



**NSE ZINC**  
**DERIVATIVES**  
**Performance Review**  
**2025-26**

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## **Performance Review of Commodity Derivatives - FY 2025-26**

Zinc Futures, Zinc Mini Futures & Zinc Options on Futures

### **1. Background**

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

Zinc, a versatile metal, plays a pivotal role in various industries due to its corrosion-resistant properties and electrical conductivity. As one of the most widely used non-ferrous metals, zinc finds applications in galvanizing steel, alloy production, and battery manufacturing. Its importance in infrastructure development, particularly in construction and transportation sectors, underscores its economic significance. Moreover, zinc serves as a vital component in health supplements and agricultural fertilizers. With its diverse industrial applications and growing demand, zinc remains a crucial commodity in global markets, influenced by factors such as industrial production, economic growth, and supply dynamics.

#### **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 (Thousand tonnes)**

<b>Global Scenario</b>	<b>2024</b>	<b>2025</b>
Opening Stocks	-	-
Production	12,598	13,213
Consumption	-	-
Closing Stocks	-	-

Source: World Bureau of Metal Statistics, LSEG Datastream

**Table - Indian Balance Sheet (In Tonnes)**

<b>Indian Scenario</b>	<b>2024-25</b>	<b>2025-26</b>
Zinc Concentrate Production	17,21,521	18,07,163
Zinc Ores & Conc. Export	7	22
Zinc Ores & Conc. Import	0	991

**Note:** Quantity in Tonnes

**Source:** Ministry of Mines, Government of India (mines.gov.in)

**Top 10 major producing countries (Thousand metric tonnes)**

<b>Countries</b>	<b>2024</b>	<b>2025</b>
CHINA	4,395	4,504
PERU	1,269	1,506
AUSTRALIA	1,099	1,152

INDIA	874	962
MEXICO	759	772
USA	684	668
BOLIVIA	518	500
RUSSIA	306	306
MONGOLIA	274	285
KAZAKHSTAN	246	264

Source: World Bureau of Metal Statistics, LSEG Datastream

### Top 10 major consuming countries (Thousand metric tonnes)

Country wise consumption data is not available in public domain.

### Top 10 major exporting countries (in US \$ million)

Name of Country	2024	2025
PERU	830	NA
FRANCE	678	NA
NETHERLANDS	1,288	1,435
REP. OF KOREA	1,382	1,356
AUSTRALIA	1,167	1,296
SPAIN	1,270	1,264
CANADA	1,231	1,259
INDIA	709	786
FINLAND	743	777
BELGIUM	764	681

Source: UN Comtrade Database, HS Code: 79

### Top 10 major importing countries (in US \$ million)

Countries	2024	2025
CHINA	1,468	NA
FRANCE	669	NA
SINGAPORE	590	NA
USA	2,187	2,479
GERMANY	1,414	1,458
INDIA	756	1,045
ITALY	814	1,010
TURKIYE	891	936
NETHERLANDS	1,038	908
BELGIUM	528	582

Source: UN Comtrade Database, HS Code: 79

### Top Major Producing Mines in India (Thousand metric tonnes)

Name	Location	2023
Rampura Agucha Mine	Rajasthan	462.75
Sindesar Khurd Mine	Rajasthan	176.54
Zawar Mine	Rajasthan	116.44
Rajpura Dariba Mine	Rajasthan	53.12
Kayad Mine	Rajasthan	34.47

**Source:** Mining-technology.com – No public data available for 2025-26

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

During FY26, the Government of India introduced several reforms affecting the minerals and metals sector, including zinc. The Union Budget 2025–26 identified mining as a key area for transformative reforms aimed at improving mineral availability and enhancing India's global competitiveness. The government also eliminated customs duty on zinc scrap, reducing input costs for domestic secondary producers, and promoting recycling activities.

In addition, reforms were announced to strengthen mineral governance, encourage investment in mining, and improve the availability of critical minerals for domestic industries. These measures are expected to support a more efficient and resilient market for zinc and other industrial metals in India.

The Ministry of Mines introduced Quality Control Orders (QCOs) in August 2023 and April 2025 to mandate compulsory certification under the Bureau of Indian Standards (BIS) for several non-ferrous metals, including aluminium, copper, nickel, zinc, lead and tin. The objective was to ensure product quality, curb imports of sub-standard materials, promote fair trade practices and align domestic products with Indian Standards.

