

**THE FOREIGN EXCHANGE
JOINT STANDING COMMITTEE**
Threadneedle Street
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RESULTS OF THE SEMI-ANNUAL FX TURNOVER SURVEY, OCTOBER 2009

In October 2009, 31 financial institutions active in the UK foreign exchange market participated in the eleventh published semi-annual turnover survey for the Foreign Exchange Joint Standing Committee (JSC). This was one less institution than in April 2009, due to the merging of two legal entities. The October 2009 survey results are based on the extended reporting form, introduced for the April 2008 survey. The survey results are summarised below; more detailed tables, including a market share report, for the October 2009 reporting period are also available separately. The results of subsequent surveys will continue to be published at six-monthly intervals.

The main findings of the survey are:

- Average daily reported ‘traditional’¹ UK foreign exchange turnover was \$1,430 billion in October 2009, an increase of 13%.
- Average daily reported UK turnover in other OTC foreign exchange instruments² was \$119 billion in October 2009, an increase of 37%.
- Combined average daily turnover in October 2009 was \$1,549 billion, 14% higher than in April 2009, and 9% lower than a year earlier.

¹ Spot, outright forwards, non-deliverable forwards, and FX swaps.

² FX options and currency swaps.

Tables 1 to 5 below provide various summaries of the average daily data for October 2009, with comparisons to April 2009. A more detailed set of results tables for October 2009 can be found at: <http://www.bankofengland.co.uk/markets/forex/fxjsc/fxturndata100125.xls>. A market share table showing market share information by currency pair, product and counterparty, can be found at: <http://www.bankofengland.co.uk/markets/forex/fxjsc/fxturndata100125-marketshare.xls>.

Similar semi-annual surveys were also conducted in October 2009 for the North American market by the New York Foreign Exchange Committee; for the Singapore market by the Singapore Foreign Exchange Market Committee; for the Japanese market by the Tokyo Foreign Exchange Market Committee; for the Canadian market by the Canadian Foreign Exchange Committee; and for the Australian market by the Australian Foreign Exchange Committee.

The results of these surveys can be found at: <http://www.newyorkfed.org/fxc/volumesurvey/>, <http://www.sfemc.org/statistics.asp>, http://www.fxcomtky.com/index_e.html, http://www.cfec.ca/fx_volume.html, http://www.rba.gov.au/AFXC/Statistics/FXTurnoverReports/2009/Oct_2009/index.html respectively.

Notes for Editors

1. The JSC is a market liaison group, established in 1973 by the banks and brokers of the London FX market, as a forum to discuss topical issues and matters of common interest. The Bank of England chairs the Committee, which comprises senior staff from many of the major banks operating in the London foreign exchange market and representatives from brokers, corporate users of the foreign exchange market and the FSA.
2. Whilst the data presented here is of a similar nature to that collected by the BIS triennial survey, it is more frequent and there is one difference in the reporting methodology: the basis of reporting for the FXJSC survey is the location of the price-setting dealer³, whereas the basis of reporting in the BIS triennial survey is the location of the sales desk.
3. Figures from the April 2007 FXJSC survey when compared to the April 2007 BIS triennial survey indicate that despite differences in definition and institutional coverage, the two surveys are broadly comparable.
4. Global and UK results for the BIS triennial survey can be found at: <http://www.bankofengland.co.uk/statistics/bis-survey/previous.htm>
5. The results of this survey are also available on the website of the FXJSC: <http://www.bankofengland.co.uk/markets/forex/fxjsc/index.htm>

Participating financial institutions

ANZ	Lloyds TSB
Bank of America	Merrill Lynch
Bank of New York Mellon	Morgan Stanley
Bank of Scotland Treasury Services	National Australia Bank
Bank of Tokyo-Mitsubishi UFJ	Rabobank
Barclays	Royal Bank of Canada
BNP Paribas	Royal Bank of Scotland
Calyon	Skandinaviska Enskilda Banken
Citigroup	Société Générale
Commonwealth Bank of Australia	Standard Chartered
Credit Suisse	State Street
Deutsche Bank	Toronto Dominion
Goldman Sachs	UBS
HSBC	Unicredito
ING Bank	Westpac Banking Corporation
JP Morgan Chase	

³ The results for the FXJSC survey continue to include those for the Credit Suisse, SEB, Standard Chartered, and UBS trading desks, which have relocated out of London.

Table 1**Reported UK foreign exchange and OTC foreign exchange derivatives market turnover¹**

Daily averages in billions of US dollars

Instrument	April 2009	October 2009
Spot transactions	445	522
Outright forwards	146	171
Non-deliverable forwards	16	27
Foreign exchange swaps	662	711
Total 'traditional' foreign exchange turnover	1269	1430
Currency swaps	17	18
Foreign exchange options	70	101
Total OTC foreign exchange derivatives turnover	87	119

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 20 working days in April 2009 and 22 working days in October 2009.

