

# Minutes

## Foreign Exchange Joint Standing Committee

13 March 2017

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Location: Bank of England, Threadneedle Street, London, EC2R 8AH

Attendees: **Association of Corporate Treasurers:** Sarah Boyce

**Bank of China:** Wang Yan

**Bank of New York Mellon:** Richard Gill

**Bank of Tokyo-Mitsubishi UFJ:** Tetsuro Kono

**Barclays:** James Hassett

**British Bankers' Association:** Ronald Kent

**Citigroup:** James Bindler

**CLS:** David Puth

**Deutsche Bank:** Russell Lascale

**FICC Markets Standards Board:** James Kemp

**Financial Conduct Authority:** Jamie Black

**Goldman Sachs:** Kayhan Mirza

**HSBC:** Frederic Boillereau

**Insight Investment:** Richard Pursell

**London Bullion Market Association:** Sakhila Mirza (Guest speaker)

**Millennium Global Investments:** Lisa Scott-Smith

**Rolls-Royce:** James Harvey

**Saxo Bank:** Kurt Vom Scheidt

**Shell:** Frances Hinden

**The Investment Association:** Galina Dimitrova

**Tullett Prebon:** James Potter

**UBS:** George Athanasopoulos

**Wholesale Markets Brokers' Association:** David Clark

**XTX Markets:** Zar Amrolia

**Goldman Sachs:** Dan Parker (Chair, Legal Sub-committee)

**RBC:** Isabelle Dennigan (Chair, Operations Sub-committee)

**Bank of England:** Chris Salmon (Chair), Rebecca Jackson, Jonathan Grant, Jon Pyzer, James O'Connor, Ed Ocampo, Chris Cox, Grigoria Christodoulou (Secretariat), Tom Lynch (Secretariat)

Apologies: **AXA Investment Managers:** Lee Sanders

**BNP Paribas:** Adrian Boehler

**Insight Investment:** Richard Pursell

**Legal & General Investment Management:** Stephen Grady

**Thomson Reuters:** Neill Penney

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Minute no.	Minute	Action owner and due date
1.	<p><b>Welcome and apologies</b> Apologies were received from Lee Sanders, Adrian Boehler, Richard Pursell, Stephen Grady and Neill Penney. The Chair welcomed guest speaker Sakhila Mirza (London Bullion Market Association).</p> <p>The Chair informed attendees that this will be the last meeting for James Bindler (Citi) and Richard Gill (Bank of New York Mellon), who have both stepped down from the Committee, and thanked them both for their contributions.</p>	
2.	<p><b>Minutes of 19 December 2016 and 10 February 2017 meetings and matters arising</b> The minutes of the December and February meetings were agreed. There were no matters arising.</p>	
3.	<p><b>Foreign Exchange Joint Standing Committee (FXJSC) Competition Guidelines Reminder</b> Jonathan Grant (FXJSC Legal Sub-Committee) noted that the FXJSC competition guidelines were unchanged since an update in November 2015. The group were urged to familiarise themselves with the competition guidelines and share within their firms as appropriate.</p>	
4.	<p><b>Sterling Code and Precious Metals Code update</b> Attendees were provided with an update on the development of the UK Money Markets Code and Precious Metals Code. Jon Pyzer (Bank of England) noted that the UK Money Markets Code has been finalised and will be published in late April 2017, and Sakhila Mirza (London Bullion Market Association) provided an update on the Precious Metals Code that will be published end-May 2017. It was noted that combined with the FX Global Code, these documents would succeed existing guidance in the NIPS Code.</p>	
5.	<p><b>New margin requirements</b> Jamie Black (Financial Conduct Authority) provided an update on new margin requirements for non-cleared derivatives trades coming into force on 1 March 2017. The group discussed the implementation of such requirements; some members noted challenges in getting appropriate documentation in place, agreement on margin settlement dates with other jurisdictions, and agreeing valuations.</p>	
6.	<p><b>FX Market Developments</b> James Bindler and Richard Gill began by reflecting on significant market developments and trends observed during their multi-decade careers in the FX market.</p> <p>Attendees then discussed notable developments, including the increasingly bilateral nature of trading relationships, relatively low market volatility and the impact of regulation. The FX Global Code was mentioned as a significant milestone and praised bringing market participants together to discuss important market issues.</p>	
7.	<p><b>Foreign Exchange Global Code Update</b> The Chair updated the committee on progress regarding the FX Global Code and followed by facilitating a discussion on members' commitment to Code adherence following its publication at end-May 2017.</p> <p>The Chair informed the committee that the complete FX Global Code text will be submitted to the Global Economy Meeting (GEM) Governors in mid-March for endorsement. The Chair asked if anyone felt they could not endorse the</p>	<p>Grigoria Christodoulou 18.03.2017</p>

Code to let the FXJSC Secretariat know by Friday 17 March 2017 as the Chair will endorse on behalf of the FXJSC at the May Global Foreign Exchange Committee (GFXC) meeting.

Grigoria Christodoulou (Bank of England) provided an update on the adherence work stream including: (i) an adherence strategy paper sent to GEM Governors for endorsement; (ii) the feasibility of public registers; and (iii) a survey to measure the Code's success.

8. **Any other business**  
None.

9. **The next meeting of the FXJSC will be held on Thursday 11 May 2017**