



UK Money Markets Code Sub-Committee

Minutes

4 February 2019

Location: Bank of England, 20 Moorgate

Attendees: **Aberdeen Standard Investments:** Gordon Lowson (Chair)

ACT: Michelle Price

Aviva Investors: Mick Chadwick

BAML: Alessandro Cozzani

FCA (Observer): Paul Johnson

GLA: Luke Webster

Hoare & Co: Andy Green

HSBC: Ned Taylor

ICAP: Phil Chilvers

IMMFA: Martin Curran*

ISLA: Andy Dyson

Lloyds: James Smith

MTS Markets: Oliver Clark

Nationwide: Jo Dwyer*

RBS: Mark Thomasson

Bank of England: Jon Pyzer (Senior Adviser), Tom Jennings and Rebecca Maher (Secretariat)

Apologies: **Blackrock:** Tim Mcleod

DMO (Observer): Jessica Pulay

LCH: Paul Elkins

Tradeweb: Jennifer Kesser

*Alternate agreed via the Secretariat

Item 1. Introductory remarks

1. The Chair confirmed that the minutes from the October meeting had been published on the Bank's website.¹

Item 2. Annual Survey Results

2. The Bank provided the results from the UK Money Markets Code annual survey:
 - The survey had run from mid-September to mid-October, and was distributed to SMF participants, MMC and Sub-committee members, and relevant Trade Associations.
 - There were 49 respondents in total, including banks and building societies, asset managers and a brokerage firm.
 - The vast majority of respondents had signed the statement of commitment to the Code, or were planning to in the future.
 - The responses showed that decisions to implement the Code had typically been taken at the Board/Senior level, and in many instances proactive steps had been taken to raise awareness

¹ Minutes available on the Bank's website [here](#).



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of the Code through internal communications, provision of training for appropriate staff, and incorporation of the Code into internal compliance codes.

- Respondents' comments overall were very positive regarding the Code, particularly in respect of it providing a good benchmark for institutions to adhere to. Many expressed a desire to see the Code further embedded in the market.
3. The Committee discussed possible means to encourage further adoption of the Code across a wider variety of institutions, including possibly publishing a summary document on the Code produced jointly by members of the Sub-Committee and relevant Trade Associations. Some members also suggested that their respective institutions' relationship management teams and client surveys could raise awareness of the Code, and seek to understand any themes in signing statements of commitment to the Code.
 4. Whilst the Committee agreed that there is further work required to increase sign up to the Code, no member has received notification of any breaches of the Code.

Item 3. FCA recognition of the Code

5. The Bank, in its role as MMC Chair, had applied on behalf of the Committee to the FCA for recognition of the UK Money Market Code. The public consultation would close on 6 February 2019 and, assuming a positive outcome, the Code might be recognised in Q2.

Item 4. Review of the Code

6. The Chair outlined an initial proposal for reviewing the UK Money Markets Code in line with the intention to update the Code every three years. The Committee agreed that the review of the Code will follow a similar approach to the drafting of the Code with regards to work streams focussed on each chapter. The Secretariat agreed to circulate a list of proposed work streams to members ahead of the next Committee meeting.
7. It was anticipated that the Code would be updated to reflect a number of regulatory changes, such as MiFID II. Members agreed to review the Code to identify any high level areas for change ahead of discussion at the next Committee meeting.

Item 5. Forward agenda

8. Discussion turned to potential topics to be included in the Committee's forward agenda for 2019. Suggestions put forward by members included:
 - Impact of the Code on bank disintermediation;
 - Communication strategy on the Code (as discussed under item 2);
 - Education and training on the Code;
 - The impact of Central Securities Depositories Regulation on trade settlement discipline;
 - Interaction between Risk Free Rate reform and the Code;
 - Whether behaviour in relation to market participation at reporting dates was in line with the high ethical standards expected in the Code.

Item 6. AOB

9. The Chair confirmed that the next meeting will take place on 16 May 2019.