

# Study of Types of Transactions in Iran Commodity Exchange

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## Abstract

Iran Commodity Exchange, is a Self-discipline organization, and are regulated and supervised, that helped in expanding, Capital markets and different sectors of the economy including; removing intermediation, reducing of transaction costs, reducing the risk of Rejection, Transactions through fair and equitable auctions, To achieve this goal, a variety of markets and trading in the commodity exchange has been commissioning that, In this article with library method, a variety of markets and transactions have been reviewed and explained. With the hope of fixing bugs. As a result of this study showed that, despite the positive impact of exchange of goods on the national economy, barriers such as lack of accurate information, limiting clients to legal entities, lack of liquidity, the involvement of organizations and government agencies, there are some rules in the face of the development of this market.

**Key words:** Commodity exchange, The physical market, The market for derivatives, Financial instruments, Clearing and settlement

## INTRODUCTION

Iran Commodity Exchange, Is not defined, unlike the stock market and other capital market institutions in the Islamic Republic of Iran and the Securities Market Act before the law established by the Stock Exchange in 1966. However, different rules apply to the commodity exchanges have been mentioned, including paragraph (c) of Article 95 of the Third Economic, Social and Cultural Rights adopted by the Islamic Republic of Iran 2000-4-5, Where the Council is authorized to set up a commodity exchange, There were much controversy to set up commodity exchanges, including Tehran Metal Exchange on regulations and rules of law founded on such stock exchange as a commodity, Which ultimately led to the adoption of the “Law Answering question, Article 95 of the Law of the Third Economic, Social and Cultural Islamic Republic of Iran adopted 2000, and paragraph (i) of clause (35) of the 2001 budget of the country” In paragraph 2, which explicitly states that

“regulations and standards governing the exchange of goods, including metals the rules and regulations set forth in the Securities Exchange Act of powers to the Board of stock in the law terms by changing the title to exchange of goods and metals are applied, And the composition of the Council of exchange, acceptance and arbitration boards representatives of relevant organizations will be the case with the Stock Exchange Council membership. On the Securities Market Act of the Islamic Republic of Iran adopted 1384 the share exchange product of this Law Article 58 that this form of regulation has “the necessary measures to activate exchanges commodity and its compatibility with the law and provide legal strategies needed will done” By studying the proceedings of Parliament in the formulation of this article we will find that Stock formed by the government to prepare a bill and submit it to Parliament Something that has not been done, Even the government has not adopted a code, The purpose of this paper is to describe and introduce a variety of trading on commodity exchanges and study their conditions, In the hope that in the field of legislation, Authorities used to be and further research will be smoother,

## Rules Governing Trading on the Iran Mercantile Exchange

Iran Mercantile Exchange market is responsible for relations between practitioners based on a set of rules and regulations is set. In fact, the regulations governing the exchange activity in general can be divided into three

Access this article online



www.ijss-sn.com

Month of Submission : 06-2017  
Month of Peer Review : 06-2017  
Month of Acceptance : 07-2017  
Month of Publishing : 07-2017

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categories: First, that the most important laws passed by Parliament in the exchange, is “the Securities Market Act of the Islamic Republic of Iran in 2005,”

