



# AUSTRALIAN FOREIGN EXCHANGE COMMITTEE

## MINUTES OF JUNE 2014 MEETING

Thursday 12 June 2014  
Reserve Bank of Australia  
65 Martin Place

### **Attendees**

Guy Debelle, RBA (Chair)  
Matt Boge, RBA (Secretary)  
Chris Howlett, ACI Australia  
Jack Richards, ACI Australia  
Murray Regan, AFMA  
Luke Marriott, ANZ  
Rod Lane, Bank of America Merrill Lynch  
James Connell, CBA  
Darren Boulos, Deutsche Bank  
Chris Soriano, EBS  
David Nolan, Goldman Sachs  
Simon Naish, National Australia Bank  
Will Richardson, Macquarie Bank  
Gary Latner, Thomson Reuters  
Paul Verschuer, Westpac

### **Apologies**

Rachel Hoey, CLS  
Stephen Jani, JP Morgan  
David Kendrick, HSBC

### **Guest**

Keith Sedergreen, ACI Australia

### **Secretariat**

Vicki Newman, RBA

### 1. Minutes of Previous Meeting

The minutes of the previous meeting were accepted without modification.

### 2. Matters arising from the Minutes

Committee members discussed the recently distributed final draft of AFMA's FX and Option Conventions. The draft was accepted subject to some further minor changes. These conventions will now be ratified by AFMA's Market Governance Committee and be prepared for publication by AFMA and co-badged by the AFXC.

The matter of retail FX remains outstanding.

Committee members agreed to strengthen the wording on the home page of the AFXC's website to say that "the AFXC **endorses** the ACI Model Code", instead of 'uses'. The website was updated on 13 June 2014.

### 3. ACI Membership and the Code of Conduct

An update was provided about ACI's ongoing work on The Model Code. ACI representatives advised that they would be approaching banks locally to put forward The Model Code as a global 'off-the-shelf' offering that could stand alongside banks' internal operational and compliance protocols. ACI also noted that there was a stand-alone exam available for The Model Code that institutions may find useful.

### 4. Report of Global FXC meeting

The Chair updated the members on the April meeting of Global Foreign Exchange Committees. A key discussion topic was the various 'Codes of Conduct' used within the industry. The Chair advised that work by the committee secretaries is underway to develop a 'high level principles' statement on FX trading that could be endorsed by each committee.

Refer to [FXC Minutes](#) for details.

### 5. Proposed Changes to AFXC Membership

The Chair proposed changes to membership of the Committee to include two or three representatives from the 'buy-side'. Members were in agreement and the Chair asked that they put forward suggestions to him as to appropriate firms that could be invited to join the Committee.

The Chair also suggested that attendance requirements be strengthened. Currently, members are expected to attend all meetings. It was proposed that where a member is absent for two consecutive AFXC committee meetings without an adequate explanation that it may result in terminating that institution's membership. There were no objections. The AFXC website will be updated to reflect this change.

The issue of alternatives was raised and members were reminded of the guidelines as recorded on the AFXC website: '...alternatives are discouraged unless fully briefed on Committee business, and suitably authorised to make decisions on behalf of their organisation'.

**6. FX Benchmarks**

The Chair advised that the FSB's work on FX Benchmarks (which is he is co-chairing) was well advanced with a draft report to be presented to the FSB within the next month or so.

**7. General Business**

Members were advised that the AFXC website is currently being revamped.

**8. Next Meeting**

Next scheduled meetings:           Thursday 4 September 2014 at 4.00pm  
  Thursday 11 December 2014 at 4.30pm