

ACI eUPDATE

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- **ACI USA:** first roll out event scheduled for January 2013
- **Re-written Model Code:** endorsement and marketing events planned for January 2013
- **Congresses:** 52nd **ACI World Congress (Singapore)** - <http://www.acisingapore2013.sg/>

The Executive Board informs:

- **Foreign Exchange:** US Treasury announced that **FX swaps and forwards will not apply to central clearing and exchange trading requirements**

The US Treasury has announced November 16th, it is exempting both foreign exchange swaps and foreign exchange forwards from the definition of 'swap'. As a result, FX swaps and forwards will not be subject to central clearing and exchange trading requirements but will be subject to reporting and business conduct requirements. ACI welcomes this decision and will ask European regulators to vote the same way.

LINK to the Press release from the U.S. Department of the Treasury:
<http://www.treasury.gov/press-center/press-releases/Pages/tg1773.aspx>

LINK to view the Determination of Foreign Exchange Swaps and Foreign Exchange Forwards under the Commodity Exchange Act:

http://www.aciforex.org/docs/evenements/doc/20121116_Dodd-Frank_Act_Determination_of_FX_Swaps_and_Fwds_under_the_Commodity_Exchange_Act.pdf

- **EURIBOR:** ECB recommends to EC to keep Euribor-EBF as the benchmark manager

i) European Commission's Public Consultation

On 5 September 2012 the European Commission released for public consultation a working document entitled "A Possible Framework for the Regulation of the Production and Use of Indices serving as

Benchmarks in Financial and other Contracts', in order to assess whether further regulation in the production and governance of benchmarks is necessary.

Today, the EURIBOR Benchmark serves as a reference rate for contracts amounting to a notional value of hundreds of trillions of euro, linked to both over-the-counter (OTC) and exchange-traded derivatives. The ECB answered to the EC consultation and further **recommends to keep the Euribor-EBF as the benchmark manager**. ACI is co-founder of the benchmark but also part of the Euribor Steering committee.

LINK to the ECB response of the EC's Public Consultation:

http://www.aciforex.org/docs/evenements/doc/20121116_EC_consultation-regulation_of_indices-eu.pdf

ii) EURIBOR Stakeholder's Workshop + Result of the Questionnaire

October 12th, the Euribor-EBf organized and hosted the Euribor European stakeholders' workshop. Experts from the Euribor panel, banks and associations (ACI, ESBG, EACB, Euribor-EBf), Supervisors (ESMA, FSA, EBA) the ECB and the European Parliament Finance Watch met to discuss the inadequacy of the Libor accusations.



EURIBOR Stakeholder WS

It was concluded that some of the actions to be accomplished were:

1. The enhancement of some definitions of the benchmark
2. The improvement of contributor's education
3. To maintain the methodology of the benchmark calculation which demonstrated its robustness during the crisis
4. The review on medium term of the overall methodology
5. The strengthening of the global approach of any Euribor topic between the contributors and the Euribor Steering Committee

The EBF forwarded an Euribor-Questionnaire October 24th aiming to design a common contribution guideline and to gather panel bank's views as the experts of the market.

LINK to the Conclusions of the Questionnaire on EURIBOR:

http://www.aciforex.org/docs/evenements/doc/20121116_EBF_conclusions_of_the_questionnaire_on_Euribor.pdf

• **Turkish Dealers Association: ACI hosted a Treasury reception in Istanbul**

At the occasion of ACI's Council meeting in Istanbul the Executive Board and the Council met with the local Turkish Traders Association/Para Yöneticileri Derneği. A recent publication from the Turkish Banking Regulation and Supervision Agency defines the asset size of the Turkish Banking Sector to TL 1.309 billion as of 9/2012 (an increase by 7,5% to end 2011). The sector's return on assets and return on equities are realized respectively as 1,8% and 15,7%, which are remarkably high.



Opening of the Networking Reception:

Some 200 people of ACI and the Turkish traders met for a first contact. Bora Böcügöz, VP of the local association and further board members were amongst the guests. Both associations showed interest in deepening their contacts.