Known as the mother law in this area, the second category of administrative instructions adopted by the Supreme Council of the Stock Exchange and the Stock Exchange which is the principal regulations governing the exchange activity. The last group also belong to the regulations approved by the Board of Directors Iran Mercantile Exchange the last group also belong to the regulations approved by the Board of Directors Iran Mercantile Exchange, within the powers granted in the upstream and regulations to regulate and control the market are approved. Stock market, the results can be positive or destructive to the economy, including manufacturing, distribution, finance quick, transparency in prices, increase liquidity and remove the speculators, Therefore, it is necessary to monitor how activity, In contrast, some economists, such as Merton Miller believe that, we need to place restrictions on the market, to remove existing controls<sup>1</sup>. The important point is that, these regulations should be designed in such a way that is meaningful and useful to ensure adequate competition rules provide<sup>2</sup>. In addition to the rules and guidelines, norms and legal principles that govern stock transactions should also be added to the number of sources. Common “rule is gradually and spontaneously among all people or groups of them, as a rule binding, is common” (katozian, 2005, p. 412). To deny this rule in the stock exchange and acknowledgment of the fact that among companies and manufacturers and purchase them there is no common, is impossible. It is also an important source of legal principles in this market. Legal principles are a set of general rules said-that not only were the many rules, but also because of a long history, has special authority (katozian, 2006, p. 629). Examples of legal principles can be seen in the stock rights. One of the most important principle of free and fair elections to ensure fair and equal access for all traders to participate in transactions. Another important principle is the principle of transparency. In fact, transparency in transactions, reduce misinformation and lies<sup>3</sup>. Actual payment of tax effect of such an event and to

remove intermediaries from the financial markets. It also led to the development of financial markets and an increase in the quality assessment firms will follow<sup>4</sup>. Securities and Exchange Commission as an institution in charge of America and America stock market observers have expressed the opinion that “Transparency is fundamental and important plays in fairness and efficiency of stock markets. On the one hand, creating different prices and prevent scattered and on the other hand price discovery, fairness, competitiveness and attractiveness of the stock market has a major effect<sup>5</sup>.”

### Types of Exchange-traded Contracts

Iran Mercantile Exchange is comprised of two physical market and derivatives. In each of these markets, trading is done on the basis of various contracts for scientific principles to the study contracts under both separately and independently examine market.

#### Spot market

Paragraph 1 of Article 9 and securities-based commodity trading guidelines has defined cash commodity contracts: “It is a contract under which payment and delivery prices of goods traded in the trading and clearing and settlement is done according to the instructions.” Indeed, sales on condition of immediate payment in cash that it pays sales or selling without immediate payment are also called to deal refers to the consideration of the sales and the price may not be deferred. In accordance with civil law any transaction which is to be criticized unless the deadline for submission specified consideration or such practice is appropriate (katozian, 2005, p. 312). Despite of Principle of the immediate payment of the sale, Legislator at the instructions in trading securities based on the product and the product, sales assignment submission date or price, and it did not specify the settlement and clearing of transactions referred to instructions. The payment transaction, paragraph 1 of Article 14 with the latter guidelines: “... at the end of the deadline for settlement in cash contracts, purchasers should act to settle the contract.” This strap is not explicitly specify the deadline for payment contract and has referred it back to the other material; In accordance with paragraph 15 of Article 1 of the instructions in the “settlement date” three working days after the day of the transaction. For example, if the buyer is obliged to broker a deal on Saturday will be the

1 E.Han, Kim, singlal, Vijay, Stock Market Opening: Experience of Emerging Economies, The journal of business, Vo.73, No.1m 2000, p.26.

2 L. Lie, Livia, Horobot, Alexandra, Popescu, Corina, Liberalization And Regulation in The EU Energy Market, University Lucian Blaga of sibiu. Academia de studii Economice (Academy of Economic studies), No. 6419, 2007, p1.

3 E.Hermalin, Benjamin, S. weisbach, Michael, Transparency and Corporate Governance, NBER working paper, No 12875, 2007, p.1.

4 Bahat, Gauri, Ole-Kristan Hope, Tony Kang, Does Corporate Governance Transparency Affect The Accuracy of Analyst Forecasts?, Accounting and Finance 46, 2006, p.719.

