To:	All members and other interested parties
Ref:	22/056
Classification:	Trading
Date:	09 March 2022
Subject:	**NICKEL UPDATE – FURTHER INFORMATION: POSITION TRANSFERS AND FEES**

Summary

1. The LME and LME Clear (**LME Group**) have been continuing to work on the evolving nickel situation, with the intention of ensuring it is able to re-open the market, with trading continuing in an orderly manner, in an appropriate timeframe. This Notice provides further information on Members performing positions transfers, and fees for Nickel trades.

Position transfers

2. While Nickel remains suspended from trading, the LME Group understands that a number of Members would like to perform Nickel position transfers. As these position transfers can provide a way to reduce risk within the system, the LME Group believes it appropriate to allow them to proceed. However, the LME and LME Clear reserve the right not to allow any specific Nickel position transfer at their absolute discretion.

3. In order to appropriately manage the transfers, Members may only use LMEmercury to undertake Nickel position transfers. Any Member wanting to undertake a Nickel position transfer should contact the LME Relationship Management team at RM@lme.com.

Fees

4. Given the unprecedented situation in Nickel, the LME and LME Clear shall not be charging fees on any Nickel trades during the period of suspension (including trades executed on or after 00:00 UK time on 8 March 2022). This includes all trades, reversals of trades and position transfers. Further information as to how this will be effected will be published in due course.

Next steps

5. The LME will issue a further Notice in due course dealing with the next steps towards market re-opening and the proposed voluntary netting-off described in Notice 22/055.

Questions

6. Members should direct any questions relating to this Notice to the LME Relationship Management team at RM@lme.com.

James Cressy
Chief Operating Officer – LME Group

cc: Board directors
         Special Committee
         Nickel Committee
         User Committee