



## FINANCIAL CRISIS IN THE SPOTLIGHT AT ACI WORKSHOP

The ongoing financial and economic crisis was the subject of discussion at a special ACI workshop held alongside ACI's regular meetings in Singapore on November 5-6. The workshop was the idea of ACI's Executive Board, which saw the opportunity for ACI to leverage the impressive range of skills present on its Council and provide some direction for its members and the industry at large.

One of the key drivers of the meeting was the belief that financial markets cannot, and should not, continue to operate as they have in the recent past. Specifically, it was argued that exceptional events need exceptional measures. The crisis had been ongoing for almost 18 months at the time of the meeting and ACI's Executive Board and Council were able to dedicate two half-day sessions on the markets during the Council meeting.

Some 45 members from 23 different countries took part in the workshop, including representatives from the Swedish central bank, the Sveriges Riksbank, and the Bank for International Settlements.



WORKSHOP ONE IN ACTION

*continued on page 2*

## Contents

FINANCIAL CRISIS IN THE SPOTLIGHT AT ACI WORKSHOP .....	1	SRI LANKA TO RUN OPS EXAM.....	11
MESSAGE FROM THE PRESIDENT - REVIEWING 2008 .....	4	ACI ITALY HOSTS 6TH BANKING MEETING .....	11
THE GATEWAY TO OPPORTUNITY ....	5	EGYPT HOSTS 34TH INTERARAB CAMBIST ASSOCIATION: .....	12
THE ACI FORUM.....	6	MEET THE NEW ACI EXECUTIVE BOARD.....	12
CELEBRATING 10 YEARS OF THE EURO .....	8	EUROFI RELEASES RECOMMENDATIONS FOR ECOFIN 14	
ACI EDUCATION DELIVERS EXCELLENT RESULTS .....	9	FED SETS OUT AGENDA FOR OTC DERIVS	
FMAC SETS AGM DATE.....	11	PROCESSING IMPROVEMENT .....	16
END OF AN ERA AT ACI AUSTRIA .....	11	VISIT ACI'S NEW WEBSITE .....	17

## PURPOSE AND GOALS

After a short introductory speech, the President of ACI, Manfred Wiebogen, identified the main goal for the workshop, which was ‘to analyse the financial crisis and to learn from our different points of view and experiences, in order to formulate a statement for supporting regulators, central bankers and our industry itself’.

Christoph Niggli, Chair of the Board of Education, Reuben Caruana, who acted as an assistant on the workshop, and Wiebogen moderated the programme. Participants were divided into four groups of some 10 members each and each group nominated a moderator, someone to take notes and write up the key points, and a speaker.

The key issues discussed were the events that had brought the industry to its current state; what was needed to change if we are to prosper; and ACI’s role in addressing this change.



Workshop One was focused upon understanding conditions in the industry today and the main challenges facing it. Participants engaged in a lively discussion before establishing the following:

- *We have a highly collateralised interbank money and FX market*
- *There is a new market landscape populated by fewer counterparties, which in turn has led to high concentration risk*
- *We are facing greater regulation as central banks and regulators play an increasingly active role in market – hence there is greater emphasis on sovereign risk*
- *Derivatives are likely to require higher margins, which will make them more expensive to carry and thus less attractive to utilise*
- *A re-definition of what is considered to be wholesale and retail banking is required, with different rules and regulations applying to each*

With the ground rules and basic framework established, Workshop Two focused upon ACI’s role in the current environment – specifically what ACI needs to change about itself, and ACI’s view of the major market topics that need to be addressed by all in the industry, including regulators and market participants.

Looking at “internal” issues, the meeting decided that ACI’s image needs to be modernised, with a real focus on the future. It needs to be more flexible and act quicker and speak with a louder voice in industry debates. This involves closer communication and cooperation with regulators in dealing with crisis management issues, and expanding its international influence.

Furthermore, it was recommended that ACI establishes a Task Force with the specific aim of supporting regulators’ work and ensuring the market’s voice is heard by those regulators when they are to consider market oversight.

To support this, wider recognition is to be sought regarding ACI’s educational programmes and The Model Code in particular.