5 Bloomfield, Robert, o, Hara, Maureen, Market Transparency: Who Wins and Who loses?, Review of financial studies, 1998, vol.12, No.1, p.5.

end of Tuesday, compared to liquidate and pay the price of the contract to take action. However, in case of non-payment of the price within three days of the contract is not damaged, except that after the end of the third day and up to 7 calendar days, Broker buyer for each calendar day of delay, is obliged to pay the value of 25/0 percent of the transaction. That in case of non-payment of the transaction and the delay until the end of the seventh day, he dissolved the transaction (Article 15 of the instructions in the clearing and settlement of transactions). The termination of the Iran Mercantile Exchange trading has a different meaning and distinct from the general rules of civil law, pursuant to paragraph 6 of Article 1 of the previous instructions termination is: "Cancellation of the contract so that the contract is no Effects, Because of the changing nature of the special situation transactions on the stock exchange, the tendency has been that after the termination of the contract, no work contract time is up topics such as claims relating to the benefits of the speed of light trading does not, or to the security of transactions compromise not to enter. About Cash delivery of goods under the contract, Article 19 of the Instructions clearing and settlement of transactions provided that: delivery of Cash contract's goods, According to the delivery time stated in the notice presented by the broker-dealer is done. The maximum delivery time is as follows: In contracts for cash... up to three business days after the settlement deadline, if they do be carried out delayed settlement of the duration of the delay is added to this deadline. This moratorium is not without late penalties, In fact deadline is customary, during which all possible set up his accounts, allowing clearance and other issues related to the withdrawal of the product from the factory, The article went on adding that if the buyer delays the transaction quits, just as the days of delay in delivery deadlines seller will be added. Another point of delivery is the seller of the contract in case of refusal. Clearing and settlement of transactions Article 24 of the instructions to the buyer the option to terminate that contract or request required the seller to deliver the goods and pay raise delay. In civil law as optional for the creditor does not provide. In other words, the creditor as soon as the refusal by contract to fulfill that promise cannot terminate and undertakes what is under contract to undertake, execute and terminate the contract last resort is (Shahidi, 1383, p. 28 katozian, 2004, p. 124).

#### ***Credit contract***

Credit agreement to paragraph 2 of Article 9 guidelines trading securities based on the product and the product is defined as: "The agreement by which the goods will be paid, when the transaction according to instructions, due date of delivery and the cost of clearing and settlement." As legal scholars have mentioned credit transaction is a transaction that immediate product delivery at the time

of conclusion of the contract, but the price is deferred (Emami, 2005, p. 442)<sup>6</sup>.

In credit contract the seller is obliged before performing the transaction, offer, financial instruments for settling contracts intended to be inserted in a communique. In this connection, the instructions of clearing and settlement of transactions has provided for in paragraph 2 of Article 14: "In the contract of credit, financial documents accepted to settle the deal in a statement of supply by the vendor must be mentioned." In other words, Supplier may declare that only accepts domestic credit or guarantee is accepted unconditionally. The deadline for submission of documents has sat, up to the expiry of the settlement of the three days and broker's buyer, Must provide the Confirmation of byer and his Broker(The last part of paragraph 2 of Article 14 settlement instructions and settlement transactions). According to Article 19 of the instructions in the clearing and settlement of transactions on credit delivery contract, Credit, is done according to the delivery time stated in the notification. But since the immediate delivery of the goods at the time of signing a credit contract is one of the features, determine the time is impossible. So that paragraph 1 of the top material is thus completed: "... in contracts... credit, up to three business days after the settlement deadline, if they do occur with a delay of settlement, The duration of the delay is added to this deadline. "As explained in the cash contract, in credit agreement also, in the event of non-delivery of all or part of the product according to the notification delivery In Announcement, and the moratorium that Article 19 is intended. The buyer may request termination of the contract or the obligation to deliver the goods with the proposed compensation (Article 24 settlement instructions and settlement transactions).

#### ***Forward contract***

Forward Contract Is a contract under which the product at a given price at a specified time in the future is delivered when its cost will be paid at trading time accordance with clearing and settlement' Instructions (Paragraph 3 of Article 9 of the goods and securities trading instructions on the product). Unlike the futures sales, on credit sales, object of sale are deferred and overall debt, but the price is paid in cash (the katozian, 2004, p. 317).

