



To: All members and other interested parties

Ref: 22/073

Classification: Trading

Date: 16 March 2022

Subject: **CHANGES TO DAILY PRICE LIMITS FOR NICKEL AND ARRANGEMENTS FOR OPENING OF NICKEL TRADING ON 17 MARCH**

Summary

1. This Notice updates the daily upper and lower price limits (“**daily price limits**”) for outright Contracts in Nickel on all Execution Venues (which have increased from 5% to 8%) and informs the market of the arrangements for the resumption of Nickel trading on 17 March 2022. For good order, this Notice also restates the daily price limits for all other base metal Contracts. This Notice should be read in conjunction with Notice 22/067¹, which describes more fully how daily price limits operate on the LME’s Execution Venues.

Defined Terms

2. Capitalised terms not otherwise defined in this Notice shall have the meaning ascribed to them in the LME Rulebook and related Notices, as applicable.

Arrangements for the Resumption of Nickel Trading on LMEselect

3. As detailed in Notice 22/068, Nickel trading on LMEselect will resume at 08:00 London time each Business Day from 17 March 2022. LMEselect will open in a pre-open state at 07:30 such that Members can enter orders. While LMEselect has systematic controls against orders being entered which would breach price limits (eg a bid above the upper daily price limit or offer below the lower daily price limit) in both the pre-open or open state, it is the responsibility of all Members to ensure that no such orders are submitted.
4. For the avoidance of doubt, subsequent to the resumption of Nickel trading on 16 March 2022 at 08:00, as detailed in Notice 22/064, the inter-office market will continue to trade 24 hours a day as normal.
5. Until further notice, implied pricing orders and the 3-month TAS order book will be deactivated in LMEselect for Nickel.

Daily Price Limits – Applicable Limits

6. Until further notice, the LME shall implement daily price limits for base metal Contracts as follows (changes highlighted below):

¹ <https://www.lme.com/api/sitecore/MemberNoticesSearchApi/Download?id=ac564a6b-b70f-4ae9-9f0d-d9e5decdea6e>



Metal / Contract	Limit up	Limit down	Applicable Execution Venues	Effective date
Nickel outright	Previous Business Day's Closing Price (whether or not it is subject to a Disruption Event) for the relevant Contract, <u>plus</u> 8% of the previous Business Day's Closing Price (whether or not it is subject to a Disruption Event) for the 3-month Contract	Previous Business Day's Closing Price (whether or not it is subject to a Disruption Event) for the relevant Contract, <u>minus</u> 8% of the previous Business Day's Closing Price (whether or not it is subject to a Disruption Event) for the 3-month Contract	LMEselect, Ring and inter-office	Start of trading on 17 March 2022
All other base metal outright	Previous Business Day's Closing Price (whether or not it is subject to a Disruption Event) for the relevant Contract, <u>plus</u> 15% of the previous Business Day's Closing Price (whether or not it is subject to a Disruption Event) for the 3-month Contract	Previous Business Day's Closing Price (whether or not it is subject to a Disruption Event) for the relevant Contract, <u>minus</u> 15% of the previous Business Day's Closing Price (whether or not it is subject to a Disruption Event) for the 3-month Contract	LMEselect, Ring and inter-office	Start of trading on 15 March 2022

7. The LME intends to review the appropriateness of these daily price limits and may, subject to prevalent market conditions, adjust these limits. Subject to ongoing monitoring, the LME's expectation is that Nickel price limits will reach the 15% level employed for other base metals, as the market situation normalises.

General

8. To the extent that this Notice contradicts or conflicts with any other policy or Notice issued by the LME in respect of daily price limits, this Notice shall prevail until further notice.

Queries

9. Members should direct any general questions relating to this Notice to the Trading Operations at tradingoperations@lme.com.

James Cressy
COO

cc: Board directors
Special Committee
Nickel Committee
User Committee