

**Session 5A: Precious Metals Regulation –  
Financial Markets Update**

**Ruth Crowell**

**Deputy Chief Executive, LBMA**

**I. Introduction**

Good morning and thanks to everyone who has braved the hangovers this morning to join us for everyone's favourite topic – regulation. As far as regulation goes, we have good news and bad news. I know many of you are acutely aware of the bad news. I do hope that some of you are at least vaguely aware that precious metals is in scope of the regulation, but the good news is that there is help out there as well as opportunities and options. Help in the form of industry programmes. Over the past three years since Dodd-Frank became law, the LBMA has been working through its Regulatory Affairs Committee, its Referees, its Physical Committee and, ultimately, its Management Committee in the development of the Responsible Gold Guidance to address the issues faced by conflict gold. There are, of course, still implementation issues that are being addressed hence we are holding a Responsible Gold Forum directly following this in the room next door. For those of you who are interested in finding out more of the details of what the LBMA, the RJC, the World Gold Council, the OECD and many other acronyms have been doing, I invite you to join us next door.

Today, for a change, I am not here to talk to you about the Responsible Gold Guidance. Today, we are going to focus on the financial market issues with regard to regulation as, indeed, the LBMA's Management Committee, regulatory affairs and market makers have also turned their attention. In particular, the LBMA has been focusing in recent months and will be going forward on benchmark regulations.

I am joined this morning by my illustrious, all-American panel to give you a high-level overview on the regulations facing the precious metals markets. We will start with benchmark regulation at home in the UK, as well as looking at the other related sections of Dodd-Frank besides 1502 and 1504, Basel III implementation, as well as forthcoming regulation in the EU and how it is all going in terms of implementation and requirements.

Our goal today is to leave you with, at a minimum, an understanding of what a few more of these acronyms mean and, we hope, some confidence that industry is working, where possible, to address the issues brought by regulation and give the confidence for the precious metals markets to continue to develop and have continued confidence as we face these implementations.

With that, I am going to turn it over to Don Groves from the Financial Conduct Authority. Don is a technical specialist in the market contact area of the FCA's Market Monitoring Department, where he is responsible for reviewing allegations of market misconduct, including market abuse and insider dealing. Don specialises in the UK commodity markets

and has been in market conduct for a number of years. We are also very privileged to have Don as an observer on the LBMA's Management Committee.