

## **Minutes of the Foreign Exchange Committee Meeting**

Meeting, April 4, 2019

Host: Blackrock

### **FXC Attendees:**

JENS ANDERSEN	Standard Chartered
TONY BISEGNA	State Street
MARK BRUCE	Jump Trading
YUDHVEER CHAUDHRY	Blackrock
NATALIA CHEFER	DE Shaw
JOSE LUIS DAZA	QFR
MARIA DOUVAS	Morgan Stanley
SETH JOHNSON	Nex Markets
CLAUDIA JURY	JP Morgan
RUSS LASCALA	Deutsche Bank
DAN LENNON	CLS
MICHAEL O'BRIEN	Eaton Vance
NEILL PENNEY	Refinitiv
JODI SCHENCK	Citi
JESSICA SOHL	HC Tech
JAMES SINCLAIR	Market Factory
BOB TULL	Fifth Third Bank
CHRIS VOGEL	TD Securities
ADAM VOS	BNY Mellon

### **Federal Reserve Bank of New York Attendees:**

ALEX COHEN  
MICHELLE EZER  
CHRISTINA GETZ  
MICHAEL NELSON  
JAMIE PFEIFER  
SIMON POTTER  
MATT RASKIN  
DAN REICHGOTT  
PERTSHUHI TOROSYAN

ALAIN CHABOUD, Board of Governors

## 1. Review of Charter and Antitrust Guidelines

Members reviewed updates to the Committee's [Charter](#) and the Antitrust Guidelines for the [Federal Reserve Bank of New York's Advisory and Sponsored Groups](#) ("Guidelines"). It was noted that the Guidelines replace the FXC's prior antitrust guidelines. NY Fed counsel instructed the members to review the Guidelines and share them with colleagues from their institutions who also work on FXC matters. He also highlighted the appropriate role of best practices and market conduct recommendations, addressed anti-competitive conduct that could cause legal or reputational risk to the FXC and the NY Fed, and directed Committee members to reach out with questions about anything they find unclear in the policy.

## 2. FXC Strategic Objectives

The FXC Chair reviewed feedback from Committee members on three positive aspects of the FXC and three areas of improvement. FXC members discussed ways the FXC could continue to achieve its objectives by focusing on issues and developments in the FX market with a longer-term time horizon, bringing in expert speakers on certain topics, more closely considering the audience for output of the Committee and refreshing guidelines around impromptu meetings.

## 3. Global Foreign Exchange Committee update

The FXC was provided with an update on the [GFXC working groups](#) related to Cover and Deal, Disclosure and Transparency, Buy Side Outreach and Embedding the FX Global Code. FXC members provided feedback on ways to conduct outreach around the Cover and Deal work including suggestions to reach out to relevant trade associations, industry groups and consulting firms as well as general outreach on the Code to the buy side community. The [next Global FXC meeting](#) will be held on May 22 and 23 and hosted by the Bank of Japan.

## 4. FX market flash events

FXC members discussed recent FX market flash events. James Sinclair provided a [presentation](#) for discussion which included defining a flash event and reviewing the 2016 sterling flash event, the 2019 yen flash event and other flash events. Jose Luis Daza also provided views on flash events from his perspective. The FXC discussed various features that could exist during each stage of a flash event, building upon the three stages set out in the BIS Markets Committee [publication](#) on the October 2016 sterling 'flash event': sharp price movement, dysfunction and recovery. Potential next steps for this work for the FXC were also discussed, including a potential publication from the Committee that could highlight views gathered on the anatomy of FX market flash events.

## 5. Market discussion

Dan Lennon, Chair of the Operations Managers Working Group (OMWG), provided an update on the OMWG's first meeting of the year which took place on [March 28](#). The OMWG discussed initiatives and topics for future OMWG meetings as well as updates on the work of the FXC and Financial Markets Lawyers Group (FMLG).

Private sector FXC members discussed the outlook for US monetary policy and potential implications on financial markets across asset classes. Recent developments in the Turkish lira were noted and views on the outlook for that currency were discussed.

#### 6. Other business

The next FXC meeting will be May 15, 2019 and hosted by Societe Generale.