LINK Pictures: <http://www.aciforex.org/aciebmeetingistanbul/>

- **ICA: Abdullah Al Ahmadi re-elected ICA President in Casablanca**

Interarab Cambist Association – ICA, ACI’s sister body in the Middle East area, held its yearly conference in Casablanca. Some 500 delegates gathered for the networking meeting. ACI held its ACI Foreign Exchange committee meeting at the occasion. **Abdullah al’Ahmadi became re-elected President**, and Amr Bahaa stays as Vice Chairman. The meeting focused on regulation and the financial crisis. Amongst the speakers were Tony Blair, ex Prime Minister UK and Dominique Strauss-Kahn, ex Chair of the IMF, who both held excellent key-note speeches on the region and the sovereign debt crisis in Europe.



Left - Abdullah Al Ahmadi, President ICA



Dominique Strauss-Kahn



Tony Blair

Right - Amr Bahaa, Vice Chairman

- **FX Education offer for China: ACI and IFBL tailor made a program for CFETS**

On request by CFETS / China Foreign Exchange Trade Systems ACI International, ACI Luxembourg and IFBL (The I’Institute) put together a program for FX Best Education. CFETS is a sub-institution of the People’s Bank of China (PBOC), headquartered in Shanghai – all RMB members/traders need to be registered at CFETS. IFBL is a non-profit foundation created in 1990 by the Luxembourg Bankers Association. The Chinese inquiry is for FX courses in China and Europe aiming to receive best and deepest inside knowledge of Foreign Exchange Trading. **ACI and IFBL distributed together the offer** in providing best education according to the request – waiting for reply. Potential: 1,000 students



ACI Lux – IFBL – ACI International 10/2012



ACI International – CFETS – ACI China 7/2012

The Ministry of Finance Luxembourg offers subsidy for the introduction courses. The offered training modul will be a topic at the next scheduled meeting between the Finance Minister of Luxembourg and the MoF China in January 2014. (Luxembourg turns out to become the new hub for Chinese banks in Europe.)

• **Education: BOE is working to enrich the certification program**

Claudia Segre, Chair of the BOE and Andreas Emser, Director of Education presented their new program exams/certification during the last EB and Council meeting in Istanbul .



The certification program of ACI will change from a two into a three level program. The character of the exams will not change but will enable to provide several options in obtaining finally the level three, which will then become the ACI Diploma. The change will allow to enhanced deepening of financial knowledge but also to extend into new business fields not yet covered by the current certification program.

First step will be the implementation of the new re-written Model Code into the Dealing Certificate, which is targeted for April 2013. As next step the BOE will work on the new program confirmed by the Council – rollout (including all systemic changes) may be expected in first half 2014.

Claudia Segre, Chair Board of Education

Between 2008 and 2011 ACI did count an average of 1,402 certificate takers (topping during 2010 with 1,477 exams taken). The biggest requests came from South Africa, Great Britain and Germany. ACI's certificates recognize a new trend: banks as National Bank of Abu Dhabi, Lloyds Bank and UBS are inquiring for each of a hundreds of vouchers, mainly focusing for the Operations Certificate of ACI.

• **African Region: Brigid Taylor elected new Member Executive Board**

Women power moves into ACI's committees. At the Istanbul Council, Brigid Taylor became confirmed new Executive Board member of ACI. She is now woman #3 in the inner circle of the decision making body of the association.



Brigid Taylor, EB member African Region

The Executive Board, with the support of the Council, decided earlier that year, to split the region Middle East and Africa into

- **ACI MENA:** Bahrain, Egypt, Jordan, Kuwait, Lebanon, Tunisia, United Arab Emirates
and
- **ACI Africa:** Kenya, Mauritius, Nigeria, South Africa, Tanzania, Zambia

The split will help increasing the service for regional affiliated associations. It will be easier to represent the demands of the region at the Executive Board in future.

Brigid is Head of Institutional Flow at Nedbank Capital, Johannesburg. She started in 1990 at First National Bank and always kept in touch with the FX business – GOOD LUCK Brigid.

