To: All members and other interested parties

Ref: 26/227

Classification: Trading Technical

Date: 15 September 2026

Subject: **CONTRACT ENHANCEMENTS FOR THE LME CASH SETTLED FUTURES**

Summary

1. This Notice announces a set of contract enhancements for the LME cash settled futures ("CSFs") that will be rolled out over the month of October 2026, including:

   a) extension of contract tenors for selected contracts;

   b) changes to LMEselect calendar spread tick sizes; and

   c) activation of the abbreviated price code 'C' in LMEsmart.

Defined terms

2. Terms not otherwise defined in this Notice shall have the meanings ascribed to them in the LME Rules.

Background

3. In October 2026 the LME will roll out a set of contract enhancements for selected LME cash settled futures. The delivery of these enhancements will be in two batches:

   a) Batch A: extension of contract tenors and changes to the LMEselect tick sizes for calendar spreads – **go live on 13 October 2026**

   b) Batch B: activation of abbreviated price code 'C' in LMEsmart – **go live on 27 October 2026**

Batch A: extension of contract tenors and changes to LMEselect calendar spread tick sizes

Extension of contract tenors

4. The LME will be extending the contract tenors from 15 to 36 months for the following contracts:

   i. LME Steel Scrap CFR Turkey (Platts) – contract code **SC**

   ii. LME Steel HRC FOB China (Argus) – contract code **HC**

   iii. LME Aluminium Premium Duty Paid European (Fastmarkets MB) – contract code **ED**

Changes to the LMEselect calendar spread tick sizes

5. A calendar spread, or carry, involves the simultaneous purchase and sale of two contracts for the same metal with different delivery dates. A tick size defines the minimum price increment at which a contract can trade.

6. The LMEselect tick size changes being introduced are:

Contract name	Contract code	Current tick size	New tick size
LME Alumina (Platts)	AM	$0.01	$0.25
LME Aluminium Premium Duty Paid European (Fastmarkets MB)	ED	$0.01	$0.25
LME Aluminium Premium Duty Unpaid European (Fastmarkets MB)	EA	$0.01	$0.25
LME Aluminium Premium Duty Paid US Midwest (Platts)	UP	$0.01	$0.25
LME Aluminium UBC Scrap US (Argus)	UC	$0.01	$0.25
LME Steel HRC N.America (Platts)	HU	$0.01	$0.25
LME Steel HRC FOB China (Argus)	HC	$0.01	$0.25
LME Steel HRC NW Europe (Argus)	HN	$0.01	$0.25
LME Steel Rebar FOB Turkey (Platts)	SR	$0.01	$0.25
LME Steel Scrap CFR Turkey (Platts)	SC	$0.01	$0.25
LME Steel Scrap CFR India (Platts)	SI	$0.01	$0.25
LME Steel Scrap CFR Taiwan (Argus)	ST	$0.01	$0.25
LME Cobalt (Fastmarkets MB)	CB	$0.01	$10.00
LME Lithium Hydroxide CIF (Fastmarkets MB)	LH	$10.00	$5.00

7. The calendar spread tick size for LME Molybdenum (Platts), contract code MD, will remain unchanged at $0.01.

8. For clarity, calendar spread tick sizes in the inter-office market will remain unchanged at $0.01.

Batch B: activation of abbreviated price code ‘C’ in LMEsmart

Activation of the abbreviated price code ‘C’ in LMEsmart

9. In LMEsmart there is a functionality to input a trade using the abbreviated price code ‘C’, which indicates that the final execution price will be based on that day's official Closing Price for the relevant Prompt Date. Price codes can also be inputted as an offset from the price code itself (e.g. "C+10").

10. LMEsmart automatically performs a "price substitution" at the end of the day, replacing the ‘C’ code placeholder with the actual closing price once it is calculated and imported into the system.

11. This functionality is not currently available for the CSFs, and will be activated for the following contracts:

    i. LME Steel Scrap CFR Turkey (Platts) – contract code **SC**

    ii. LME Steel HRC FOB China (Argus) – contract code **HC**

    iii. LME Aluminium Premium Duty Paid European (Fastmarkets MB) – contract code **ED**

Implementation timelines

12. **15 September 2026**: Batch A enhancements will be available in Market Test B (“MTB”) environment for participants to complete testing.

13. **22 September 2026**: Batch B enhancements will be available in MTB environment for participants to complete testing.

14. **13 October 2026**: Technical and commercial go-live for Batch A.

15. **27 October 2026**: Technical and commercial go-live for Batch B.

Questions

16. Members or other interested parties with any questions in respect of these enhancements are invited to contact the LME Commercial Strategy & Partnerships department by email at ferrous@lme.com.

17. Please direct any technical queries regarding this Notice to the LME Technical Account Management team at tam@lme.com.

18. Please direct any testing-related queries regarding this Notice to the LME Customer Test Support team at customertest@lme.com.

Alberto Xodo
VP Strategic Initiatives & Partnerships

cc: Board directors
All committees