

Precious Metals Physical Delivery Process

January 2025

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CME Group – Deliverable Precious Metals Products

Contract	Gold Futures (GC)	Silver Futures (SI)	Platinum Futures (PL)	Palladium Futures (PA)
Deliverable Product	100 oz. gold bar; 1 kg bar	1000 oz. silver bars	Cast plate and/or ingot	Cast plate and/or ingot
Number Required per Contract	1 x 100-oz bar or 3 x 1 kg bar	5 x 1000-oz bars	1 x 50oz or multiple pieces of cast plates and/or ingots with no piece less than 10 oz.	1 x 100oz or multiple pieces of cast plates and/or ingots with no piece less than 10 oz.
Weight Tolerance	±5%	±10%	±10%	±10%
Minimum Fineness	995	999	9995	9995
Brands	Exchange Approved Brands	Exchange Approved Brands	Exchange Approved Brands	Exchange Approved Brands
Facilities Location	New York, New Jersey, Delaware	New York, New Jersey, Delaware, Massachusetts	New York, New Jersey, Delaware, Massachusetts	New York, New Jersey, Delaware, Massachusetts

Three-Day Delivery Cycle

Three-Day Delivery Cycle

1. Delivery Intention Day

First Intent/Position Day

2 business days prior to 1st business day of the contract month

Last Intent/Position Day

1 business day prior to last business day of the contract month

2. Notice Day/Invoice Day

3. Delivery Day

Delivery Intention Day

- The Short must submit a notice of intention to deliver in the Deliveries Plus application (a short position holder must have enough open short positions in order to tender).
- On the notice of intent there must be metal warrants selected to match the number of positions the seller wishes to deliver.
- The warrants will include the following information:
 - Allocation notices are sent.
 - Allocation notice indicates:
 - *Parties matched for delivery*
 - *Number of contracts to be delivered*



The Next Step: Notice Day/Invoice Day

Notice day is the day on which the invoices are issued by the Clearinghouse to the Buyer and the Seller.

Invoices are issued:

- *On the morning of the business day following the intention date*
- *If issued on the next to last day of the delivery month, they are issued following assignment*

Notice Day Continued....

Invoice specifies:

Brand

Warrant number

Weight

**Total cost of the
warrants based on
settlement price
on Intention Date**

**Seller and buyer
firm information**

**Approved
depository where
the metal is stored**

**Reimbursement of storage fees that were pre-paid by owner
prior to delivery**

The allocation notice and invoice are not transferable

Delivery Day

Delivery day can occur on ANY business day during the delivery month.

Seller receives:

Electronic transfer of funds – banked through Clearing

Buyer receives:

