



LBMA Gold and Silver Prices - Usage Survey

September 2019



Contents

Executive Summary	3
About the LBMA Gold and Silver Prices	4
Benchmark currencies	6
Feedback request	7
Disclaimers	8
Usage Survey	9



Executive Summary

The LBMA Gold Price and LBMA Silver Price are the global benchmark prices for unallocated gold and silver delivered in London.

Producers, the investment community, banks and central banks, fabricators, jewelers and other consumers as well as market participants from around the globe use the benchmarks as reference prices.

The final auction price is published by IBA in US Dollars (USD) and is also converted into 16 other currencies.

IBA is considering a reduction in the number of non-USD currencies since they are indicative prices and not prices at which trades can necessarily be executed. Also, in some cases prices can be difficult to source, particularly when the currency markets in the local jurisdictions are closed.

IBA is seeking feedback on the usage of the non-USD LBMA Gold and Silver Prices produced by IBA.

A questionnaire requesting specific feedback from market participants is attached. More general feedback by email or letter is also welcome.

Respondents are requested to provide feedback to IBA at IBA@theice.com on or before **Friday November 15, 2019**.



About the LBMA Gold and Silver Prices

Introduction and background

The LBMA Gold Price and LBMA Silver Price are the global benchmark prices for unallocated gold and silver delivered in London.

Producers, the investment community, banks and central banks, fabricators, jewelers and other consumers as well as market participants from around the globe, transact through IBA's gold and silver auctions and use the benchmarks as reference prices.

The LBMA Gold Price and LBMA Silver Price facilitate spot, monthly averaging, cash-settlement, location swaps, fixed for floating swaps, options and other derivative transactions important to price risk management. The ability to transact and reference a single transparent price produced by a regulated benchmark administrator provides significant benefits to the market.

Benchmark methodology

IBA operates electronic auctions for spot, unallocated loco London gold and silver, providing a market-based platform for buyers and sellers to trade.

The auctions run each week day at 10:30 and 15:00 London time for gold and at 12:00 London time for silver.

The auction process runs on the ICE trading platform, WebICE, which provides real-time order management, separation of house and client orders, live credit limit controls, a full audit history, compliance monitoring tools and advanced straight through processing.

The auctions run in rounds of 30 seconds. Participants have 30 minutes directly before the auction starts to queue up their orders; this is known as 'Round zero'.

At the start of each round after Round zero, IBA publishes a price for that round. Participants then have 30 seconds to enter, change or cancel their orders to buy or sell at that price.

At the end of each round, order entry is frozen and the system checks to see if the difference between buying and selling interest is within a pre-defined threshold which is normally 10,000 oz for gold and 500,000 oz for silver. If the imbalance exceeds the threshold at the end of a round, the auction is not balanced. The price is then adjusted and a new round starts.

The prices during the auction are determined by an algorithm that takes into account current market conditions and the activity in the auction. Each auction is actively supervised by IBA staff.

If the imbalance is within the threshold, the auction is finished and the price is set. The imbalance is shared equally between all direct participants (even if they did not place orders or did not log in) and the net volume for each participant is traded at the final price.

The final auction prices are published to the market as the LBMA Gold Price AM, the LBMA Gold Price PM and the LBMA Silver Price benchmarks, respectively.

The final price is published in US Dollars and also converted into other currencies.



Regulation

IBA is authorized and regulated by the Financial Conduct Authority (FCA) for the regulated activity of administering a benchmark, and is authorized as a benchmark administrator under the EU Benchmarks Regulation¹ (BMR).

The LBMA Gold and Silver Prices are Commodity benchmarks as defined under the BMR. The specific commodity benchmark requirements in Annex II to the BMR apply.

The benchmarks are overseen by the Precious Metals Oversight Committee which is comprised of an independent Chairperson and market representatives. The Oversight Committee is responsible for monitoring the administration of the benchmark. The composition and terms of reference of the Committee are published at:

https://www.theice.com/publicdocs/Precious_Metals_Oversight_Committee_Terms_of_Reference.pdf

The Benchmark Statement for the LBMA Gold and Silver Prices is published by IBA at:

https://www.theice.com/publicdocs/Precious_Metals_Benchmark_statement.pdf

Further information

Further information about the LBMA Gold and Silver Prices, including how to access the benchmark rates, can be found at:

<https://www.theice.com/iba/lbma-gold-silver-price>

¹ Regulation (EU) 2016/1011 of 8 June 2016
© Copyright 2019 ICE Benchmark Administration Limited



Benchmark currencies

Introduction

As stated earlier, the price formation for each IBA gold and silver auction is in US Dollars.

The price discovery in IBA's auctions is in USD. At the end of the auction, the price in USD is converted by IBA into other currencies. These non-USD prices are published as indicative prices at the end of the auction, or as benchmarks for reference in derivative contracts.

