

To: All members and other interested parties

Ref: 26/109

Classification: Trading

Date: 17 April 2026

Subject: **MARKET STRUCTURE MODERNISATION DELIVERY UPDATE**

Summary

1. This Notice provides an update on the timelines for the London Metal Exchange's (**LME**) market structure modernisation initiatives relating to enhancing liquidity on LMEselect.
2. The LME is grateful for the strong Member and market engagement to-date and is particularly pleased to note the work being undertaken by many Members to incorporate the new Rules into their automated systems and processes. The LME understands that this activity requires time for Members to modify and test underlying systems.
3. In response to Member feedback and to support participant readiness, the LME will be offering an extended "grace period" (the **Grace Period**) for the enforcement of the MVT Rule which will now extend until the 24 August 2026 (having previously been scheduled to finish on 22 June 2026).
4. The new automated crossing order type, which has been available in the test environment since 2 February 2026, will now go live on 22 June 2026, allowing an additional month of build and test activity. The 22 June 2026 date is in line with the original end of the Grace Period, to support Members who choose to deliver system changes in line with the original timelines.
5. This revised timeline gives an extended period of two months between the go-live of the automated crossing order type and the end of the Grace Period when the enforcement of the MVT Rule will come into force (previously one month).

Background

6. In the Decision Notice (LME Notice 25/149), the LME confirmed its decision to proceed with the implementation of MVT Rule (also known as **Block Trade Thresholds**), the Crossing Rule and a prohibition on Pre-Trade Communications in LMEselect. These Rules form part of a broader package of measures designed to modernise the LME's market structure, boosting transparency and price competition, while protecting the unique features of its markets that serve the physical metal communities.

Defined terms

7. Terms not otherwise defined in this Notice shall have the meanings ascribed to them in the Rules and Regulations of the LME.



Revised implementation timelines

Block trade thresholds

8. As outlined in LME Notice 25/226, the MVT Rule came into effect on 30 March 2026 with a 12-week Grace Period during which no enforcement action will be taken against Members for not meeting the requirements of the MVT Rule.
9. In response to feedback from market participants, the LME is extending the Grace Period by two months from 22 June 2026 to 24 August 2026, providing an additional two months for Members to make the necessary preparations. It is, of course, open to Members to start to comply with the MVT Rule at any point during the Grace Period.
10. During the Grace Period, the LME will be monitoring the activity of sub-MVT inter-office trades and generate example audit requests for Members. To be clear, there will be no obligation for Members to respond to any example audit requests.
11. The LME has set out additional detail in the Block Trade Thresholds section of LME.com and provided Members with further information on the post-trade monitoring process, including the process and format of requests.

Crossing

12. As outlined in LME Notice 25/226, the Crossing Rule and the prohibition on Pre-Trade Communications came into effect on 20 February 2026.
13. The new automated crossing order type has been available in the market test environment since 2 February 2026 to support participants in preparing for the implementation should they wish to use this functionality.
14. In order to facilitate an extra month of build and test activity, the LME is therefore extending the period of market test by one month, with a new go-live date of 22 June 2026. The LME hopes that this will assist those market participants who would find it beneficial to have additional time to test the new order type and, in some cases, develop their systems to support the automated use of the new order type.
15. This revised timeline means there will be now two months between the launch of the automated crossing order type and the end of the Grace Period to support Members who would like more time to use the automated crossing order in production ahead of the enforcement of the MVT Rule. At the same time, the 22 June 2026 date is in line with the original end of the Grace Period, to support Members who choose to deliver system changes in line with the original timelines.
16. The LME notes that the Crossing Guidance, the crossing examples (manual and automated) document and the technical specification documents for the automated crossing order type are all available on LME.com.

Short-dated carry definition change

17. The LME is also expanding the definition of a short-dated carry, such that more trades will benefit from the lower transaction fee that applies to short-dated carries. This helps support the physical market as such trades are used to perfectly align with physical contract dates. The expanded definition will now take effect on 24 August 2026 in line with the end of the Grace Period. More detail on the new definition, including detailed examples, are available on LME.com.