Electronic warrant in their Inventory in Deliveries Plus

Gold Futures (GC) Delivery Cycle Example

Client A: Short 1 Feb'25 GC

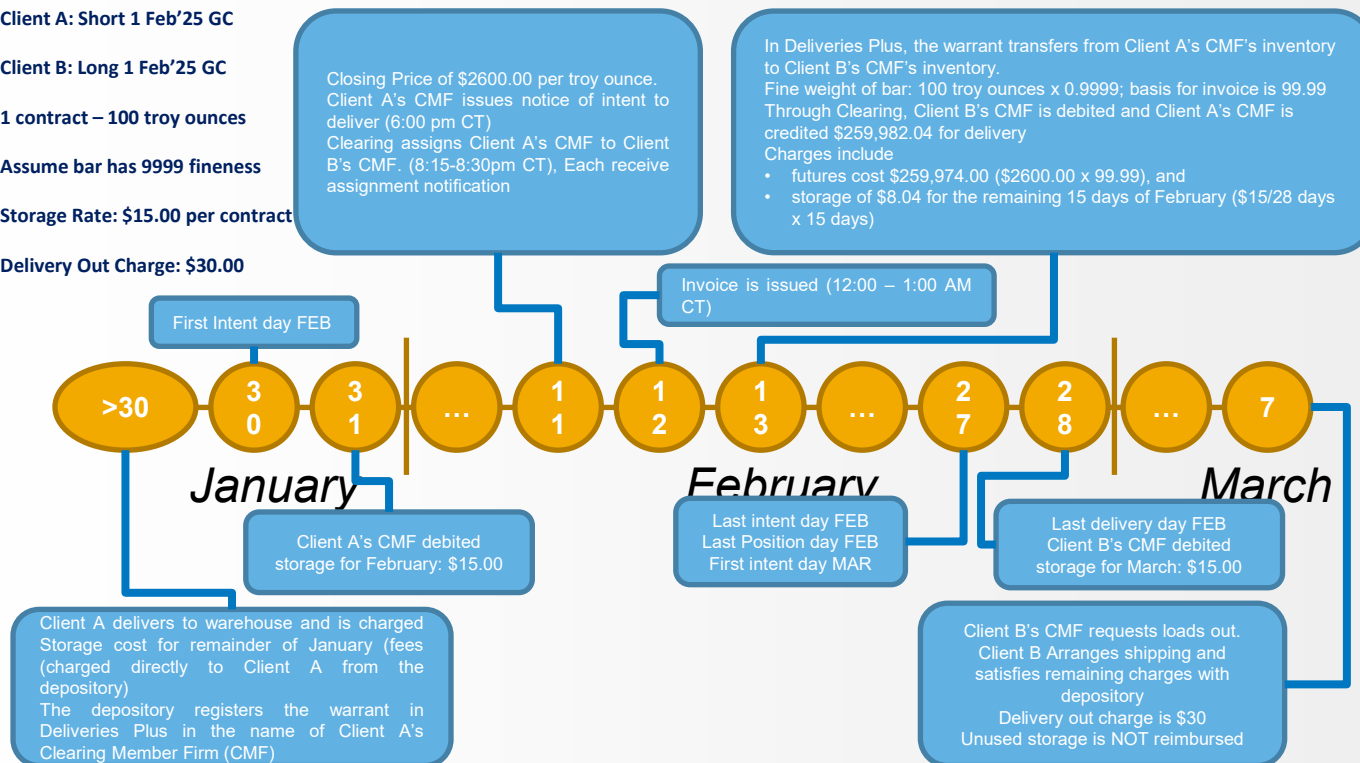
Client B: Long 1 Feb'25 GC

1 contract – 100 troy ounces

Assume bar has 9999 fineness

Storage Rate: \$15.00 per contract

Delivery Out Charge: \$30.00



Platinum and Palladium Larger Bar Delivery

Platinum

The contract for delivery on the Platinum Futures contract can be either:

1. A standard unit defined as 50 troy ounces +/- 10%; or
2. A larger platinum unit defined as having a weight greater than 55 troy ounces and less than or equal to 192.904 troy ounces (6 kilos).
 - a. For the larger unit, five, (5) Accumulated Certificates of Exchange ("ACE") will be issued by the Clearing House.
 - b. Each ACE represents a share in the ownership of a standard or larger platinum unit. Each larger platinum unit may consist of ore than one piece of ingot or plate, but no one piece can weigh less than 10 troy ounces.
 - c. Upon delivery, the buyer's clearing member receives, and seller's clearing member delivers five (5) ACEs issued by the Clearing House.
 - d. ACEs may only be redeemed for a warrant upon the accumulation of a sufficient number of ACEs
 - e. Storage charges are invoiced to the Clearing Member who owns the ACEs.

Palladium

The contract for delivery on the Palladium Futures contract can be either:

1. A standard unit defined as 100 troy ounces +/- 10%; or
2. A larger palladium unit defined as having a weight greater than 110 troy ounces and less than or equal to 192.904 troy ounces (6 kilos).
 - a. For the larger unit, ten, (10) Accumulated Certificates of Exchange ("ACE") will be issued by the Clearing House.
 - b. Each ACE represents a share in the ownership of a standard or larger palladium unit. Each larger palladium unit may consist of ore than one piece of ingot or plate, but no one piece can weigh less than 10 troy ounces.
 - c. Upon delivery, the buyer's clearing member receives, and seller's clearing member delivers ten (10) ACEs issued by the Clearing House.
 - d. ACEs may only be redeemed for a warrant upon the accumulation of a sufficient number of ACEs
 - e. Storage charges are invoiced to the Clearing Member who owns the ACEs.

