

Upcoming Changes to London Metals Markets

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Financial Conduct Authority

October 2013

1 Financial Conduct Authority



Financial Services Act 2012

Adds benchmarks to current legislation

Sec 7 adds benchmarks to Sec 22 of FSMA
2000

Sec 91 – Misleading Statements Criminal
Offence

2 Financial Conduct Authority



Market Abuse Regulation (proposed)

Benchmarks added to scope of coverage

Benchmark manipulation includes providing false information



What is a benchmark?

In the Financial Services Act 2012, a “relevant benchmark” is described as a benchmark of a kind specified in an order made by the Treasury



Is bullion covered?

Treasury order must define benchmarks

Strategically important markets likely to be covered

LBMA GOFO Rate?

Daily Fixing?

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