

**THE FOREIGN EXCHANGE
JOINT STANDING COMMITTEE**
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In October 2016, 29 financial institutions active in the UK foreign exchange market participated in the twenty-fourth published semi-annual turnover survey for the Foreign Exchange Joint Standing Committee (FXJSC). The survey results are summarised below; more detailed tables, including a market share report, for the October 2016 reporting period are 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 UK foreign exchange turnover¹ was \$2,179 billion per day in October 2016, 2% lower than April 2016, but 3% higher than a year earlier.
- Most of the fall was driven by an 8% decrease in FX spot from April 2016, to \$692 billion per day. Most products saw a relatively small increase in turnover over the 6 months to October 2016 but FX spot and FX swaps both fell. FX swap turnover fell 2% over the past 6 months to \$1,024 billion per day, but rose 2% compared with a year earlier.
- USD/JPY turnover retraced its rise from April 2016, falling 16% over the past 6 months to \$302 billion per day. USD/AUD turnover continued to decline, falling another 10% since April 2016. In contrast, GBP/USD turnover rose 8% to \$281 billion per day. USD/CNY turnover remained stable over the 6 months at \$40 billion per day.

Tables 1 to 4 below provide various summaries of the average daily data for October 2016, with comparisons to April 2016. A more detailed set of results tables for October 2016 can be found at

<http://www.bankofengland.co.uk/markets/Documents/forex/fxjsc/2017/fxturndata170124.xlsx>. A market share table showing market share information by currency pair, product and counterparty type, can be found at

<http://www.bankofengland.co.uk/markets/Documents/forex/fxjsc/2017/fxturndata170124ms.xlsx>.

Revised data for October 2015 and April 2016¹ have recently been received and updated results tables can be found at

<http://www.bankofengland.co.uk/markets/Pages/forex/fxjsc/default.aspx#surveys>.

Similar semi-annual surveys were also conducted in October 2016 by the New York Foreign Exchange Committee, the Singapore Foreign Exchange Market Committee, the Tokyo Foreign Exchange Market Committee, the Canadian Foreign Exchange Committee, and 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/> respectively.

¹ Due to improvements in some participants reporting procedures, revisions have been made to previous data.

Notes for editors

1. The FXJSC is a market liaison group, established in 1973 by the banks and brokers of the London FX market, as a forum to discuss broad market issues. The Bank of England chairs the Committee, which comprises senior practitioners from institutions active in the UK wholesale foreign exchange market, from the broking community, from infrastructure providers and representatives from industry associations and the relevant UK public authorities.
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 main difference in the reporting methodology: the basis of reporting for the FXJSC survey is the location of the price-setting dealer², whereas the basis of reporting in the BIS triennial survey is the location of the sales desk.
3. Figures from the April 2016 FXJSC survey when compared to the April 2016 BIS triennial survey indicate that despite differences in definition and institutional coverage, the two surveys are broadly comparable.³
4. Global and UK results for the April 2016 BIS triennial survey can be found at: <http://www.bankofengland.co.uk/statistics/Pages/bis-survey/default.aspx>
5. The results of this survey are also available on the website of the FXJSC: <http://www.bankofengland.co.uk/markets/Pages/forex/fxjsc/default.aspx#surveys>

Participating financial institutions

ANZ	Lloyds Banking Group
Bank of America Merrill Lynch	Morgan Stanley
Bank of New York Mellon	National Australia Bank
Bank of Tokyo-Mitsubishi UFJ	Nomura
Barclays	Rabobank
BNP Paribas	Royal Bank of Canada
Crédit Agricole CIB	Royal Bank of Scotland
Citigroup	Société Générale
Commonwealth Bank of Australia	Standard Chartered
Credit Suisse	State Street
Deutsche Bank	Toronto Dominion
Goldman Sachs	UBS
HSBC	Unicredit
ING Bank	Westpac Banking Corporation
JP Morgan Chase	

² The results for the FXJSC survey continue to include those for the SEB and UBS trading desks, which have relocated out of London.

³ See Hutton, A and Kent, E (2016), 'The foreign exchange and over-the-counter interest rate derivatives market in the United Kingdom', *Bank of England Quarterly Bulletin*, 2016 Q4, page 224.

Table 1**Reported UK foreign exchange market turnover by instrument¹**

Daily averages in billions of US dollars

Instrument	April 2016	October 2016
Spot transactions	754	692
Outright forwards	215	230
Non-deliverable forwards	60	62
Foreign exchange swaps	1050	1024
Currency swaps	36	36
Foreign exchange options	110	135
Total foreign exchange turnover	2225	2179

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 21 working days in April 2016 and 21 working days in October 2016.