Shia jurisprudents have enumerated several features for forward contracts: Including the existence of the contract and the deadline for submission of object of sale being recorded and the sex and the amount and description of the need for a review of the price and the price in the Assembly bill contract (the katozian, 1384, p. 318). Finally, most of the

<sup>6</sup> Emami, SH, 1385, civil rights, Volume I, Tehran, Islamia.

discussion of these two features that address them outside the scope of this article and the summary of conclusion is one of the leading jurists quoted: “In the light And the shade of the principle of contractual freedom through futures sales contracts and the amount of the deduction would-be delayed” (katozian, 2004, p. 207). Paragraph 3 of Article 9 of the instructions in trading securities based on the product and the product has set the time of payment of the price at the time of trading, but then phrase “in accordance with clearing and settlement” is added. With examine and meditate on it instruction materials, we will find that the price of forward contracts may be delayed.

The deadline for settlement of futures contracts as well as cash contract, is Up to three business days after the day the transaction (Paragraph 1 of Article 14 of settlement instructions and settlement transactions). But conflict and confusion begins where the seller has chosen credit settlement method in Announcement. In fact, in accordance with Article 13 of the methods of instruction Physical settlement of all market transactions can be in the form of cash (immediate payment) or credit. In cash settlement method, any contract within three business days same as cash deposited into the seller’s account and the deposit the documents presented to the clearing house. In contrast, the credit settlement method, within the three business days after the day of the transaction, Credit settlement document that has been approved by the seller and the broker’s dealer to see the clearing house Where the seller is admitted to receiving the transaction.

Settlement of contract validity, particularly in futures has bugs and ambiguities. The purpose of this type of settlement, was settled out of stock, so that the responsibility for payment totally is on responsibility of the parties, And the exchange or clearing house will not supervision or intervene in this regard. The methods used are not clear in settlement of certain credit, and is subject to change at any time the Company will exchange or central depository of securities or funds settlement that has recently settled commodity exchange transactions also claimed, It also inserts a formal confession seller is vague and it pays to take stock of the responsibility for clearing away because it is out of stock. In the futures contract delivery date is always recorded and identified, as seller and the his agent, shall mention the goods under the contract, before the transaction And the complete the registration form at the time of sales order And the delivery deadline notifications,

### Securities Market Based on Product

This market called the refer derivatives market. A market in which securities are traded based product, In other words,

financial market for the trading of derivative contracts in exchange. Because the price of the underlying asset price derivative contracts to which derivatives are said to be (Fbvzy, 1997, p. 31). So the underlying asset based on securities market plays an essential product in such a way that the price of these securities is subject to the underlying asset price<sup>7</sup>.

Derivative contracts are financial instruments that kind of payment structure and its value derives from the value of the underlying assets and indicators related to it. In fact, this tool gives the holder the option or obligation to buy or sell a specific asset. In the derivatives market, the trade takes place in the present, however, possible delivery under the contract or the underlying asset, subject to certain future that may not even do the delivery. (Msvmynya, 2008, p. 32) In fact, we should acknowledge that derivatives are financial contracts with physical delivery occurs rarely in them<sup>8</sup> Trading in derivatives market has more liquidity and even the speed and power costs and generate lower fees, The following features can be chosen to describe the derivatives market:

1. The price of derivatives based on underlying asset price is determined by supply and demand and, unlike in physical market.
2. Unlike physical market contracts, including cash and futures contracts, you will not need to pay full price at the time of conclusion of the contract deal.
3. Both parties can, gain the benefits of price fluctuations in a specific period.
4. Unlike the physical market and the derivatives market due to the large number of traders, there is no possibility of the formation of a monopoly by buyers or sellers (Lyard, each and Walters, 1998, p. 112 and Msvmynya, former, pp. 50-51).
5. The most important benefits of derivative contracts to hedge their property. The purpose of hedging is to take a market position, which reduce the risk of fluctuations and price changes or destroy (Esfandiari person, 2015, S130-131).
6. Securities, including futures contracts based on the product and provide opportunities for the poor cope with price volatility, market participants<sup>9</sup>.

