



NSE GOLD
DERIVATIVES
Performance Review
2025-26

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Performance Review of Commodity Derivatives - FY 2025-26

Gold Futures, Gold Options on Futures, Gold Mini Futures, Gold Mini Options on Futures, Gold 1G Futures, Gold Guinea Futures & Gold 10 grams Futures

1. Background

a. Brief about the commodity such as sample picture, lifecycle and various varieties/grade of the commodity found in India

Gold is the oldest precious metal known to man and for thousands of years it has been valued as a global currency, a commodity, an investment and simply an object of beauty. Due to its chemical and physical properties it finds application in a variety of uses. Gold is relatively easy to accumulate, transact and sell. Also, it is one of the assets widely held by women in India. In the Indian context, gold ownership provides an indirect exposure to the US dollar, as India imports almost all of its gold from the international market priced in US dollars. Gold is a classic hedge tool against inflation or other economic disruptions. Many owners of gold store it in the form of bullion bars or coins specifically for this purpose. However, the recent financial crisis has convinced some economists not to believe gold serves as a secure hedge tool. Bullion coins of today's age are typically minted with fine gold at 24k. The South African Krugerrand, the American Gold Eagle and the British Gold Sovereign are still minted in 22k metal in a historical tradition. The Canadian Gold Maple Leaf is the coin with the highest purity gold of any bullion coin at 99,999%. Gold in contrast to other commodities is not affected by consumption. Nearly all the gold mined in the world is still accessible today. Therefore, the demand has a far greater impact on the price than the supply. The global economy is a strong indicator for future gold prices. In times of international financial crisis, investors tend to purchase gold, which has proven to thrive during economic crises and provides more security for investors.

b. Commodity fundamentals and balance sheet as per the following format (to be prepared based on publicly available information on best effort basis):

Table – Fundamentals & Balance Sheet

World Balance Sheet

Gold World Balance Sheet (In tonnes)

| Global Scenario | 2024 | 2025 |
|------------------------|-------------|-------------|
| SUPPLY | | |
| Mine Production | 3,743 | 3815 |
| Recycling | 1365 | 1403 |
| Net Hedging | -54 | -74 |
| Total Supply | 5,054 | 5144 |
| DEMAND | | |
| Jewellery Fabrication | 2,027 | 1,648 |

| | | |
|------------------------|-------|-------|
| Technology | 326 | 323 |
| Total Bar & Coin | 1,209 | 1,402 |
| ETFs & Others | -3 | 802 |
| Central Banks & others | 1,092 | 850 |
| Total Demand | 4,651 | 5,025 |

Source: World Gold Council

India balance sheet (in tonnes)

| India Scenario | 2024 | 2025 |
|--------------------------------------|------|------|
| SUPPLY | | |
| Net Bullion Imports | 802 | 680 |
| Scrap | 114 | 93 |
| Other Sources | 18 | 15 |
| Total Supply | 934 | 787 |
| DEMAND | | |
| Jewellery Fabrication/Consumption | 563 | 441 |
| Bar & Coin/Physical Investment | 239 | 280 |
| Total Demand | 803 | 721 |

Source: World Gold Council

Top 10 Major producing countries (in tonnes)

| Country | 2024 | 2025 |
|---------------|-------|------|
| China | 380.2 | NA |
| Russia | 330 | NA |
| Australia | 284 | NA |
| Canada | 202.1 | NA |
| United States | 158 | NA |
| Ghana | 140.6 | NA |
| Mexico | 140.3 | NA |
| Indonesia | 140.1 | NA |

| | | |
|------------|-------|----|
| Peru | 136.9 | NA |
| Uzbekistan | 129.1 | NA |

Source: World Gold Council, data for 2025 is not publicly available

Top 10 major gold-consuming (Consumer Demand) countries (in tonnes)

| Country | 2024 | 2025 |
|--------------------|------|------|
| Greater China | 857 | 830 |
| India | 803 | 721 |
| United States | 209 | 175 |
| Turkey | 153 | 104 |
| Iran | 69 | 73 |
| Indonesia | 67 | 72 |
| Russian Federation | 74 | 72 |
| Saudi Arabia | 65 | 62 |
| Thailand | 49 | 59 |
| Germany | 26 | 53 |