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

Daily averages in billions of US dollars

Instrument/counterparty	April 2016	October 2016
Spot transactions	754	692
with reporting dealers	286	265
<i>of which resident</i>	139	117
<i>of which non-resident</i>	147	148
with other banks	156	146
<i>of which resident</i>	30	24
<i>of which non-resident</i>	126	121
with other financial institutions	292	262
<i>of which resident</i>	33	30
<i>of which non-resident</i>	259	232
with non financial institutions	20	19
<i>of which resident</i>	10	8
<i>of which non-resident</i>	10	11
Outright forwards	215	230
with reporting dealers	77	81
<i>of which resident</i>	28	28
<i>of which non-resident</i>	49	53
with other banks	16	19
<i>of which resident</i>	4	4
<i>of which non-resident</i>	13	15
with other financial institutions	108	114
<i>of which resident</i>	31	29
<i>of which non-resident</i>	76	84
with non financial institutions	14	16
<i>of which resident</i>	6	4
<i>of which non-resident</i>	8	12

Non-deliverable forwards	60	62
with reporting dealers	25	24
<i>of which resident</i>	10	10
<i>of which non-resident</i>	16	14
with other banks	11	12
<i>of which resident</i>	3	3
<i>of which non-resident</i>	8	9
with other financial institutions	22	23
<i>of which resident</i>	5	6
<i>of which non-resident</i>	18	18
with non financial institutions	2	4
<i>of which resident</i>	1	2
<i>of which non-resident</i>	1	2
Foreign exchange swaps	1050	1024
with reporting dealers	482	496
<i>of which resident</i>	172	169
<i>of which non-resident</i>	310	327
with other banks	375	332
<i>of which resident</i>	68	59
<i>of which non-resident</i>	307	273
with other financial institutions	147	153
<i>of which resident</i>	32	29
<i>of which non-resident</i>	116	124
with non financial institutions	45	44
<i>of which resident</i>	10	11
<i>of which non-resident</i>	36	33
Currency swaps	36	36
with reporting dealers	20	16
<i>of which resident</i>	8	6
<i>of which non-resident</i>	11	10
with other banks	7	11
<i>of which resident</i>	4	9
<i>of which non-resident</i>	3	2
with other financial institutions	6	6
<i>of which resident</i>	1	1

<i>of which non-resident</i>	5	5
with non financial institutions	4	3
<i>of which resident</i>	1	1
<i>of which non-resident</i>	3	2
Foreign exchange options	110	135
with reporting dealers	35	45
<i>of which resident</i>	17	23
<i>of which non-resident</i>	18	21
with other banks	20	24
<i>of which resident</i>	7	8
<i>of which non-resident</i>	13	16
with other financial institutions	51	61
<i>of which resident</i>	14	15
<i>of which non-resident</i>	37	46
with non financial institutions	4	6
<i>of which resident</i>	1	2
<i>of which non-resident</i>	2	4

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 21 working days in April 2016 and 21 working days in October 2016.

Table 3**Currency distribution of reported UK foreign exchange market turnover¹**

Percentage shares of average daily turnover

Currency	April 2016	October 2016
US dollar	88.8	89.0
Euro	36.1	36.3
Pound sterling	15.6	17.0
Japanese yen	19.3	16.5
Swiss franc	6.0	6.0
Canadian dollar	4.2	4.3
Australian dollar	6.6	5.9
Swedish krona	2.4	2.3
Norwegian krone	1.7	1.8
New Zealand dollar	2.1	1.8
Brazilian real	0.6	0.9
Chinese yuan	1.8	1.9
Indian rupee	0.6	0.5
South Korean won	0.9	1.0
Mexican peso	1.5	1.5
Polish zloty	0.9	0.8
Russian ruble	0.8	1.0
Singapore dollar	1.5	1.6
Turkish lira	2.3	2.6
South African rand	1.0	1.2
Other currencies	5.5	6.2
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 4**Reported UK foreign exchange market turnover by currency pair¹**

Daily averages in billions of US dollars and percentage shares

Currency pair	April 2016		October 2016	
	Amount	Proportion of total (%)	Amount	Proportion of total (%)
USD/EUR	621.2	27.9	610.7	28.0
USD/GBP	259.1	11.6	280.6	12.9
USD/JPY	361.2	16.2	302.3	13.9
USD/CHF	104.4	4.7	100.0	4.6
USD/AUD	113.5	5.1	101.7	4.7
USD/CAD	81.0	3.6	81.0	3.7
USD/NOK	22.4	1.0	25.2	1.2
USD/SEK	32.9	1.5	31.4	1.4
USD/NZD	34.4	1.5	31.0	1.4
USD/ZAR	19.7	0.9	24.0	1.1
USD/MXN	31.3	1.4	32.2	1.5
USD/CNY	40.0	1.8	40.3	1.8
USD/PLN	11.5	0.5	10.4	0.5
USD/SGD	31.1	1.4	32.2	1.5
USD/RUB	17.7	0.8	20.1	0.9
USD/TRY	45.1	2.0	50.8	2.3
USD/BRL	12.5	0.6	17.1	0.8
USD/KRW	18.7	0.8	20.5	0.9
EUR/GBP	58.6	2.6	63.6	2.9
EUR/JPY	31.6	1.4	26.1	1.2
EUR/CHF	21.2	1.0	22.1	1.0
GBP/JPY	15.0	0.7	12.4	0.6
Other currency pairs	240.2	10.8	243.1	11.2
All currency pairs	2225	100.0	2179	100.0

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 21 working days in April 2016 and 21 working days in October 2016.