Now the market-based securities constitute commodity exchange, futures, standard parallel futures, options, certificates of deposit product, although the futures

7 Lyuu, Yuh-Duh, Op.cit, p. 178.

8 James S. The Law of Derivatives, LLP Reference Publishing, London, UK, 2013, p.3.

9 Fabozzi, J Frank and Modigliani Franco, Capital Markets: Institution and Instruments, U.S.A, Pretice- Hall International, Inc, 1992, p. 160.

contract is at the top. Below us review and study of this Agreement:

### **Forward contract**

Forward contract in which the buyer and seller are obligated, deal with a certain amount of a commodity standard with the price turns out, the time and place specified by the deposit guarantee fund obligations. Article 4 Directions trading securities based on the product and the product of this Agreement is defined as follows: "According to the contract that the seller is committed, Sell at a certain maturity, a certain amount of goods given a price that now define it and against the other party committed to purchase goods with a characteristics, And to prevent the refusal of the parties to perform the contract, the parties are committed to stipulation, they pay a margin to the clearing house And Undertake to appropriate the future price, adjust to the means assured, And clearing house is represented From them In accordance with the changes, part of the margin of each party to the other, as the permissibility capture, And he will have the right to use it to be settled at maturity together. " This definition does not help to understand and deal with many problems that enumerating them and makes the following points on the structure of the contract:

1. In This type of contract parties are obliged to transaction at maturity, so called buyer and seller to them is not correct.
2. Margin in futures contract is a means of hedging price fluctuations is not simply penalty clause in order to prevent refusing, the parties from doing business in the future the last words should be deleted from the text material.
3. The use of "contract of mandate" to allow clearing house in margin capture is major errors. Because of Depository Clearing Company as part of the settlement of securities and funds Which was created pursuant to the Securities Market Act And the powers of this institution for the settlement of stock exchange transactions resulting from the law.

Futures contract is a standardized contract that all conditions to the transaction specified in detail before the transaction specified. In other words, commodity based on trading such securities have certain quality and quantity of a certain commodity takes place and date and place of delivery specified in advance<sup>10</sup>. It seems, given that this type of agreement in the Council has been recognized as a futures contract, we must assume. This contract a futures contract in the name of emerging contract.

10 Lyuu, Yuh-Duh, Financial Engineering and Computation (Principles, Mathematics, Algorithms), Cambridge University Press, 2001, p.184.

### **Parallel Forward Contract**

Futures contract, a contract in which the seller shall undertake in return for the price of specific goods delivered to the buyer on certain maturities, In this type of contract sales, according to Shi'a jurists cannot be sold before maturity (Khomeini, 1404 AH, p. 150; resolution 1992 AH, p. 359).

Since the formation of secondary market liquidity for buyers and allowing investors and funder's assets seem to be necessary, and the prohibition of sales of object of sale before maturity legal obstacle to this goal, The Supreme Council of the Securities and Exchange dated 28\_2\_2011 to identify and approve the contract as a financial instrument's standard parallel. The standard Parallel Forward Contract, formed to solve the problem of banning the sale of object of sale before maturity, And the initial target was also set up oil deals in Iran Mercantile Exchange, though it did achieved and there was no transaction (Abdi pour, 2015, p. 42). After the failure of the Supreme Council of the Securities and Exchange dated 4-2-2013 subsequently has re-approved standard futures contract as a financial instrument, the time of the drafting and adoption of the guidelines by the Securities and Exchange Organization of Iran on its first iron ore futures trading on commodity exchanges were standard.