• **Change to a paid ACI President & CEO: Upcoming election on top of ACI**



ACI's Council at the Istanbul Meeting – 9th November 2012

ACI's Council contributes to the changed environment in our professional banking industry. At the recent meeting the Council passes a proposal (one dissenting vote) to move for a paid President & CEO on top of ACI in future. This will enable full service to the affiliated associations but also full concentration into the working groups, regulatory challenges and the manifold co-operations of ACI.

At the next ACI World Congress, March 2013 in Singapore, the term of Manfred Wiebogen will end (second term in post). Based on some Councillors and EB members experience but also the findings of the CK report it became confirmed, such a function needs full-time attention. The risk of running ACI on a semi-professionalism basis is too high and undermines its importance externally and internally. Luckily Wiebogen received enormous support from his bank for running ACI on the top since 2007.

Eddie Tan, Vice President and Chair of the Nominating Committee will take the lead to work on further proposals on *how and under which terms and conditions* such a change may become implemented.

Theme: *Continuity and Sustainability for ACI*

• **ACI USA: First roll-out event scheduled for January 2013**



ACI USA is on the way.....

Francis Mangarella and his team is close to form the association. Currently the composition looks the following: Commerzbank, HSBC, Citibank, BofA ML, JP Morgan, Thomson Reuters/FXALL, Millenium Partners, GAIN, Drinker Biddle (Law firm), FiREAPPS.

The team collects now the **bios**, the website is most likely to be **ACI-America.com** and will be a combination of the sites from Asia and Singapore.

A first roll out event will include a panel and moderator to discuss '*Banking in a post-Dodd Frank world*' from a banking and client perspective. The discussion will reflect legal perspective, an ISDA perspective, Prime Brokerage, SEFs, e-Trading, etc. For the time being two dates are envisaged: Jan 17 and 24.

After many years of absence an ACI USA/America is within reach again!

- **Re-written Model Code: Endorsement and marketing events planned for January 2013**

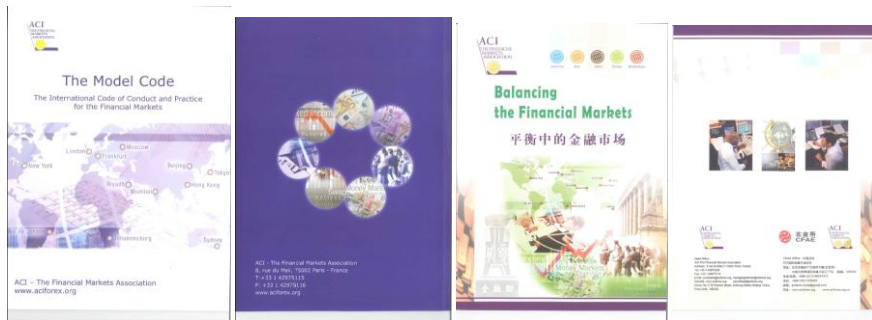


David Woolcock, Chair CFP

David Woolcock presented the re-written version of *The International Code of Conduct and Practices for the Financial Markets* (MOC) at the Istanbul meeting to the audience. The Council will take a final review of the version until November 28th. The MOC then will become finalized in its written form and design.

Next steps will be an endorsement procedure with the ICC, the International Chamber of Commerce in Paris, showing enormous interest in promoting and supporting ACI's Model Code. Arbitration disputes becoming a bigger issue!

ACI and ACI UK are planning an official 'inauguration' reception of the *NEW Model Code* in the City of London January 2013. This will become the start of ACI's promotion and marketing campaign during the next year.



ACI Marketing Brochures (under review) – The Model Code / General ACI Brochure / Education in preparation

- **Congresses: 52nd ACI World Congress (Singapore)**

ACI is hosting its 52nd World Congress in Singapore, 14-16 March 2013. The congress will follow a long lasting tradition of the association bringing people together (networking), discussing market relevant topics (regulation, trends and developments) and communicating with central banks and regulators.

<http://www.acisingapore2013.sg/index.html>

52nd ACI WORLD CONGRESS
 14-16 March 2013 SINGAPORE
 The Sands Expo and Convention Centre, Marina Bay Sands



Organised by
ACI SINGAPORE
 The Financial Markets Association



REGISTRATION OPEN

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