Subsequently, in November 2025, the Ministry of Mines withdrew these QCOs after consultation with the Bureau of Indian Standards, thereby removing the mandatory BIS certification requirement for the affected metals. The withdrawal was undertaken in the public interest and provided regulatory relief to manufacturers, importers and downstream industries, while preserving the validity of actions already taken under the earlier orders.

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

During FY26, the global zinc market was influenced by supply-side disruptions and increasing concentration of production in a few key regions. Supply disruptions in major zinc-producing countries such as Kazakhstan and Peru limited the availability of refined zinc in international markets, despite expectations of a global surplus. At the same time, China continued to strengthen its position as the dominant producer and refiner of zinc. Rising Chinese production, declining inventories outside China, and discussions regarding production capacity controls highlighted the growing dependence of global markets on Chinese supply.

In addition, evolving trade tensions and concerns regarding critical mineral security encouraged many countries to reassess their dependence on concentrated supply chains. These developments contributed to volatility in global zinc prices and increased uncertainty regarding long-term supply availability.

For India, these geopolitical developments had significant implications. As domestic zinc prices are influenced by international market trends, fluctuations in global supply and inventories affect procurement costs for zinc-consuming industries such as galvanized steel, construction, infrastructure, engineering, and automobiles. The changing global landscape also reinforced the importance of strengthening domestic mineral production and ensuring a resilient supply chain for strategic industrial metals. India continued to benefit from strong domestic zinc production; however, global market developments remained an important determinant of price movements and industry sentiment.

## **2. Trading related parameter**

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

- Zinc Futures
- Zinc Mini Futures
- Zinc Options on Futures

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

The traded volume for Zinc derivatives in FY 25-26 was NIL.

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

The traded volume for Zinc derivatives in FY 25-26 was NIL.

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

The traded volume for Zinc derivatives in FY 25-26 was NIL.

### **d. Annual average Open interest as proportion of total production**

The traded volume for Zinc derivatives in FY 25-26 was NIL.

### **e. Annual average Open interest as proportion of total deliverable supply**

The traded volume for Zinc derivatives in FY 25-26 was NIL.

### **f. Monthly and Annual value of trade (in Rs. Crores)**

The traded volume for Zinc derivatives in FY 25-26 was NIL.

### **g. Monthly and Annual quantity of delivery (in appropriate units)**

The deliveries for Zinc derivatives in FY 25-26 were NIL.

### **h. Monthly and Annual value of delivery (in Rs. Crores)**

The deliveries for Zinc derivatives in FY 25-26 were NIL.

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

The traded volume for Zinc derivatives in FY 25-26 was NIL.

**j. Annual average volume to open interest ratio**

The traded volume for Zinc derivatives in FY 25-26 was NIL.

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

The traded volume for Zinc derivatives in FY 25-26 was NIL.

**l. 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 for Zinc derivatives in FY 25-26 was NIL.

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

The traded volume for Zinc derivatives in FY 25-26 was NIL.

**n. Algorithmic trading as percentage of total trading**

The traded volume for Zinc derivatives in FY 25-26 was NIL.

**o. Delivery defaults**

**i. Number of instances**

**ii. Quantity involved**

**iii. Value involved**

The deliveries for Zinc derivatives in FY 25-26 were NIL.