Parallel futures contract in accordance with paragraph 19 of Article 1 of the above-mentioned action plan: "The agreement by which the supplier a certain amount of the underlying asset in accordance with characteristics standard futures contracts in exchange for cash selling price at the time of delivery to the buyer to surrender. The buyer of the underlying asset can be bought and sold a futures contract standard parallel..." Parallel futures contract is actually a combination of two or more futures contracts. The important thing is that the supplier, at first, offers the underlying asset or commodity futures contract in the primary market, In this case the customer will have two solutions after paying transaction cost, first, wait until the maturity date of delivery and receipt of goods from supplier to them. Another way is that buyers or owners futures contracts are sell them in the secondary market. Of course, as we explained earlier in this topic, famous Judgment banning the sale of goods under the contract prior to maturity, this is a big obstacle. Therefore, the Securities and Exchange Organization to address this problem in Article 3 of the action plan, standard parallel futures Iran Mercantile Exchange has appointed: "By the time the standard parallel futures contract, contract is signed assignable as follows: (1) the delivery of the underlying asset to the seller provider committed to the delivery of the underlying asset transfer Myknd.2- supplier will be based on the draft."

The mechanism envisaged such a legal flaw has solved its first supplier in the primary market sells, then buyer of the product with a fully independent contract will act to conclude Parallel Forward Contract At the same time, however, signed the contract of draft as well, According to which the second buyer to take delivery of the goods to the first seller refer. This trading method has several problems, including the following:

1. Draft is a contract which is located with an offer and double acceptance (katozian, 2004, p. 404) Therefore, its formation at the time of conclusion of the contract requires the buyer in parallel to the first, second and buyer agree to accept the supplier is required, However, the supplier has no role in This contract.
2. Parallel Forward Contract is a purely formal contract, In fact, all buyers parallel futures contract from the beginning know that their account is the first supplier to deliver should be referred to him<sup>11</sup>.
3. Buyers are able to conclude Parallel Forward Contract, only with the same quality and quantity of your purchase.

### Option Contract

The Securities and Exchange approved “action plan option contract trading on the Iran Mercantile Exchange Co.” dated on 09.17.2015, Paragraph 45 of Article 1 of this Directive, option contract is defined as follows: Securities whereby brokers undertake at the request of the buyer, the deal specified number of underlying asset to the exercise price, Purchaser can accomplish the transaction on time or a certain time in the future under the contract. Vendor of Security options, in return for this commitment, the purchaser receives a certain amount. To avoid brokers refuse to perform the contract, the seller of the contract undertakes to pay a stock broker or clearing house to provide margin. And adapted to changes in the price of the option, adjust it. Each buyer and seller can, in exchange for a certain sum, Transfer himself commitment or Authority to a third party.

### Certificates of deposit product

Warehouse, Refers to a building or enclosed Either non-enclosed area that can be one or more types of goods, agricultural, industrial, raw materials Either other items to be stored.

Today, most manufacturers and large corporations with a wide variety of warehouses are used to store their goods and to maintain continuity of production, this storage

conditions are out of our subject. The primary objective of launching the Iran Mercantile Exchange trading warehouse receipt, no deposit guarantees and collaterals to facilitate the supply of products was needed. In fact, a supplier to be able to deliver his product in stock, Had already accepted the exchange guarantees such as cash, stocks and bonds or an unconditional bank guarantee to the clearing house in order to pay the damage deposit of default probability, With the launch of these transactions to entrust their goods to the warehouse allowed the manufacturer to contract with Exchange, Able to supply its products in stock. Another result: That risk of default on the obligations of the parties completely disappears.

The Supreme Council of the Securities and Exchange dated 03.12.2014 “commodity certificates of deposit” as defined financial instruments it has ratified the Securities Market Act: “Securities that confirms the holder’s ownership of a certain amount of the product is backed by a standard warehouse receipt that is issued by warehouses approved by the exchange.” The Securities and commodity certificates of deposit,

Securities that represent ownership of a certain amount of good standard holder and listed on the stock exchange, and backing these securities, standard warehouse receipt that is issued by warehouses approved by the exchange.

