

What are we doing now? Carry fee discounts

Action:

- Introduce carry fee discounts, for review after 12 months

1 Short-dated carries (where both legs are within first 15 days of the TOM date)

	Pre-commercialisation	Current	New (from 1 Oct)
Member	Ring: 21¢	Ring: 50¢	Ring: 15¢
	Basis: 40¢	Basis: 50¢	Basis: 35¢
	LMEselect: 40¢	LMEselect: 50¢	LMEselect: 25¢
	Inter-office: 40¢	Inter-office: 50¢	Inter-office: 35¢
Client	Client contract: 6/21¢*	Client contract: 50¢	Client contract: 25¢

2 Medium-dated carries (where both legs are within 35 days of each other)

	Pre-commercialisation	Current	New (from 1 Nov)
Member	Ring: 21¢	Ring: 50¢	Ring: 25¢
	Basis: 40¢	Basis: 50¢	Basis: 45¢
	LMEselect: 40¢	LMEselect: 90¢	LMEselect: 45¢
	Inter-office: 40¢	Inter-office: 90¢	Inter-office: 70¢
Client	Client contract: 6/21¢*	Client contract: 90¢	Client contract: 45¢

Designed to:

- Encourage short-dated carry activity and stimulate all trading
- Drive use of date structure and use of monthly rolls

Discussed with:

- LME User Committee, who helped with calibration (especially between trading venues)

*6¢ for non-seg, 21¢ for seg