

LME Registered Intermediating Brokers (RIBs)

An overview

LME Global Client Development - GCD@lme.com

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SETTING THE GLOBAL STANDARD



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What are Registered Intermediating Brokers (RIBs)?



What?

- A RIB is an execution-only intermediary between buyers and sellers in the LME market
- RIBs are also known as Inter Dealer Brokers or “IDBs”
- RIBs arrange trades in an agency capacity between market counterparties
- RIBs do not take principal risk, do not become a party to the trade and do not provide clearing services



Why?

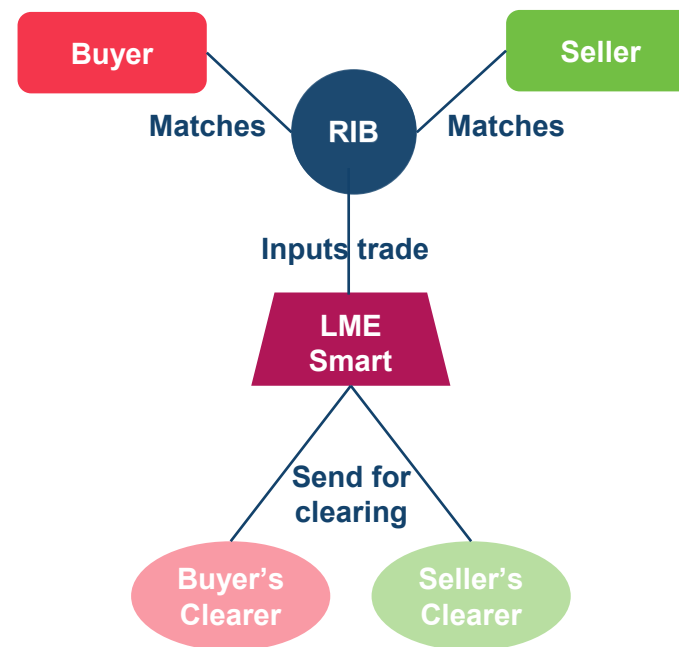
- Facilitate access to LME liquidity
- Enable growth in nascent markets and complex products
- No LME give-up agreements are required and there are no give-up fees
- Allow full automation of trade approval process for clearers, which lowers operational burden



How?

- Two-step process to set up and permission RIBs by clearing members* for clients or for the members themselves
- Clearing members to be notified of a pending trade via FIX and email, the counterparty remains fully anonymous
- Clearing members to approve/reject their client's trade half for each trade
- After both halves are approved, RIB trades flow through the exchange systems like standard inter-office trades