One thing that is worth mentioning here: Breakdown in vain, commodity certificates of deposit, from warehouse receipt which the Supreme Council of the Securities and Exchange without any reason and the practical has effected it. In fact, commodity trading certificates of deposit, In fact, commodity trading certificates of deposit, are the business of the same goods contained in that. Trading these securities has several different mechanisms step to be mentioned below. The first step of the process: Acceptance by the Exchange and licensing for its warehouse, According to stock, Warehouse, physical location that is protected with a certain range in order to receive and storage of cargoes deposit-makers dedicated, And based on the criteria and requirements of this Directive by the exchange as a warehouse under surveillance, has been accepted (paragraph 1 of Article 1 instruction cache acceptance and issuance, trading and settlement deposit certificate stating something) The next step is the entry of goods into the warehouse by owner, In the first place, Warehouse keeper adapt the product to the standards defined by the stock exchange and other relevant institutions, And if it complies, Will be allowed to enter the warehouse (Articles 15 and 17 of the instructions). In the next stage, in the Issuing certificates of deposit commodity system, Insert the profile owner with the product and product attributes such as quality and quantity in the system, and issued the

11 Bagchi, Aditi, Parallel Contract, University of Pennsylvania Law School, public Law Reseach Paper, 2012, No. 12-17, p 24.

Certificates of deposit commodity for farmer, finally in the presence of the broker can sell the product in stock. (Articles 21 and 23 of the instructions).

Another advantage of this type of investment securities, the ability of the Bank to obtain reliable amongst the facilities. In this regard, Article 31 provided that the instructions: "Certificates of deposit as collateral for financing commodity can be used." As well as project monitoring and continuous exchange on the entry and exit of goods has caused quite standard and quality products into economic country.

## CONCLUSION

Commodity exchanges have always played a key role in the growth and economic development, The mechanisms foreseen in stock, Reducing the risk transactions, Development of financing instruments, removing middleman, Somewhat caused by the expansion of the company and products, thereby increasing employment and prosperity. But this emerging market is still in the early stages of his birth, as discussed in previous issues in this area, there are still many problems. In this study of Commodity Exchange markets, were divided into two groups, Physical market and derivatives, that with certain types of contracts each were studied. In the physical market have examined the anatomical all kinds of contracts that are cash, credit and futures, And made clear that despite the expectations of some lawyers hundred percent trading market will lead to the actual delivery of goods. In the case of derivatives, the financial instruments referred also explained that their value is derived from underlying asset prices, the market is also known that derivatives are divided into four categories: Futures contract, parallel futures contracts, options contracts and certificates of deposit product, Futures contract is considered to be the most thriving derivatives on commodity exchange, although, It can be argued that all the traders are speculators. The writer opinion is: Taking into account the financial instruments under certain contracts and forward contracts. Other derivatives which have examined, was the anatomical parallel futures contract. In this case, we explained that the solution is predicted to perform an Independent parallel futures contract by the buyer, regardless of his previous contract. It turned out the fact that it carried out a formal deal is that it can even be considered fraud to law. The nature of option contracts is obligation the seller to the buyer at the receiving side, a certain maturity amounts committed elderly in the standard specification of the purchaser to buy at a specified price or to sell him. This contract, a covenant marriage is more worthy of the specific contract and put option contract with the same name. Last

financial instrument that looked was commodity certificates of deposit or warehouse receipt, Indeed it can be one of the country's economic and legal developments. In this mechanism, the owner of the product by entrusting their goods to the warehouse allowed and recognized, standard commodity will receive certificates of deposit, which will be able to sell at auction all buyers into the stock at country. Since the beginning of the Iran Mercantile Exchange, regulations and guidelines and new procedures have been changed, Because of the dynamic and scalable exchange platform that enables the creation of new tools provided every day. Emerging market growth requires the expertise of experienced lawyers in stock has not been seen as if it is approved by uncertainties and objections of instructions.

It is hoped Officials of the Supreme Council of the Stock Exchange and the Stock Exchange and other institutions active in the field of stock, First consultation with specialized commissions of the Parliament, And the rest of the way, Utilizing experience as content rights may provide more efficient stock market.

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**How to cite this article:** Behrooz J, Khodaye AA. Study of Types of Transactions in Iran Commodity Exchange. Int J Sci Stud 2017;5(4):144-151.

**Source of Support:** Nil, **Conflict of Interest:** None declared.