Source: World Gold Council

Note: 1) Greater China includes Mainland China, Hong Kong and Taiwan

Top 10 Major Gold exporting countries (in US \$ billion)

| Country | 2024 | 2025 |
|----------------------|-------|-------|
| UNITED ARAB EMIRATES | NA | NA |
| SINGAPORE | 17.4 | NA |
| SWITZERLAND | 115.4 | 195.8 |
| UNITED KINGDOM | 65.4 | 84.3 |
| USA | 29.7 | 80.6 |
| CHINA, HONG KONG SAR | 56.5 | 80.4 |
| CANADA | 28.5 | 38.7 |
| AUSTRALIA | 23.6 | 38.4 |
| JAPAN | 17.8 | 25.3 |
| GERMANY | 14.7 | 17.0 |

HS Code: 7108

Top 10 Major gold importing countries (in US \$ billion)

| Country | 2024 | 2025 |
|----------------------|-------|-------|
| CHINA | 102.7 | NA |
| UNITED ARAB EMIRATES | NA | NA |
| SINGAPORE | 17.6 | NA |
| THAILAND | 15.4 | NA |
| SWITZERLAND | 105.3 | 211.1 |
| UNITED KINGDOM | 76.6 | 156 |
| CHINA, HONG KONG SAR | 65.4 | 101.8 |
| INDIA | 58.1 | 58.9 |
| USA | 15.9 | 30.2 |
| TÜRKIYE | 17.1 | 23.1 |

Source: UN Comtrade database, HS Code: 7108

Top producing states

By States, the largest resources in terms of gold ore (primary) are located in Bihar (43%) followed by Rajasthan (24.3%), Karnataka (19.9%), Andhra Pradesh (3%), Uttar Pradesh (2.5%), West Bengal (2.5%), Jharkhand (1.9%). The remaining 2.9% resources of ore are located in Chhattisgarh, Madhya Pradesh, Kerala, Maharashtra and Tamil Nadu.

c. Major changes in the policies governing trade in the spot markets of the commodity

India's commodity and macroeconomic policy landscape underwent structural tightening to control systemic risk and stabilise trade imbalances, marked most prominently by a recent dramatic reversal in gold import taxes in May'2026, hiking total effective duties from roughly 6% to 15% (18.45% including GST) to defend foreign exchange reserves against a widening current account deficit.

Simultaneously, the Reserve Bank of India aggressively rewired the domestic financial landscape by introducing a strict, unified regulatory framework for gold loans, transitioning away from a flat 75% loan-to-value (LTV) cap a differentiated LTV structure for consumption loans, allowing higher LTVs for smaller loans while retaining 75% for larger loans. It also **caps total aggregate pledges at 1 kg per borrower** across branches to stamp out speculative capital circularity.

Union Budget 2026 restricted the capital gains exemption on Sovereign Gold Bonds to original individual subscribers who hold the bonds continuously until maturity, thereby removing the tax-free redemption benefit for secondary-market buyers from April 1, 2026.

d. Geopolitical issues in the commodity and its impact on Indian scenario

India's global gold trade has significantly changed amid escalating conflicts in the Middle East. The instability surrounding the Iranian crisis and maritime blockades has increased demand for safe-haven commodities, leading to gold prices rising to record highs. Concurrently, global central banks have been aggressively accumulating gold to diversify their assets away from currencies, with the metal viewed as a neutral store of value that is safe from the weaponization of global finance and sanctions.

On the domestic side, FY26 was marked by the Reserve Bank of India's strategic push for financial sovereignty. Given the fragmentation of global trust, the RBI repatriated the historically largest share of its reserves, moving over 100 tonnes of gold from overseas vaults back to Indian shores between October 2025 and March 2026, while remaining one of the top purchasers of gold. This risk management pushed gold's share in India's foreign exchange reserves to 16.7% by the end of the fiscal year.

2. Trading related parameter

NSE had the following Gold derivatives available for trading on its Commodity Derivatives Segment in FY 2025-26.

