
[Precious Metals Market Post-Trade review published: "A golden opportunity to innovate"](#) - 17 June 2022
– The Financial Markets Standards Board ("FMSB") today publishes its Precious Metals Market Post-Trade Spotlight Review.

- Global financial markets practitioners examine post-trade from their perspective in a review covering lessons from other asset classes and technological solutions.
- Considerations include increasing adoption of automation for trade confirmations, increasing the take-up of bilateral netting agreements, and the potential long-term benefits of digital solutions.
- Review shines a light on ways the precious metals marketplace can innovate to mitigate post-trade risks and reduce costs.
- Market practitioners from across the FMSB membership developed the review to address challenges faced by the financial markets for trading precious metals when it comes to confirmation, netting and settlement.
- They noted that in the post-trade arena, there are opportunities in the precious metals market to learn from other fixed income, currencies and commodities markets in adopting automation and making efficiency gains.
- The Precious Metals Market Post-Trade Spotlight Review examines the existing post-trade landscape for gold, silver, platinum and palladium, identifying prevailing structural and technical opportunities for improvement. The review considers:
 - Potential solutions to the current inefficiencies that exist with precious metal trade confirmations through the use of electronic platforms
 - Increasing the adoption of netting for non-prime brokerage transactions
 - Reducing the concentration of clearing and settlement of London based precious metals trades in a limited number of LPMCL numbers
 - Whether the settlement period for precious metals could be shortened in line with the efforts for other asset classes
 - If Delivery vs Payment settlement could be adopted on a greater scale to reduce settlement risk in the precious metals market
 - The potential for an expanded and more integrated unallocated precious metals market across both London and Zurich
 - How a digital solution whereby physical assets are tokenised could offer a more radical change of the post-trade ecosystem
- **Myles McGuinness, CEO of FMSB** said: "We know that the market for precious metals can face day-to-day challenges, and I'm pleased that practitioners from across the board have come together to learn from each other and look at innovative solutions."
- **David Tait, CEO of World Gold Council** said: "I'm delighted to see the opportunity for the market to make material improvements to the efficiency of its post-trade processes. This progress could be incremental, or perhaps more radical, and this Spotlight Review gave us an opportunity to look at our toughest issues through many lenses."
- "Of course, we must move at the pace that ensures the marketplace operates in a fair and effective manner, but looking at the ground this review covers, it's clear that we now have a golden opportunity to innovate."
- **Ian Warman, Head of Precious Metals Trade Management Unit of Standard Chartered** said: "It was a pleasure to work with the FMSB and participants across the precious metals market to consider the potential ways in which we can improve the efficiency in which we manage precious metals trades to mitigate post-trade risks and reduce costs."