AFXC **AUSTRALIAN FOREIGN EXCHANGE COMMITTEE**

MINUTES OF APRIL 2014 MEETING

Thursday 3 April 2014
Reserve Bank of Australia
65 Martin Place

Attendees

Guy Debelle, RBA (Chair)

Matt Boge, RBA (Secretary)

Jack Richards, ACI Australia

Murray Regan, AFMA

Luke Marriott, ANZ

Rachel Hoey, CLS (via teleconference)

James Connell, CBA

Darren Boulos, Deutsche Bank

David Nolan, Goldman Sachs

Stephen Jani, JP Morgan

Simon Naish, National Australia Bank

Will Richardson, Macquarie Bank

Gary Latner, Thomson Reuters

Paul Verschuer, Westpac

Apologies

Chris Howlett, ACI Australia

Rod Lane, Bank of America Merrill Lynch

Chris Soriano, EBS

David Kendrick, HSBC

Guest

Simon Wright, Macquarie

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**

An update was provided to the Committee on the progress that had been made on AFMA's FX and Option Conventions. A draft of the combined FX and Option Conventions had been distributed to the members prior to the meeting and they were asked to review this document within their own organisations and to respond with suggested changes before the next meeting. The intention is that these Conventions be co-badged as AFMA/AFXC and therefore it is important that AFXC members provide input.

The response from ASIC to the AFXC on retail FX was provided to the Committee.

3.   **CLS Initiatives**

A brief update was provided on relevant CLS strategic initiatives. CLS are working with a number of countries and are at various stages of progress towards settlement. Work is progressing on Cross Currency Swaps.

4.   **FX Benchmarks**

The use of local fixes was discussed and members were asked to provide the Chair with usage details by the following Wednesday.

5.   **Thomson Reuters Matching Rule Book**

Thomson Reuters have circulated information on 'Proposed Changes to the Matching Rule Book' to users for comment by 30 April 2014. A brief update on those proposals was provided. The Committee were encouraged to participate in an open forum Webx to be held in 2 weeks. An email with timing details will be forwarded by Thomson Reuters.

6.   **Global FXC Meeting**

Agenda items for the global FXC meeting on 11 April were discussed.

7.   **Discussion on ACI Model Code**

The Committee were asked to consider whether the AFXC should strengthen the language it used around the ACI model code. It was suggested that the term 'uses' be replaced with 'endorses' and that attention be drawn to the 'confidentiality' clause. Members were asked to provide the Chair with feedback by the following Wednesday.

8.   General Business

A brief outline on upcoming changes to the ACI model code was provided. The Chair asked the Committee to review the ACI Model Code with particular attention to 'Confidentiality' and their internal practices for discussion at the next meeting.

ACI advised that Marshall Bailey had been appointed as President on a full-time basis.

Progress on the clearing of NDF's and Options was discussed.

A proposal to publish the AFXC agenda and minutes on the AFXC's website was put forward by the Chair. The agenda would be published the day prior to the meeting. The minutes would not be published until after they had been agreed and accepted at the following Committee meeting. Committee members were asked to respond to the Chair with any comment.

9.   Next Meeting

The next meeting will be held on Thursday 12 June 2014.

Australian Foreign Exchange Committee
April 2014