- Gold Futures
- Gold Options on Futures
- Gold Mini Futures
- Gold Mini Options on Futures
- Gold 1G Futures
- Gold Guinea Futures
- Gold 10G Futures (launched on March 16, 2026)

a. Monthly and Annual traded volume (quantity in appropriate units)

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

b. Annual traded volume as proportion of total deliverable supply (quantity in appropriate units)

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

c. Annual traded volume as proportion of total annual production (quantity in appropriate units)

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

.Annual average Open interest as proportion of total production

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

d. Annual average Open interest as proportion of total deliverable supply

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

e. Monthly and Annual value of trade (in Rs. Crores)

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

f. Monthly and Annual quantity of delivery (in appropriate units)

The deliverable volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

g. Monthly and Annual value of delivery (in Rs. Crores)

The deliverable volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

h. Monthly and Annual Average Open Interest (OI) (in appropriate units)

The OI for Gold derivatives in FY 2025-26 was Negligible/NIL.

i. Annual average volume to open interest ratio

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

j. Total number of unique members and clients who have traded during the financial year

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

k. Ratio of open interest by FPOs/farmers/Hedge/VCP positions to total open interest (Annual average as well as maximum daily value)

The traded volume by FPOs / farmers and VCPs/hedgers* for Gold derivatives in FY 2025-26 was Negligible/NIL.

l. Number of unique FPOs / farmers and VCPs/hedgers who traded in the financial year.

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

m. Algorithmic trading as percentage of total trading

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

Delivery defaults

i. Number of instances

ii. Quantity involved

iii. Value involved

There were no instances of delivery default in Gold contracts in FY 2025-26.

3. Price movements

a. Comparison, correlation and ratio of standard deviation of Exchange futures price vis-à-vis international futures price (wherever relevant comparable are available)

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

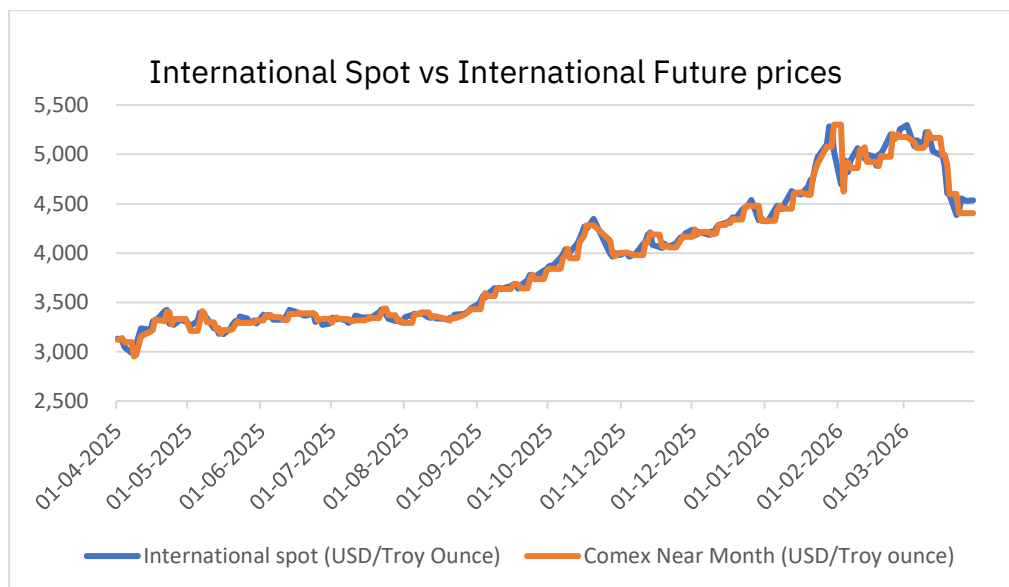
b. Comparison, correlation and ratio of standard deviation of Exchange futures price vis-à-vis international spot price (wherever relevant comparable are available) and domestic spot price (exchange polled price).

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

c. Correlation between exchange futures & domestic spot prices along with ratio of standard deviation.

