

United States Senate
WASHINGTON, DC 20510

October 24, 2013

Mr. Charles Li
Chairman
London Metal Exchange
56 Leadenhall Street
London
EC3A 2DX

Hong Kong
12/F., One International Finance Centre
1 Harbour View Street
Central, Hong Kong

Dear Mr. Li:

We are encouraged that the London Metal Exchange (LME) has proposed rule changes aimed at transforming the global marketplace for industrial metals trading, and that the Exchange is seeking input on the proposals. We encourage the LME to implement the recommendations proposed by the Aluminum Users Group (AUG) to ensure efficient delivery of materials.

In the course of recent Congressional hearings, it has come to our attention that certain warehouse storage and load-out rules, governed by the LME, cause costly market inefficiencies. The LME warehousing rules permit LME-licensed warehouse facilities in the U.S. to delay the ready supply of aluminum, enabling them to restrict the flow of metal from the market, and increasing costs at the expense of manufacturers, businesses, and consumers. We have encouraged American regulatory agencies to look into these rules, fees and practices. We also have an ongoing interest in ensuring a transparent and cost effective metals commodity marketplace.

While we are encouraged that the LME proposed rule changes in its governance as a self-regulated organization, we are concerned the proposal does not go far or fast enough to resolve structural issues, specifically timely delivery, that could return the exchange to a respected destination for base metal price discovery. We believe the AUG comments are reasonable, workable, and would strengthen the LME as a self-regulated exchange. If adopted, the aluminum users' recommendations would bring LME warehousing governance practices into accord with other global commodity exchanges.

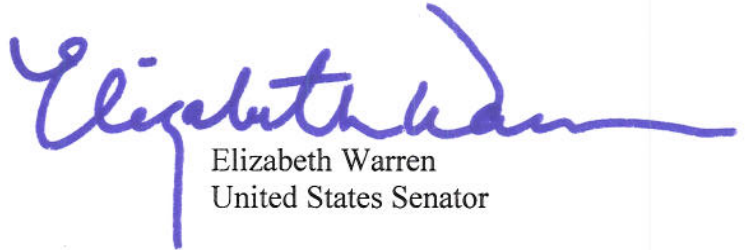
To ensure a timely resolution to market participants' ongoing concerns and to avoid further regulatory or Congressional intervention, we highly recommend that you chart a new direction for LME practices, bring it in line with other global commodity practices and protect the LME's reputation as the world's center for industrial metals trading.

We appreciate the opportunity to provide our views and look forward to your prompt reply.

Sincerely,



Sherrod Brown
United States Senator



Elizabeth Warren
United States Senator

cc:
Martin Abbott
Matthew Chamberlain
Garry Jones