Tick size change

18. The LME successfully delivered the change to tick sizes for certain spread instruments on the 20 January 2026. This change has had a positive impact on the available liquidity on LMEselect, supporting the pooling of liquidity and avoiding negative trading behaviours. The LME will be publishing more detailed analysis on the impact of this change in due course.



Liquidity provider programme

- 19. The LME announced the introduction of the Liquidity on Orderbook Programme (**LOOP**) via LME Notice 26/067 with a planned go-live of 22 June 2026. Given the revised timelines outlined in this Notice, LOOP will now go-live on 3 August 2026. This ensures the additional liquidity will be available ahead of the end of the Grace Period, to support market participants who are looking to directly execute orders on LMEselect when the MVT Rule comes into force. For the avoidance of doubt, the dates in this Notice shall take precedence over the original dates outlined in LME Notice 26/067.

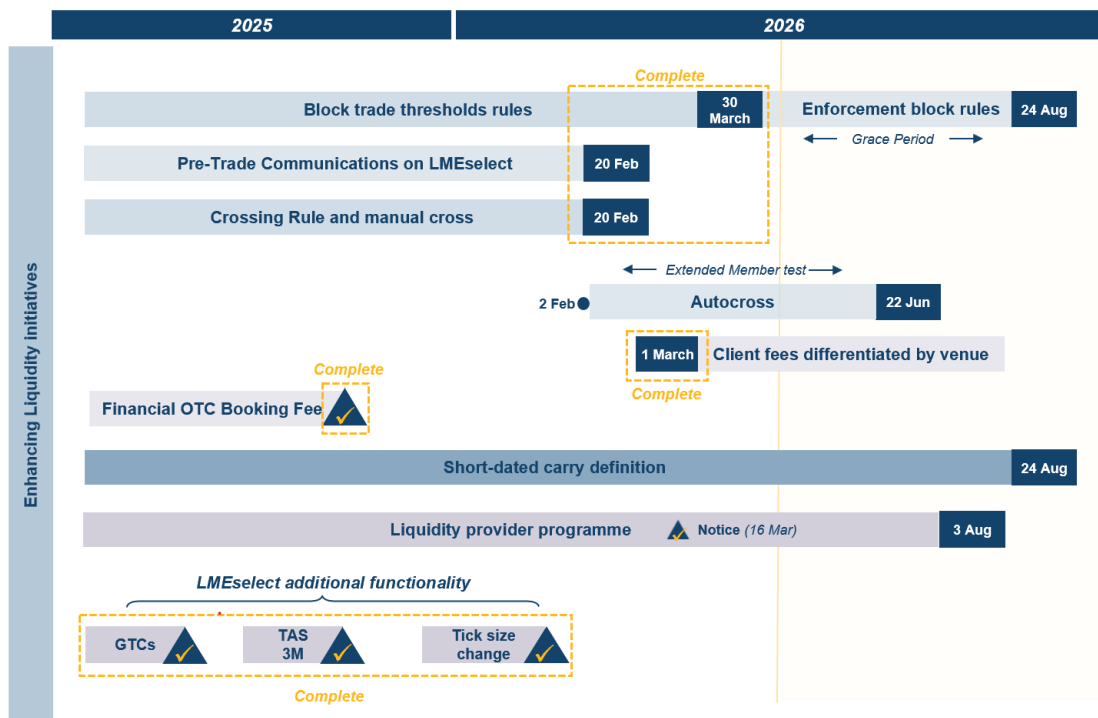
Fee changes

- 20. The LME introduced changes to align the fee schedule with its strategy to enhance electronic liquidity and price transparency while supporting physical market trading practices (see LME Notice 25/214). Since 1 March 2026, Client fees have been differentiated by venue, with inter-office transaction fees increasing c.20% while Client electronic trading and clearing fees have reduced by between 7.4% and 8.5% (such that the “all-in” transaction cost for a Client outright trade on LMEselect has been reduced by 4.5%).

Overall timelines

- 21. For completeness, this Notice provides the latest timelines for the broader set of initiatives and a consolidated summary timeline for ease of reference.

Market structure modernisation timeline





Further information

Stakeholders can reach out to their existing contacts or contact market.engagement@lme.com.

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cc: Board directors
All committees