

Disclaimer :

The Competition DG makes the information provided by the notifying parties in section 1.2 of Form CO available to the public in order to increase transparency. This information has been prepared by the notifying parties under their sole responsibility, and its content in no way prejudices the view the Commission may take of the planned operation. Nor can the Commission be held responsible for any incorrect or misleading information contained therein.

COMP/M. 5844 - JP MORGAN / RBS SEMPRA

SECTION 1.2

Description of the concentration

JPMorgan Chase & Co. (“JPMorgan”), a global provider of financial services, will acquire RBS Sempra Commodities’ commodities trading and associated operations relating to oil, metals, coal, emissions rights, freight, plastics, agricultural commodities, concentrates, electricity, and natural gas, with the exception of its North American natural gas and power trading and solutions businesses (the “Target Business”) (the “Transaction”).

The Transaction will give JPMorgan a foothold in physical commodities trading, enabling JPMorgan to provide a fuller range of commodities-related services to its clients and better positioning it to compete against many larger and longer-established players in the highly fragmented commodities trading sector.

In the view of the Parties the Transaction should raise no competition concerns. It involves only minor horizontal overlaps, none of which gives rise to an affected market within the meaning of Form CO. JPMorgan is mainly active in financial trading, including financial trading of commodities, and has only limited physical trading activities. Conversely, the Target Business is mainly active in physical commodities trading and related logistical services, and has only limited financial trading activities. The Transaction involves one vertically affected market, as the Target Business operates exchange-approved base metals warehousing facilities, which is an upstream activity to JPMorgan’s base metals trading operations. The Parties’ shares in these markets are well below levels at which concerns typically arise.

