

**Public Minutes of a Meeting of the
Precious Metals Oversight Committee of
ICE Benchmark Administration (“IBA”)
held on Thursday, 02 August 2018 14:30 BST**

PRESENT: Mr S Pickford (Independent), Chairman
Mr S Bhandari (Kotak Mahindra Bank) - by phone
Mr J Crompton (IBA INED)
Mr R Hayes (AngloGold Ashanti) - by phone
Ms C Lynn (Independent) - by phone
Ms S Mirza (LBMA)
Mr J Oliff (Independent) - by phone
Mr M Prada (IBA INED) - by phone
Mr S Weeks (Scotia Bank) - by phone
Mr T Wood (Denver Gold Group) - by phone

IN ATTENDANCE: Mr T Bowler (IBA President)
Ms T Evans (IBA Legal)
Mr S Gandy (IBA Surveillance)
Mr S Tselikas (IBA COO)
Ms E Vick (IBA Benchmarks)

APOLOGIES: Mr G Angwin (Asahi Refining)
Mr T Evanson (Brink's Global Services)
Mr S Lodder (Jane Street)

CIRCULATION: IBA Website

	<p>Chairman’s Welcome and Apologies The Chairman welcomed the Members to the Precious Metals Oversight Committee (PMOC) meeting, and noted the apologies as listed above.</p>
	<p>Declaration of Conflicts of Interest No members declared any new conflicts of interest.</p>
	<p>Previous Meeting Full Minutes The minutes for the PMOC meeting held on 24 April 2018 were considered and unanimously approved.</p> <p>Public Minutes The public minutes for the PMOC meeting held on 24 April 2018 were considered and unanimously approved for publication.</p>
	<p>Matters Arising The Chairman noted that all matters arising would be addressed in later agenda items.</p>
	<p>Dashboards IBA presented the LBMA Gold and Silver Price Dashboards for April, May, June and July, covering:</p> <ul style="list-style-type: none"> • A summary chart presenting the LBMA Gold Price/LBMA Silver Price, as applicable, and the number of rounds for each auction over the period;

	<ul style="list-style-type: none"> • Charts covering key performance indicators of volumes, trading flexibility and large auctions; and • Management information on surveillance. <p>The Committee noted that both markets had been affected by market news and geopolitical uncertainty.</p> <p>Gold auctions had fairly constant volumes over the period with a small uplift in July. For Silver, a positive trend line over the period could be observed. There had also been an increase in FX alerts, particularly in Gold.</p> <p>The Committee noted that while Gold auctions with a high number of rounds often coincided with high market activity for Gold; the number of rounds for Silver was often influenced by price sensitivity.</p> <p>IBA advised that in almost all instances auctions converge, but its circuit breakers were designed to manage non-convergence due to market instability or illiquidity.</p> <p>With regards to the use of the Silver benchmark, the feedback IBA received was that users were returning to use the benchmark after IBA had assumed the administration of the benchmark and introduced its auction process. The Committee noted that the LBMA Gold and Silver Price benchmarks were the markets' primary benchmarks and that users' confidence in the benchmarks seemed to be increasing.</p> <p>IBA advised that it was looking into further metrics to be included in the dashboards going forward.</p>
	<p>Incidents There were no incidents to report.</p>
	<p>Periodic Review LBMA Gold and Silver Price Contingency Policies The Committee reviewed IBA's policies and contingencies, noting there had been no suspension or delay of an auction to date. In the event of no auction, IBA confirmed that this would be published in its transparency reports. . The Committee discussed the minimum number of participants required to commence an auction and agreed to consider this further.</p> <p>The Committee unanimously approved the contingency policies.</p>
	<p>EU Benchmarks Regulation (BMR) update The Chairman noted that the actions required of IBA in light of the new regulation had all been addressed.</p>
	<p>Auction Participant Update IBA provided an update on auction participation, noting that IBA was working to increase participation with several participants expected to join or re-join the auctions in the short to medium term. The Committee noted that several participants were incorporating automated surveillance systems.</p>
	<p>LBMA Silver Price Evolution The Committee noted that the LBMA user group had discussed its experience with the Silver auction. Users had agreed that the auction remained an appropriate method of price discovery and that no alternative benchmark methodologies should be pursued at present. IBA and the Committee, as part of their mandate, kept the methodology under review as a matter of course.</p>
	<p>Any Other Business With there being no further business to discuss, the Chairman closed the meeting.</p>

Stephen Pickford

Chairman