

LME Aluminium (Alloy)



Futures

Contract/quality

Aluminium alloy conforming to A380.1, 226 or AD12.1

Lot size (warrant)

20 tonnes (with a tolerance of +/- 2%)

Form/shape

Ingots, Small Sows, Large Sows, T-bars

Delivery/settlement dates

First prompt date is TOM which is the next business day from today. The Cash prompt date is two business days from today followed by other daily prompts up to three months. TOM, CASH and 3 MONTH prompt rolls on a daily basis. Weekly prompts on every Wednesday of the month from 3 months to 6 months. Monthly prompts on every third Wednesday from 7 months to 27 months.

Quotation

US dollars per tonne

Clearable currencies

US dollar, Japanese yen, sterling, euro

Minimum price movement

Ring	Outright \$0.50	Carries \$0.01
LME Select	Outright \$0.25	Carries \$0.01
Inter-office	Outright \$0.01	Carries \$0.01

TAPOs (traded average price option)

Contract month

Monthly out to 27 months

Option type

European Option

Last trading day

Business day preceding the Declaration Day of the relevant month before 18:00

Last matching and registration

18:15 on the penultimate trading day of the prompt month

Declaration date/time

Automatic declaration of in-the-money TAPOs at 15:00 on the last business day of the TAPO month

Premium tick size

0.01 USD (one cent)

Minimum strike price movement

USD \$1

Exercise of the option

LCH.Clearnet auto exercise TAPOs.

Exercise will result in two futures contracts, one at the strike price and the other at the Monthly Average Settlement Price (MASP). The effect is to generate a cash settlement which is settled on the second business day after the Declaration Day for the TAPO month

Options contract specification

Contract months

Monthly out to 27 months

Option type

American style option

Last trading day

Tuesday before the First Wednesday by 18:00 of the prompt month

Last matching and registration

Tuesday before the First Wednesday by 18:15 of the prompt month

Declaration date/time

For clearing members, any LME business day from 08:00 up to 11:15 UK time on the first Wednesday of the prompt month. For clients, any LME business day from 08:00 up to 11:10 on the first Wednesday of the prompt month 11:15 for Clearing members 11:10 for Customers on the first Wednesday of the expiring option month

Premium tick size

0.01 USD (one cent)

*Minimum strike price movement

\$25 for strikes from US\$25 to US\$9,975
\$50 for strikes from US\$10,000 to US\$19,950
\$100 for all strikes over \$US20,000

Automatic Exercise of options (for Clearing Members and their segregated accounts)

LME Clearing Members may declare their options between 7.30am and 11.15am on any day until the last declaration day which is the first Wednesday of the option month.

To assist clearing members, the LCH Clearing System contains an automatic exercise (auto-exercise) facility. This facility automatically determines which options are to be declared on the basis of the closing values for the third Wednesday prompt date that existed at the close of business on the day before declaration (i.e. normally the closing price on the first Tuesday of the expiry month).

An Exchange Call Option will be automatically exercised (declared) by LCH.Clearnet if it is in-the-money with a Strike Price that is two Gradations, or more, below the at-the-money Strike Price.

An Exchange Put Option will be automatically exercised (declared) by LCH.Clearnet if it is in-the-money with a Strike Price that is two Gradations, or more, above the at-the-money Strike Price. All other options will be subject to manual declaration by the taker.

Exercise will result in a third Wednesday Futures contract. Up until 11.15am on the day of expiry, any auto-exercised options can be changed/undone manually and the manual exercise of any options unaffected by auto exercise can be completed up until 11.15am.

**Minimum strike price movement and tick size for premiums available in all clearable currencies*

LME contracts may only be offered or sold to United States foreign futures and options customers by firms registered with the Commodity Futures Trading Commission (CFTC), or firms who are permitted to solicit and accept money from US futures and options customers for trading on the LME pursuant to CFTC rule 30.10.