



To: All members

Ref: 24/190

Classification: Trading

Date: 31 May 2024

Subject: **LARGE IN SCALE PRE-TRADE TRANSPARENCY THRESHOLDS UPDATE**

Summary

1. This Notice sets out the list of liquid financial instruments and their associated Large In Scale (“**LIS**”) pre-trade transparency thresholds that will apply to Inter-Office transactions with effect from 01:00 London time on 03 June 2024. Market participants are reminded that these LIS thresholds are used by the LME’s systems to determine whether an Inter-Office Order requires Pre-Trade Transparency and is therefore subject to a Fixed Price Auction requirement.

Defined terms

2. Defined terms used in this Notice shall have the meaning ascribed to them in the Rules and Regulations of the LME (“**LME Rules**”), unless stated otherwise.

LIS pre-trade thresholds

3. The LME is subject to certain pre-trade transparency disclosure requirements under MiFIR. The LME has obtained a LIS waiver from the FCA in relation to certain of these requirements, where the applicable “LIS pre-trade threshold” is met for the relevant Contract. These thresholds are applied by the LME’s systems to determine whether a Fixed Price Auction is required in relation to an Inter-Office Order. Inter-Office Orders that are PTT Orders (ie that are below (smaller than) the applicable threshold) will trigger a Fixed Price Auction based on the thresholds below.
4. The LIS pre-trade thresholds currently applicable to the LME are set out on the LME website. However, following the recent publication by the Financial Conduct Authority (“**FCA**”) of the annual transparency calculations for derivative contracts, a revised list of liquid instruments and associated LIS thresholds have been determined which will come into effect on 03 June 2024.
5. The revised list of liquid instruments and their LIS pre-trade thresholds are set out below:

Metal	Notional Currency	Time to Maturity	LIS pre-trade threshold (€)	Equivalent lot threshold
Aluminium (AH)	EUR	TTM_0_1Y	500,000	10
	JPY	TTM_0_1Y	700,000	14
	USD	TTM_0_1Y	500,000	10
	USD	TTM_1_2Y	2,000,000	30
	USD	TTM_2_3Y	2,500,000	50
	EUR	TTM_0_1Y	500,000	3



Copper (CA)	JPY	TTM_0_1Y	2,000,000	11
	USD	TTM_0_1Y	500,000	3
	USD	TTM_1_2Y	3,000,000	16
	USD	TTM_2_3Y	4,000,000	21
Lead (PB)	USD	TTM_0_1Y	500,000	11
Nickel (NI)	USD	TTM_0_1Y	500,000	5
	USD	TTM_1_2Y	1,500,000	13
	USD	TTM_2_3Y	2,500,00	22
Tin (SN)	USD	TTM_0_1Y	500,000	5
Zinc (ZS)	USD	TTM_0_1Y	500,000	9
	USD	TTM_1_2Y	1,000,000	17

Questions

6. If you have any queries with regard to the new thresholds, please contact Trading Operations via telephone 0207 113 8200 or email tradingoperations@lme.com.

James Macdonald
Head of Trading Operations

cc: Board directors
User Committee
All Metal Committees
Traded Options Committee