Role of Clearing Firms

- Procedures for making and taking delivery on CME Group-listed precious metals futures are established by the Exchange.
- **The delivery process takes three business days** to accomplish. This provides adequate time for the participants – the seller, the buyer, their respective clearing firms and CME Clearing – to make necessary notifications and arrangements.
- **Clearing firms play a central role in the delivery process**, because deliveries occur between clearing firms, acting as agents for those who hold accounts with them. Contract deliveries do NOT occur directly between the account holders themselves.
- **Each clearing firm is responsible to the Exchange and to CME Clearing** for guaranteeing the performance of its account holders in meeting the obligations of delivery:
 - The **short clearing firm**, i.e., the clearing firm making delivery on a short futures position, is responsible for: (a) ascertaining that its account holders who are the ultimate owners of the short position have registered and furnished deliverable grade warrants on time and in sufficient quantity to meet contract requirements; and (b) distributing to those same account holders the funds it receives in payment for the warrants it delivers.
 - The **long clearing firm**, i.e., the clearing firm taking delivery on a long futures position, is responsible for: (a) distributing the warrants that it receives to its account holders who are the ultimate owners of the long contract position; and (b) collecting from those same account holders the funds required to pay the invoice amounts for the warrants delivered.

Precious Metals Depositories

Precious Metals Depositories					
Location	Depository	Gold	Silver	Platinum	Palladium
New York	Brink's Inc.	X	X	X	X
	HSBC Bank USA	X	X	X	X
	JP Morgan Chase Back NA	X	X	X	X
	Malca-Amit USA, LLC	X	X	X	X
	Manfra, Tordella & Brookes, Inc.	X	X	X	X
	Asahi Depository LLC	X	X	X	X
	Loomis International (US) Inc.	X	X	X	X
New Jersey	Brink's Inc.	X	X	X	X
Delaware	Delaware Depository	X	X	X	X
	International Depository Services of Delaware	X	X	X	X
Massachusetts	CNT Depository, Inc.		X	X	X
	Loomis International (US) Inc.		X	X	X

Role of Market Regulation

The Market Regulation Department at CME Group ensures the integrity of the markets and the delivery process

CME Group's Market Regulation Department ensures that all four (CME, CBOT, NYMEX and COMEX) of our Designated Contract Markets (DCMs) fulfil their self-regulatory responsibilities.

Key Responsibilities

- Approve and inspect facilities for physically settled metal products (and other CME Group products)
- Ensure facilities meet Exchange Rules and remain financially stable
- Publish inventory reports for metals products in Exchange approved facilities
- Issues notices to the market for any changes or new approvals with respect to the facilities
- Approve and monitor deliverable brands for precious metals



Approved Brands

Brands List: <http://www.cmegroup.com/rulebook/files/service-providers.xls>

Gold Brands List: 60+ brands approved for deliveries. Only a partial list of approved brands has been shown here.

Gold (GC) Brands			
Producer	Refined At	Code	Brand Marks
Engelhard Corporation	Carteret, New Jersey	ENNE	*ENGELHARD (may also be * ENGELHARD NEW JERSEY-U.S.A. or ENGELHARD U.S.A.)
Engelhard Corporation	Carteret, New Jersey	BAKE	*BAKER (within circle atop triangle)
Engelhard Corporation	Chessington, England	ENCI	*ENGELHARD LONDON
Engelhard Corporation	Thomastown, Australia	ENTH	*ENGELHARD AUSTRALIA
Engelhard Corporation	Aurora, Ontario	ENAU	*ENGELHARD (with circle connected to 1/2 moon to left of name; may also be ENGELHARD INDUSTRIES OF CANADA LTD.)
Glencore Canada Corporation	Montreal East, Quebec	CCRL	*CANADIAN COPPER REFINERS LIMITED MONTREAL EAST, CANADA (within an oval)
Glencore Canada Corporation	Montreal East, Quebec	NORA	*NORANDA MINES LIMITED - CCR, MONTREAL EAST, CANADA (within an oval)
Glencore Canada Corporation	Montreal East, Quebec	NINC	NORANDA MINES Inc. - CCR, MONTREAL EAST, CANADA (within an oval)
Golden West Refining Corporation Limited, Handy & Harman Refining Group Inc.	Attleboro, Massachusetts	GWHH	*HH HANDY & HARMAN REFINING GROUP
Handy & Harman	Attleboro, Massachusetts	HAND	*HH HANDY & HARMAN
Heraeus Deutschland GmbH & Co. KG	Hanau, Germany	HERA	*HERAEUS FEINGOLD (with Heraeus Edelmetalle GmbH-Hanau encircling three roses)
Heraeus Metals New York LLC	Newark, New Jersey	HERI	HERAEUS FEINGOLD (hand holding three roses encircled with "Heraeus Edelmetalle GmbH Hanau")
Heraeus Ltd. Hong Kong	Kowloon, Hong Kong	HERH	HERAEUS FEINGOLD (hand holding three roses encircled with "Heraeus Edelmetalle Hanau")
Homestake Mining Company	Lead, South Dakota	HMCO	*HOMESTAKE MINING COMPANY (with HMC all within circle)
Istanbul Gold Refinery	Istanbul, Turkey	IGR	IGR (within a circle along with Istanbul Gold Refinery Melter & Assayer)
Johnson Matthey, Inc.	Winslow, New Jersey	MBUS	*MATTHEY BISHOP U.S.A. (within an oval)