**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 Zinc derivatives in FY 25-26 was NIL.

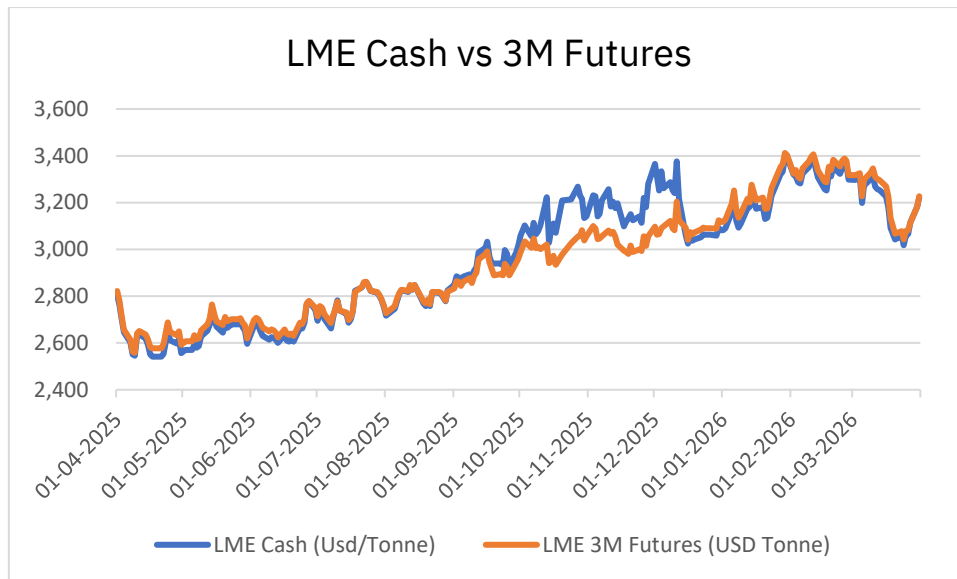
**b. Comparison, correlation and ratio of standard deviation of Exchange futures price vis-à-vis international spot price (wherever relevant comparable are available) and domestic spot price (exchange polled price).**

The traded volume for Zinc derivatives in FY 25-26 was NIL.

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

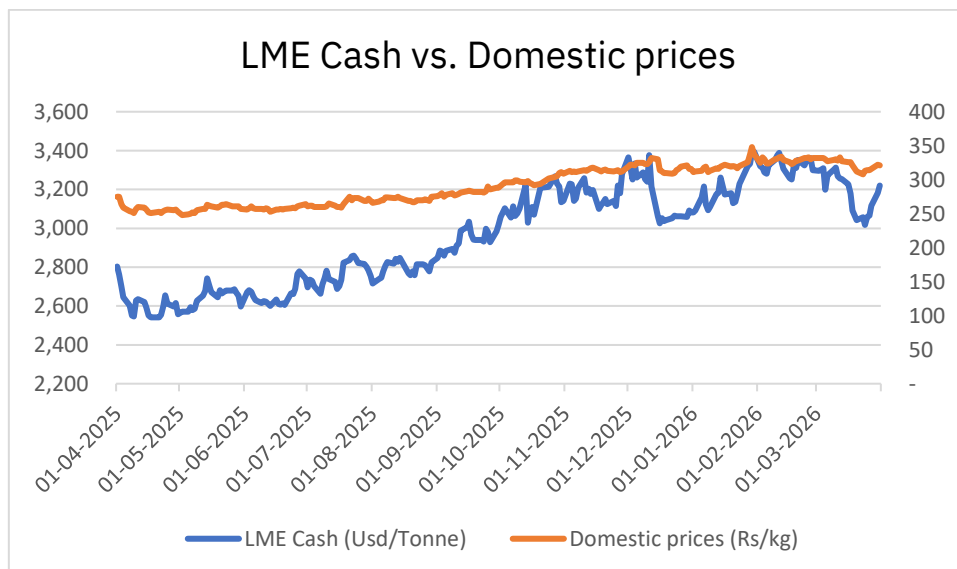
The traded volume for Zinc derivatives in FY 25-26 was NIL.

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



Correlation: 96.31% | Ratio of Std Deviation: 1.083

- 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: 96.75% | Ratio of Std Deviation: 9.07

- 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 Zinc derivatives in FY 25-26 was NIL.

Commodity	Max Volatility in Futures Prices (%)	Min Volatility in Futures Prices (%)	Max Volatility in Spot Prices (%)	Min Volatility in Spot Prices (%)

Zinc	NA	NA	4.85%	0.00%
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Volatility calculation: (Day – Previous day's price)/Previous day's price

- 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 Zinc derivatives in FY 25-26 was 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 Zinc derivatives in FY 25-26 was NIL.

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

Zinc is the fourth most widely used metal across the globe, trailing only steel, aluminium and copper. The country has the self-sufficiency in respect of zinc. The major physical markets of Zinc are Panvel, Jalandhar, Faridabad, Raipur, Vadodara, etc. For NSE Zinc derivatives, Thane is the primary delivery center.

- 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 Zinc derivatives in FY 25-26 was 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 Zinc contracts. We have value chain participants and associations such as Bombay Metal Exchange, Hindalco Ltd, Vedanta, Rashtriya Metal industries, etc. as part of our Base Metals 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.**