

To: All members, warehouse companies and their London agents and other interested parties

Ref: 23/053 (LME Notice)
23-009 (LME Clear Circular)

Classification: General Updates

Date: 30 March 2023

Subject: **ACTION PLAN TO STRENGTHEN THE LME GROUP'S MARKETS**

Summary

1. This Notice updates the market on the LME and LME Clear's (together, "**LME Group**") implementation of measures (the "**Action Plan**") in response to the events of the nickel market in March 2022, and following the Oliver Wyman Independent Review recommendations (published via Notice 23/007 and Circular 23-001). This Notice also appends a number of LME policies that have been enhanced to reflect the permanent adoption of daily price limits following their implementation in March 2022.

Details

2. The Action Plan is appended to this Notice.
3. In addition, appended to the Action Plan, is a working paper in respect of the LME's daily price limits, including confirmation that daily price limits will be a permanent feature of the LME's market structure going forward.
4. The Action Plan also outlines updates to a number of LME policies to fully reflect the operation of the now-permanent daily price limits. These policies, which are appended to this Notice and are available on the LME website, are as follows:
 - a. Price Bands and other Volatility Control Mechanisms Policy (formerly "LMEselect & LMEsmart Price Banding Limits" document);
 - b. Error Trades and Erroneous Order Submissions Policy;
 - c. Policy on Order Cancellation and Controls; and
 - d. DEA Access Overview (formerly the "LME DEA Access; Rules and Conditions").

Matthew Chamberlain
Chief Executive Officer, LME

James Cressy
Interim Chief Executive Officer, LME Clear

cc: Board directors
All committees