

MELDRUM Brona (MARKT)

From: JORRITSMA Jasper (MARKT)
Sent: 26 June 2012 09:04
To: MARKT LIST G3
Subject: Meeting with CMC / Bunge

On Monday, June 25th, Philip and Jasper met with [REDACTED] of Bunge / the Commodity Markets Council (CMC), and [REDACTED] of Hume Brophy.

The CMC represents end users and exchanges in commodity markets. Bunge is one of the largest agricultural commodities dealers.

With regard to MAR, they consider that rules against market manipulation are key, and are more important than rules against insider dealing.

In the US, the notion of material non-public information as regards commodities is limited to government reports.

Under the proposed new definition of inside information, they are concerned that their own cash trading activities would be caught and become disclosable prior to being able to trade in the derivatives markets. Also, they are concerned that economic research based on own information might be caught and bar them from trading. Finally, business investments may be a signal of supply and demand and become disclosable. There is also a risk that exemptions that apply to a client's trading do not extend to their broker's activity. Such activity should be exempt when the broker is simply executing.

On EUA's, they stress the importance of having a threshold.

Jasper Jorritsma | Policy Officer | Securities Markets Unit | DG Internal Market and Services
| Phone : +(32) 2 29 85833 | Mobile : +(32) 485 492 014 | jasper.jorritsma@ec.europa.eu