

**To:** All LME Clear Members

**Date:** 20 June 2022

**Ref:** 22-037

**Classification:** Collateral/Liquidity

**Subject:** **Cash Collateral; June Quarter End**

LME Clear Members are advised that in order to assist management of potential tightening in market liquidity over the June quarter end period, additional controls will be introduced in relation to Cash Collateral on a temporary basis as follows:

- **EUR/GBP:**
  - From close of business 27 June 2022 to close of business on 30 June 2022 no new pledges of Cash Collateral will be accepted.

During this period, LME Clear will continue to;

- reserve the right to repay any significant excess Cash Collateral balances, whether these are caused by cash lodgements or due to Auto-Repay functionality not being utilised; and
- have discretion to override these control parameters in individual circumstances, particularly where any Cash Collateral lodgement or excess balance is considered demonstrably necessary to cover forthcoming SPS calls.

All other liquidity management processes and parameters remain unchanged through the period. Members are reminded that LME Clear reserves the right to amend the LME Clear Deposit Rate, including where this is required to reflect market conditions.

For further information or questions regarding this circular please contact the Liquidity and Collateral Risk Management Team (LMEClear.LCRM@lme.com).

**Barry Gethin**  
**Liquidity and Collateral Risk Management**