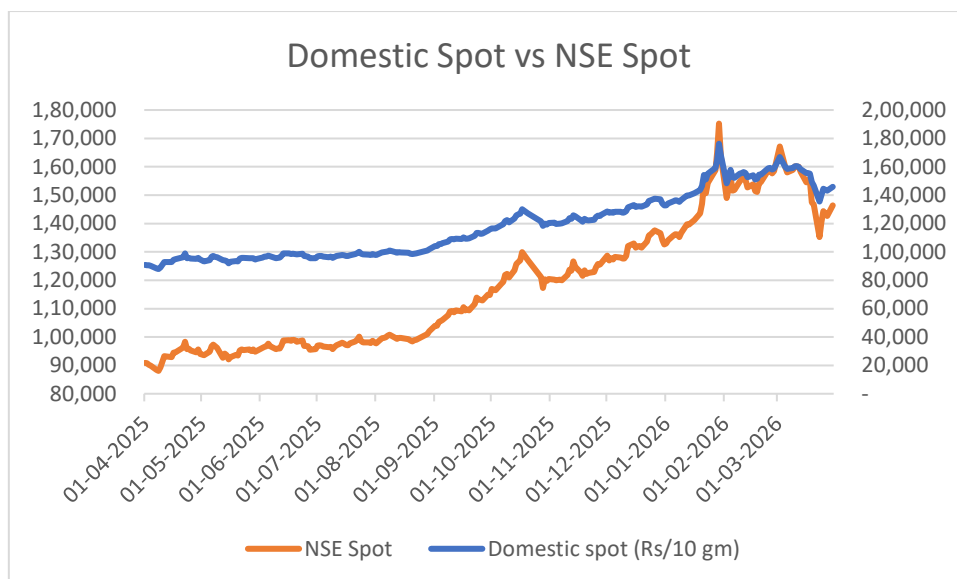
The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

d. Correlation between international futures & international spot prices along with ratio of standard deviation (wherever relevant comparable are available).



Correlation: 99.2% | Ratio of Std Deviation: 1.004

e. Comparison of Exchange polled price and mandi price (in case of agricultural commodities) / other relevant price (in case non-agricultural commodities) at basis centre.



Correlation: 99.98% | Ratio of Std Deviation: 1.005

f. Maximum & Minimum value of daily futures price volatility and spot price volatility along with disclosure of methodology adopted for computing the volatility.

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

| Contract | Max Volatility in Futures Prices (%) | Min Volatility in Futures Prices (%) | Max Volatility in Spot Prices (%) | Min Volatility in Spot Prices (%) |
|--------------------------------|--------------------------------------|--------------------------------------|-----------------------------------|-----------------------------------|
| All Gold Derivatives contracts | NA | NA | 8.82 | 0 |

Volatility calculation: $(\text{Day} - \text{Previous day's price}) / \text{Previous day's price}$

NA – Could not be appropriately determined due to scattered trades in futures contracts

g. Number of times the futures contract was in backwardation/contango by more than 4% for the near month contract in the period under review.

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

4. Other parameters

a. Qualitative and quantitative measure for Hedge effectiveness ratio and basis Risk (Volatility of Basis) along with disclosure of methodology adopted for such calculations.

The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

b. Details about major physical markets of the commodity vis-à-vis market reach in terms of availability of delivery centres (information to be provided state-wise and UT-wise).

Gold demand in India can be broadly categorized into jewellery fabrication demands and investment demand, with the former accounting for around 80%. The domestic jewellery demand is primarily on account of wedding demand and festival demands (Akshaya Tritiya, Dhanteras etc.). This demand which comes from across the country stays throughout the year and is serviced from important gold centres like Delhi, Mumbai, Ahmedabad, Bangalore, Chennai, Kochi, Jaipur, Kolkata, and Hyderabad.

The below table provides a list of Top 5 major Bullion trading centres vis-à-vis NSE delivery centres

| Major cities based on Gold import and consumption | NSE's delivery centre |
|--|------------------------------|
| Delhi | NIL |
| Kochi | NIL |
| Chennai | NIL |
| Ahmedabad | Primary Delivery Centre |
| Kolkata | NIL |

c. Details about major physical markets of the commodity and average Open Interest for each month generated from those regions.

Major physical markets data provided in the point 4b. The traded volume for Gold derivatives in FY 2025-26 was Negligible/NIL.

d. Details, such as number and target audience, of stakeholders' awareness programs carried out by the exchange.

A total of 62 Commodity IAPs were conducted reaching out to 1987 participants. These participants included General public, faculties of educational institutes corporate employees, FPOs, Police officers and Women.

e. Steps taken / to be undertaken to improve hedging effectiveness of the contracts as well as to improve the performance of illiquid contracts.

NSE is constantly striving to encourage hedgers to participate in the Gold contracts. We have value chain participants and associations such as IBJA, All India Gem & Jewellery Domestic Council, WGC, Metals Focus, etc. as part of our Bullion PAC, who guide us on how to get more participation from physical market participants.

5. Any other information to be disclosed as deemed important by the exchange or as suggested by the PAC.