The final price in USD is converted into benchmarks in the following currencies:

- Australian Dollars;
- British Pounds;
- Canadian Dollars;
- Euros;
- South African Rand;
- Indian Rupees;
- Malaysian Ringgit;
- Russian Rubles;
- Singapore Dollars;
- New Taiwan Dollars;
- Swiss Francs;
- Thai Baht;
- Turkish Lira;
- Japanese Yen;
- Offshore Yuan. and
- Onshore Yuan.

IBA is considering a reduction in the number of non-USD currencies since they are indicative prices and not prices at which trades can necessarily be executed. Also, in some cases prices can be difficult to source, particularly when the currency markets in the local jurisdictions are closed.



Feedback Request

IBA is asking for stakeholder feedback on the usage of the non-USD currencies in which IBA publishes the LBMA Gold and Silver Prices.

Respondents are requested to provide feedback to IBA at IBA@theice.com **on or before Friday November 15, 2019**.

A questionnaire requesting specific feedback from market participants is attached. More general feedback by email or letter is also welcome.

After the feedback period has closed, IBA will publish a feedback statement summarizing responses.



Disclaimers

IBA reserves all rights in the copyright in this document and on IBA's website. None of these rights may be used without a written license from IBA. Market participants and other stakeholders may make a reasonable number of copies of this document for the sole purpose of providing feedback to IBA.

The approach set out in this document is subject to change in response to feedback from market participants and other stakeholders and IBA's further development work.

None of IBA, Intercontinental Exchange, Inc. (ICE), or any of its or their affiliates accepts any responsibility or will be liable in contract or tort (including negligence), for breach of statutory duty or nuisance or under antitrust laws or otherwise for the information contained in this document or on IBA's website or any use that you may make of it. All implied terms, conditions and warranties and liabilities in relation to the information are hereby excluded to the fullest extent permitted by law. None of IBA, ICE or any of its or their affiliates excludes or limits liability for fraud or fraudulent misrepresentation or death or personal injury caused by negligence.

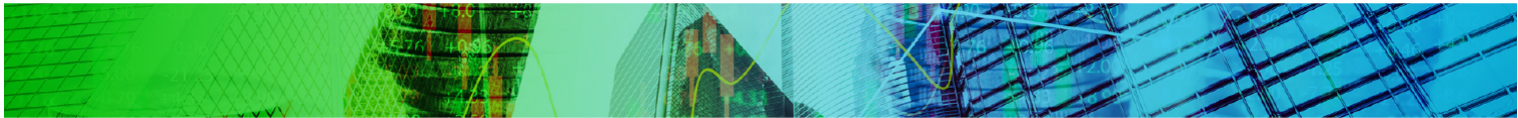
General

IBA is authorised and regulated by the Financial Conduct Authority. ICE, LIBOR, ICE LIBOR, ICE Swap Rate and ICE Benchmark Administration are trademarks of ICE and/or its affiliates. All rights in these trademarks are reserved and none of these rights may be used without a written license from ICE and/or its affiliates, as applicable.

[Intercontinental Exchange](#) (NYSE: ICE) is a Fortune 500 company formed in the year 2000 to modernize markets. ICE serves customers by operating the [exchanges, clearing houses](#) and information services they rely upon to invest, trade and manage risk across global financial and commodity markets. A leader in market data, [ICE Data Services](#) serves the information and connectivity needs across virtually all asset classes. As the parent company of the [New York Stock Exchange](#), the company is the premier venue for raising capital in the world, driving economic growth and transforming markets.

Trademarks of ICE and/or its affiliates include Intercontinental Exchange, ICE, ICE block design, NYSE and New York Stock Exchange. Information regarding additional trademarks and intellectual property rights of Intercontinental Exchange, Inc. and/or its affiliates is located at <http://www.intercontinentalexchange.com/terms-of-use>. Key Information Documents for certain products covered by the EU Packaged Retail and Insurance-based Investment Products Regulation can be accessed on the relevant exchange website under the heading "Key Information Documents (KIDS)."

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Statements in this press release regarding ICE's business that are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors in ICE's Annual Report on Form 10-K for the year ended December 31, 2018, as filed with the SEC on February 7, 2019.



LBMA GOLD AND SILVER PRICES USAGE SURVEY

Non-USD currency	Usage (please tick as applicable)			Comment (if any)
	Often	Occasional	Little or none	
Australian Dollars				
British Pounds				
Canadian Dollars				
Euros				
South African Rand				
Indian Rupees				
Malaysian Ringgit				
Russian Rubles				
Singapore Dollars				
New Taiwan Dollars				
Swiss Francs				
Thai Baht				
Turkish Lira				
Japanese Yen				
Offshore Yuan				
Onshore Yuan				

Please add any additional comments you may have about the LBMA Gold and Silver Prices

Please add your contact information on the next page.



YOUR CONTACT INFORMATION

Name	
Position	
Organization (if any)	
Telephone	
Email	

Please email your completed survey to IBA@theice.com on or before Friday November 15, 2019.

Or post it, to arrive by Friday November 15, 2019 to:

ICE Benchmark Administration Limited
Milton Gate
60 Chiswell Street
London
EC1Y 4SA