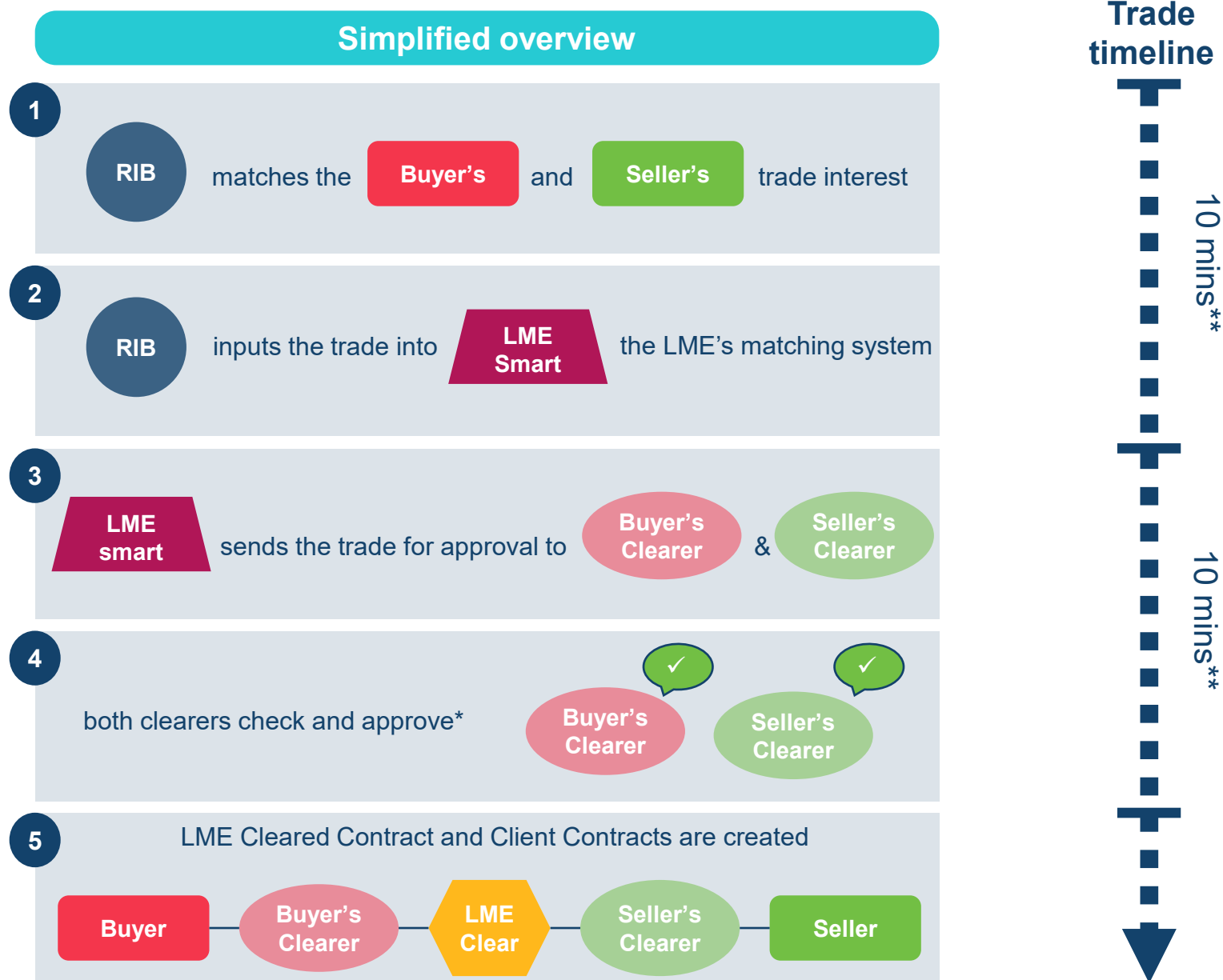
Simplified overview**



*Categories 1 and 2 of LME membership refer to General Clearing Members who can trade for own account and on behalf of clients. For a full list of LME clearing members, please refer to the page: <https://www.lme.com/Clearing/Membership/Clearing-members>



How does a trade via a RIB work?



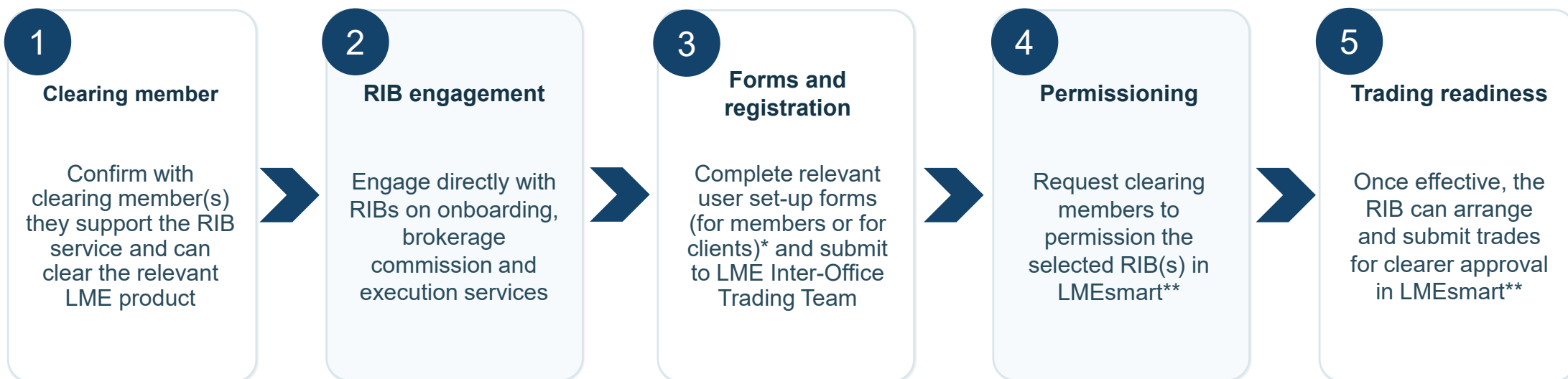
*Trade review can be done manually, or it can be largely automated via pre-trade risk limits (PTRM) or fully automated via FIX messages in LMESmart.

**As set out in Rule 3.5.1 of Part 3 of the LME Rulebook, RIBs are responsible for registered Agreed Trades in the Matching System within 10 minutes of arranging the trade in the inter-office market. Where a RIB has registered an Agreed Trade in the Matching System, the Clearing Member must approve or reject the Agreed Trade within the Matching System within 10 minutes of such registration.



