you want to build a sustainable future, then having values and operating ethically and transparently is critical. You can sign declarations on sustainability but actually creating sustainable development is another step. It is about building a decent and dignified future for the people you serve. The challenge is not about what the metals are worth, but what we give back to the communities, and the freedom and dignity we provide for them."*

Participants immediately moved on to the first panel of the day on 'The Evolution and Impact of Taxation on Gold'. Panellist **Chandu Siroya Vice Chairman, DGLG**, said: *"We are seeing many effects from the impact of 5% VAT after the first three months. A lot of companies didn't sell for the first 20 days after the VAT came in, and only later got back to selling. The unique structure of Dubai where 85% of gold jewellery is for export, means it is creating uncertainty. We also saw that around 20 offices became available for rent in the gold souk. Unfortunately, the market is down significantly, both at the wholesale and retail levels."*

The next panel debate focussed on Responsible Sourcing – Expectations and Reality, with panel moderator Ajay Mathur, Director - Precious Metals, DMCC.

Speaking remotely to the audience via video link, **Tyler Gillard, Manager of Sector Projects, Responsible Business Conduct Unit, Investment Division at OECD** said: *"The Dubai Precious Metals Conference is one of the key events in the year for us at OECD. We have worked closely*

with DMCC, and the gold industry, since 2011 on implementation of responsible sourcing. Investors as well as banks are increasingly expecting to see evidence of responsible sourcing before doing any business with clients. Consumers are demanding it. So essentially, now responsible sourcing is no longer an option, it is a commercial requirement."

The panel on 'Bullion Banking: The Road Ahead' was moderated by **Jeffrey Rhodes, Principal Consultant, RAKGOLD**, who introduced the topic by telling conference delegates: *"I am very optimistic about the future of bullion banking in Dubai and I expect the market to grow substantially. Dubai is the epicentre of the world physical gold trade, but one of the challenges facing the UAE market is the lack of Western bullion banking activity. This is a constraint on the business and why the evolution of a local bullion banking sector will help remove any barriers to trade."*

Insights into the 'Role & Future of Global Exchanges' was the next leading topic on the agenda, with moderator: Somasundram PR, Managing Director-India, World Gold Council, giving his views before inviting panellists to answer questions and give their views.

Les Male, Chief Executive Officer, Dubai Gold and Commodities Exchange said: *"Our main aim is to extend the work of exchanges to work together throughout Asia. Traders are looking for efficiency so that they can work across many exchanges and have a unified clearing house. We want greater cooperation and alliances to give traders added value. More can be done to achieve this and we would like to spearhead it."*

The final panel debate of the day was on the subject of 'Challenges in The Jewellery Sector', and moderated by **Chandu Siroya, Vice Chairman of the Dubai Gold & Jewellery Group**. He concluded: *"There are many challenges facing the jewellery industry. These include the responsible and ethical sourcing of gold. There is the problem of lower availability of skilled craftsmen because younger people are looking to work in other industries so it's difficult to attract them. Attracting finance and the costs of doing business, including marketing costs which are relatively higher for small and medium-sized firms, is also one of the challenges. There is the issue of the threat to physical stores of online sales, the problem of counterfeit jewellery and finally the finding a way for the use of lab-grown diamonds in jewellery that can be embraced by all - from manufacturers to consumers."*

Ahmed Bin Sulayem, Executive Chairman, DMCC, bringing the conference to a close, said: *"Dubai is the world's leading physical gold market and one of the world's top three hubs for the diamond trade. This position is not achieved in isolation, it is by working alongside the industry, listening to business and engaging with stakeholders across the globe. The convening power of the internationally recognised Dubai Precious Metals Conference is hugely valuable in this regard as we gear up for future growth."*

Other conference speakers included Albert L. H. Cheng, CEO, Singapore Bullion Market Association; Dr. Paul Elgin Walker, CEO, International Bullion Market Company; Tawhid Abdullah, Chairman, DGJG; Jiao Jinpu, Chairman, Shanghai Gold Exchange; Tim Fox, Chief

Economist, Emirates NBD; Bhargava Vaidya, BN Vaidya & Associates; Alex Shaw, Head of Market Development - Precious Metals, LME; Effie Marinos, Global Technical Governance Manager - Supply Chain Assessment & Solutions, SGS; Gregory Frith, Global Head of Precious Metals Trading, VTB Capital LTD; and Hakan Aytekin, Deputy Director – Precious Metals and Diamond Market, Borsa Istanbul.

A full list of speakers are available here: <http://dpmc.ae/speakers>.

About DMCC

Headquartered in Dubai, DMCC is the world's most interconnected Free Zone, and the leading trade and enterprise hub for commodities. Whether developing vibrant neighbourhoods with world-class property like Jumeirah Lakes Towers and the much anticipated Uptown Dubai, or delivering high performance business services, DMCC provides everything its dynamic community needs to live, work and thrive. Made for Trade, DMCC is proud to sustain and grow Dubai's position as the place to be for global trade today and long into the future.

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