

FOREIGN EXCHANGE JOINT STANDING COMMITTEE

Citi
Wednesday 28 January 2009

MINUTES

Attendees

Stuart Siddall	ACT
Vincent Delorenzo	Bank of America
Rob Loewy	Bank of China
Richard Gill	Bank of New York
Sean Comer	Barclays
Cassandra Kenny	British Bankers' Association
Vincent Leclercq	Calyon
James Bindler	Citi
Rob Close	CLS
Heather Pilley	FSA
Phil Weisberg	FXAll
Andrew Brown	HSBC
Richard Gladwin	Nomura
Roger Hawes	RBS
Richard Leighton	Standard Chartered
James Potter	Tullet Prebon
Ben Welsh	Unicredit
Stewart Lloyd-Jones	WMBA
Susan Revell	Morgan Stanley, Chair, Legal subgroup
Susan Balogh	Goldman Sachs, Chair, Operations sub group
Paul Fisher	Bank of England, Chair
Grigoria Christodoulou	Bank of England, Secretariat
Sumita Ghosh	Bank of England, Secretariat

Other attendees

Jack Jeffery	SuperDerivatives
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Apologies

Zar Amrolia	Deutsche Bank
Nick Burgin	Goldman Sachs
Christopher Wilcox	JP Morgan
Sarah Edgington	Morgan Stanley
Darren Coote	UBS
Jaqueline Joyston-Bechal	Bank of England

1. Apologies for absence and welcome to the meeting

Apologies from Zar Amrolia, Nick Burgin, Chris Wilcox, Sarah Edginton, Darren Coote and Jacqueline Joyston-Bechal who were unable to attend.

The Chair welcomed Richard Gladwin from Nomura, Roger Hawes from RBS and Richard Leighton from Standard Chartered to their first meeting.

The Chair also welcomed Jack Jeffery from SuperDerivatives as the guest speaker.

2. Minutes of the 12 November meeting and matters arising

The minutes of the November meeting were agreed. There were no matters arising.

3. Presentation on confidence and transparency in the global derivatives markets by SuperDerivatives

Jack Jeffery gave a brief overview of the product coverage and technology used by SuperDerivatives. He noted that the demand for independent FX derivatives valuations is increasing and confidence, accuracy and transparency are critical factors in maintaining a stable financial market.

4. FXJSC Turnover Survey results and discussion on current market conditions

Paul Fisher gave a presentation of the highlights of the FXJSC turnover survey published on 27 January.

Attendees noted that FX markets were functional but liquidity remained impaired. FX Settlement risk remains a key area of interest for market participants.

5. Regulatory update

Heather Pilley noted that the FSA is expecting to publish a report on regulation and supervision going forward in March 2009. The report will focus on capital adequacy and liquidity but will look at other matters in light of market events, including counterparty risk in derivatives.

The FSA is also working on a number of international initiatives on topics such as price transparency and clearing and settlement.

6. Update on the work of sub-groups

- Operations sub-group

Susan Balogh gave a brief overview of the Operations sub-group 2009 work priorities. She noted that the FXJSC Operations sub-group has strengthened its links with the New York Operational Managers Working Group and the two groups will be cooperating on a number of work streams over the coming year.

- Legal sub-group

The Legal sub-group is due to have its next meeting in March.

- Outreach

The Outreach sub-group met on 21 January. The group discussed conditions in FX spot and swap markets and noted that volatility has increased markedly.

The next meeting of the FXJSC will be held on Wednesday 18 March hosted by Paul Fisher at the Bank of England

FXJSC Secretariat

March 2009