How to get started? How much does trading via a RIB cost?

Onboarding route for a client wishing to access LME markets via a RIB



Cost components***



LME fees



Clearing
commissions



RIBs brokerage
fees



NO give up
fees

**Interested participants should complete the relevant registration form from the page <https://www.lme.com/Trading/Access-the-market/Find-a-member/Trading-via-RIBs> and send it to interofficetrading@lme.com. Registrations may take up to two days to become effective.

**LMEsmart is the system for the matching and confirmation of trades at the LME. For details, please visit the page here: <https://www.lme.com/Trading/Systems/LMEsmart>

***Please refer to LME Group fees and charges on the latest LME fees for relevant products: <https://www.lme.com/Trading/Access-the-market/Fees>. As of July 2026, the total LME fees for traded options are US\$3.66/lot, for ferrous are US\$0.46/lot, for aluminium premia are US\$1.5/lot and for EV battery suite are US\$2.91/lot. Clearing commissions are subject to bilateral negotiations between clients and clearing members, while RIBs brokerage fees are directly negotiated between clients and RIBs. No give-up agreements are required for the RIB service and hence no resulting give-up trade fees are involved in the RIBs service.



Two-tiered membership structure

Criteria and capabilities

For the full list of active RIBs, please see: <https://www.lme.com/trading/access-the-market/find-a-member>

Services provided	Tier 1 RIB	Tier 2 RIB
Arrangeable Products	All products	New, Growth and Complex (see Note 1)
Trade in the Ring	No	No
Trade in the inter-office market	See Note 2 below	See Note 2 below
Trade directly in LMEselect**	No	No
Issue LME Registered Client contracts	No	No
Criteria	Tier 1 RIB	Tier 2 RIB
Demonstrate applicable authorisations, exclusions or exemptions for proposed LME activities	Yes	Yes
LME Clear Member	No	No
Minimum net worth	£100,000*	£100,000*
Annual subscription fee (ex. VAT)	\$75,000*	\$5,000* (see Note 3)
Minimum B shareholding	2,500*	0*

*As of July 2026

**LMEselect is the LME's high performance electronic trading platform. For details, please visit the page: <https://www.lme.com/Trading/Systems/LMEselect>

Note 1 - Alumina, Aluminium Alloy and NASAAC, Aluminium Premiums, Cobalt, Ferrous (Scrap, Rebar and HRC), Molybdenum, Options

Note 2 - RIB Members cannot be a party to a trade and are only able to arrange trades in the inter-office market via LMEsmart.

Note 3 - Annual subscription fee for Tier 2 RIB Members is waived until December 2026



How do RIBs submit trades?

RIBs can access the browser based LMEsmart GUI for trade entry, submission and trade management actions*
GUI operates between 01:00 and 20:00 London time

1

Trade entry

- Enter an outright or carry trade between the buyer and the seller
- RIBs can edit entered trades if they have not yet been submitted for matching

2

Submit trades for matching**

- Submit entries in the Trade List
- System will validate each trade and pass it into the “pending acceptance” state
- Trades that fail to validate remain and errors flagged

3

Trade management actions

- RIBs can view all trade halves in the trade list and decide the “Actions” applicable to these trades
- Actions include cancellation, reversal/correction etc.

*For details, please refer to the LMEsmart RIB GUI guide, which is available in the page: <https://www.lme.com/Trading/Systems/LMEsmart>

**For details on trade matching, please refer to the LME matching rules available in the page: <https://www.lme.com/Trading/Systems/LMEsmart>



How can clearing members approve trades?

Three ways of approving trades submitted by RIBs



Manual approval

- Clearing members receive notifications for every incoming RIB trade in LMEsmart
- Review the trade details against client risk limits
- Approve or reject trade manually



LMEsmart automated PTRM

- Utilise LMEsmart's pre-trade risk management (PTRM) function*
- Set daily gross limits for using the RIB service by metal for each trader at a client
- Automatically approve or decline given the available daily limit
- Daily limits can be updated throughout the day. Reset at the start of each trading day



LMEsmart via FIX API

- Clearing members can connect to LMEsmart via FIX API**
- The option to integrate approval process with their internal systems on a fully automated basis

Clearing members must approve their trade halves for trades to be matched and cleared

*For details, please refer to the LMEsmart member GUI user guide, which is available in the page: <https://www.lme.com/Trading/Systems/LMEsmart>

**For details, please refer to the LMEsmart FIX API member guide, which is available in the page: <https://www.lme.com/Trading/Systems/LMEsmart>



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