While achieving this, the meeting also stressed the importance of ACI maintaining its core values, as well as the need to continue to reinforce some of the positive steps already taken by the organisation.

## MARKET ISSUES

The two day workshop closed out with a wide-ranging discussion over pressing market issues.

Regarding the **fewer number of counterparties**, the meeting decided the major negative aspects of this were the loss of market depth, increased systemic risk, and the loss of trading opportunities leading to less revenues. In turn, this could lead to increased risk being assumed by participants and a continued move to even more complex products to compensate for lost revenue streams. This could see the regulators left behind, it was argued, thus the industry could find itself in a spiral similar to the one that led to the crisis in the first place.



ACI’S GLOBAL MEMBERSHIP DEALS WITH A GLOBAL ISSUE

On a more positive note, the meeting said recent events had re-focused the industry on the need for greater knowledge of how the market functions and its behaviour and had triggered a “back to basics” move wherein risk is priced more appropriately, relationships are key and training is no longer viewed as a luxury.

**A need to alter how bank managements view the Treasury business** was also discussed at the workshop. While understanding that pressure comes from shareholders, a persistent issue was seen as being bank management placing pressure on the Treasury function to increase profitability by 15-20% per year. This is adding to the pressure for more complex products, which represents a risk of repeating past mistakes.

Equally, the pressure on the Treasury function has eroded team spirit and the focus on individual performance could lead to higher (and potentially excessive) risk taking on the part of individuals. This mis-direction regarding innovation is also creating a “short term” mindset in the Treasury function.

Finally, it was argued that a more realistic approach on the part of shareholders and a reduced pressure to raise capital may help alleviate another problem in the current environment – cost centres growing faster than profit centres.

While ACI adheres to its principal that the foreign exchange markets in particular work efficiently under a self-regulatory framework, the meeting did acknowledge that **greater regulation and participation on the part of the authorities is inevitable**. It accepted that more supervision was required in some areas, but it stressed that clear and specific regulations are needed which provide explicit guidance for banks.

**Central banks can also play their part in alleviating the current crisis** by making liquidity available at cheaper rates and utilising wider pools of collateral. That said, the focus should be on long term funding and once the crisis eases banks “hoarding” liquidity should be punished, according to participants at the workshop.

To achieve the above, a greater level of cooperation is needed among central banks – perhaps involving some form of “cross-guaranteeing”. This in turn could evolve to a global body to oversee activities and the market framework in all geographies and markets.

**The ultimate aim of the new wave of regulation should be to manage a de-leveraging** by fixing limits relating to capital – these should be agreed by all central banks to implement them on a global basis to avoid further instances of regulatory or jurisdictional arbitrage.

**ACI can, and should, have an advisory role in this process, it was argued, given the broad spectrum of market participants included in its membership. Furthermore, it is ACI’s role to lobby on behalf of the industry to ensure any regulation is appropriate.** To this end, the meeting believed it was time for the global regulators to “pay up” for top notch talent with a broad experience of the markets. This would enable to the regulators to effectively police the global financial markets with the confidence of all participants.

The two day workshop was a tremendous success and demonstrated the value, as well as the talent, available within the organisation. As the situation evolves, President Manfred Wiebogen says the Executive Board is planning another workshop alongside the Council meeting at the World Congress in Cape Town.



GETTING TO GRIP WITH THE ISSUES AND CHALLENGES FACING OUR INDUSTRY

## MESSAGE FROM THE PRESIDENT - REVIEWING 2008



Dear ACI Members and Readers,

At the end of the year let me tell you some good news. The year 2008 was a busy year for ACI (you can follow the developments on our website) and raised many challenges for the future.