Responsible Sourcing Guidance

Physical Gold and Silver contracts listed on COMEX and Platinum and Palladium contracts listed on NYMEX are now in compliance with LBMA and LPPM Responsible Sourcing Guidelines.

- **Adherence** to Responsible Sourcing Guidelines is required for a producer of gold, silver, platinum and palladium to obtain and maintain Exchange approval for delivery against any of the Exchange's physically delivered futures contracts.
- The rules on Responsible Sourcing are intended to render COMEX/NYMEX standards consistent with international standards for conflict-free metal.
- **As of April 8, 2015, Exchange rules went into effect that require a gold refiner/producer to comply with LBMA (London Bullion Market Association) Responsible Gold Guidance.**
- **As of May 3, 2021, Exchange rules went into effect that require a silver refiner/producer to comply with LBMA Responsible Silver Guidance.**
- **As of May 3, 2021, Exchange rules went into effect that require a platinum or palladium refiner/producer to comply with LPPM (London Platinum and Palladium Market) Responsible Sourcing Guidelines.**

NYMEX and COMEX Delivery Notices and Stocks

<http://www.cmegroup.com/trading/energy/nymex-delivery-notices.html>

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Daily Metals Inventory Reports

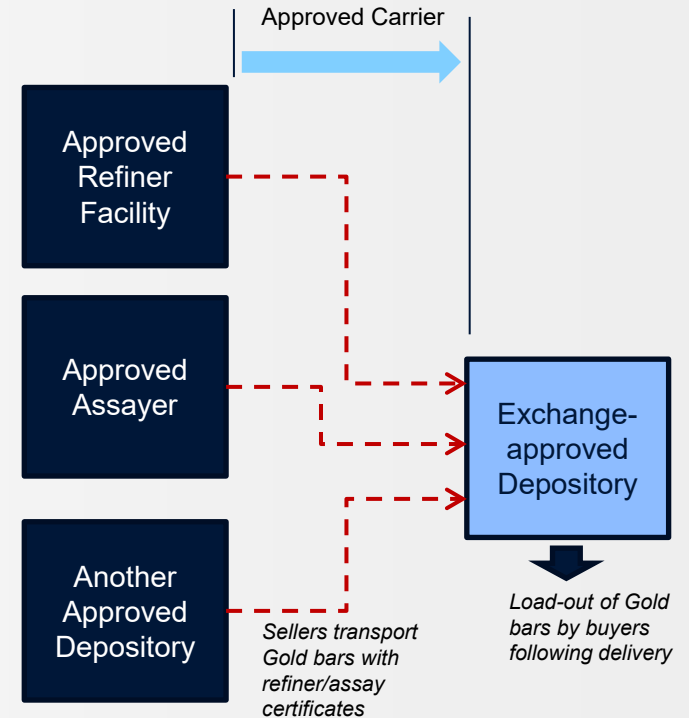
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Chain of Integrity

- **Exchange rules ensure strict control on the delivery process and the chain of integrity.**
- For Gold, the inventory may only be delivered to a COMEX-approved depository using an approved carrier for gold in one of the following ways:
 - Directly from an approved producer for gold along with the refiner certificates; or
 - Directly from an approved assayer for gold with the assay certificates; or
 - Directly from another COMEX-approved depository for gold
- Directly from an approved producer for gold or approved assayer for gold that has been stored at a depository that is owned and/or operated by and approved depository for gold.
- Each gold bar is inspected and weighed at the depository.



A complete list of approved Carriers and Assayers can be found here
<http://www.cmegroup.com/rulebook/files/service-providers.xls>

Please contact
metals@cmegroup.com
for inquiries on physical delivery