Table 2
Reported UK foreign exchange market turnover by instrument and counterparty¹

Daily averages in billions of US dollars

Instrument/counterparty	April 2009	October 2009
Spot transactions	445	522
with reporting dealers	170	192
<i>of which resident</i>	64	73
<i>of which non-resident</i>	106	119
with other banks	161	176
<i>of which resident</i>	37	43
<i>of which non-resident</i>	123	134
with other financial institutions	74	112
<i>of which resident</i>	27	46
<i>of which non-resident</i>	48	66
with non financial institutions	41	42
<i>of which resident</i>	5	6
<i>of which non-resident</i>	35	37
Outright forwards	146	171
with reporting dealers	44	46
<i>of which resident</i>	14	11
<i>of which non-resident</i>	30	35
with other banks	38	42
<i>of which resident</i>	8	10
<i>of which non-resident</i>	30	32
with other financial institutions	38	51
<i>of which resident</i>	18	25
<i>of which non-resident</i>	20	26
with non financial institutions	26	31
<i>of which resident</i>	5	4
<i>of which non-resident</i>	21	27

Non-deliverable forwards	16	27
with reporting dealers	7	11
<i>of which resident</i>	2	4
<i>of which non-resident</i>	5	7
with other banks	4	7
<i>of which resident</i>	1	2
<i>of which non-resident</i>	3	5
with other financial institutions	3	7
<i>of which resident</i>	1	3
<i>of which non-resident</i>	2	4
with non financial institutions	1	2
<i>of which resident</i>	0	0
<i>of which non-resident</i>	1	2
Foreign exchange swaps	662	711
with reporting dealers	252	284
<i>of which resident</i>	104	116
<i>of which non-resident</i>	147	168
with other banks	287	291
<i>of which resident</i>	63	59
<i>of which non-resident</i>	224	231
with other financial institutions	90	106
<i>of which resident</i>	22	25
<i>of which non-resident</i>	68	82
with non financial institutions	33	30
<i>of which resident</i>	7	7
<i>of which non-resident</i>	25	23

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 20 working days in April 2009 and 22 working days in October 2009.

Table 3

Reported UK OTC foreign exchange derivatives market turnover by instrument and counterparty¹

Daily averages in billions of US dollars

Instrument/counterparty	April 2009	October 2009
Currency swaps	17	18
with reporting dealers	9	9
<i>of which resident</i>	2	2
<i>of which non-resident</i>	6	7
with other banks	5	6
<i>of which resident</i>	3	1
<i>of which non-resident</i>	3	4
with other financial institutions	1	2
<i>of which resident</i>	0	2
<i>of which non-resident</i>	1	1
with non financial institutions	2	1
<i>of which resident</i>	1	0
<i>of which non-resident</i>	1	1
Foreign exchange options	70	101
with reporting dealers	26	38
<i>of which resident</i>	14	19
<i>of which non-resident</i>	12	19
with other banks	21	27
<i>of which resident</i>	6	10
<i>of which non-resident</i>	15	17
with other financial institutions	17	28
<i>of which resident</i>	9	12
<i>of which non-resident</i>	8	16
with non financial institutions	5	8
<i>of which resident</i>	1	1
<i>of which non-resident</i>	4	7

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 20 working days in April 2009 and 22 working days in October 2009.

Table 4**Currency distribution of reported UK foreign exchange and OTC foreign exchange derivatives market turnover¹**

Percentage shares of average daily turnover

Currency	April 2009	October 2009
US dollar	84.3	85.6
Euro	45.0	44.4
Pound sterling	18.7	18.0
Japanese yen	16.9	15.9
Swiss franc	7.4	6.8
Canadian dollar	3.5	3.9
Australian dollar	5.5	6.2
Swedish krona	2.8	2.1
Norwegian krone	1.5	2.1
New Zealand dollar	1.4	1.5
Brazilian real	0.4	0.8
Chinese yuan	0.2	0.2
Indian rupee	0.2	0.7
South Korean won	0.6	0.6
Mexican peso	0.7	0.9
Polish zloty	1.1	1.0
Russian ruble	0.7	0.7
Singapore dollar	1.0	0.8
Turkish lira	0.8	0.9
South African rand	1.0	1.0
Other currencies	6.2	5.8
All currencies	200.0	200.0

¹ As two currencies are involved in each transaction, the sum of the percentage shares of individual currencies total 200 per cent instead of 100 per cent.

Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Table 5**Reported UK foreign exchange and OTC foreign exchange derivatives market turnover by currency pair¹**

Daily averages in billions of US dollars and percentage shares

Currency pair	April 2009		October 2009	
	Amount	Proportion of total (%)	Amount	Proportion of total (%)
USD/EUR	434.1	32.0	505.5	32.6
USD/GBP	180.8	13.3	195.5	12.6
USD/JPY	169.0	12.5	187.5	12.1
USD/CHF	57.2	4.2	66.8	4.3
USD/AUD	61.0	4.5	80.4	5.2
USD/CAD	39.2	2.9	52.4	3.4
USD/NOK	15.1	1.1	22.6	1.5
USD/SEK	28.8	2.1	22.3	1.4
USD/NZD	16.3	1.2	20.1	1.3
USD/ZAR	12.4	0.9	12.5	0.8
USD/MXN	8.9	0.7	12.4	0.8
USD/PLN	7.6	0.6	8.9	0.6
USD/SGD	12.7	0.9	10.5	0.7
USD/RUB	8.6	0.6	10.8	0.7
USD/TRY	10.1	0.7	11.6	0.7
USD/BRL	5.1	0.4	11.6	0.8
USD/KRW	8.6	0.6	9.3	0.6
EUR/GBP	55.5	4.1	65.7	4.2
EUR/JPY	41.7	3.1	36.6	2.4
EUR/CHF	35.2	2.6	32.6	2.1
GBP/JPY	8.2	0.6	8.2	0.5
Other currency pairs	140.2	10.3	165.0	10.7
All currency pairs	1356	100	1549	100

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 20 working days in April 2009 and 22 working days in October 2009.