**Some major topics in 2008** were:

*The signing of an Education Managing Services Agreement with the Frankfurt Business School, which will enhance the quality of our education programme*

*The 47<sup>th</sup> International Congress Vienna, well organised by ACI Austria and very well attended*

*The launch of ACI Asia as a regional group and the inauguration ceremony in Hong Kong*

*ACI's participation at the EUROFI European think tank in Nice*

*The 34<sup>th</sup> ICA (Interarab Cambist Association) Congress in Egypt*

*The launch of the new Operations Certificate*

*The implementation of the new structure of ACI leading to new statutes and guidelines*

*The composition of a new Executive Board*

*The launch of a new Web page*

*A questionnaire on Money Markets to our members, a summary of which was provided to regulators and other financial authorities*

*An ACI workshop on the market crisis involving Council members – an event we will repeat in South Africa and on other occasions where necessary*

*The hard work of members of the Board of Education, Committee for Professionalism, the Euribor ACI Working groups, and the ACI Foundation*



MANFRED WIEBOGEN

## **EXECUTIVE BOARD COMPLETE**

Furthermore, the Executive Board is now complete! Besides the President and the Treasurer (Aldo Bortolotti, Banca Popolare di Milano), we have Representatives from Americas (Lynn Kennedy, Bank of Montreal Toronto), Asia (Eddie Tan, Citigroup Singapore), Europe (Pier Mario Satta, UniCredit Milano), Middle East and Africa (Amr El Ganainy, Commercial International Bank Cairo). This new structure will mean easy handling of issues and a quick manoeuvring of and within the association. Politics is kept out of the committees (Board of Education, headed by Christoph Niggli, UBS Zurich and Committee for Professionalism, headed by Terry Tanaka, RBS Tokyo) which provides a neutral and efficient working environment.

## **COUNCIL WORKSHOP**

The recently held Council workshop on the market crisis (Singapore, November 2008) identified a lot of cornerstones and to dos for all of us. One issue focussed on “What needs to be addressed by ACI?”: ACI shall remember its *core values*, shall *closer communicate with central banks and regulators*, but shall further strengthen our *assets*, *The Model Code* and our *Certification Programme*. In addition ACI shall seek greater *international influence*, shall get *fully involved in crisis management* and shall seek a higher *public profile*.

The workshop also discussed some market topics: *Counterparties* (interbank), *Bank Management* (and its consequences), *the Role of Central Banks* (and what might we expect), *De-leveraging* and *Regulators*. You will find a summary of the meeting inside this issue of *ACI Briefing*, but it is clear that all these points need to be monitored closely. Among other things, ACI will monitor developments from the world's regulators arising from the crisis.

## **NETWORKING**

Last but not least – networking! Who of you does not receive invitations to share friendship or professional contacts on the Web via LinkedIn, Facebook, Viadeo etc.? “*Your professional relationship is the key to our professional success ...*”, is the beginning on LinkedIn's website. Hey, this could be copied from ACI! Hasn't ACI provided a worldwide network for years now? This, as I like to remind you, is a huge benefit of membership of our Association. We are bringing people together. We are organising educational events. We are hosting International/Regional/National meetings for our community. The 47<sup>th</sup> International Congress Vienna was this year – the **48<sup>th</sup> International Congress – Cape Town is next year (11-14 March 2009)**. Please keep this date, it is time to register. I believe networking has become more important than ever before. The economic crisis has changed a lot, and it is time for us to move closer together again. In the '90s we had an international ACI Directory. How easy was it to find any counterpart anywhere in the world! Maybe we should think of it as a Christmas present for 2009?

*On behalf of ACI's Executive Board,  
we wish you festive days and serenity throughout the coming year.*

Manfred Wiebogen  
President ACI - The Financial Markets Association

# THE GATEWAY TO OPPORTUNITY

Crisis and opportunity exist in equal measure in the current financial climate, as ACI members can attest. Throughout its long and proud history, ACI – The Financial Markets Association has been at the centre of the debate over the evolution of markets and in the shadow of South Africa's famous Table Mountain in Cape Town, ACI South Africa seeks to extend that tradition as it hosts the Association's 48th World Congress.

The Congress is to be held in Cape Town from March 11-14 2009 and delegates will have the chance to meet their peers as well as join in the debate with a host of global figures, from central bankers to leading economists. More than ever, there is a need to build and maintain relationships, as well as to understand what is going on around us, both at regulatory and desk level. At the 48th World Congress, ACI South Africa will provide many opportunities to do all that and more.

As well as the chance to hear from the people at the centre of coping with the current financial crisis, ACI South Africa is also bringing together speakers from the investment management, banking and technology industries to provide a clear picture of how events are shaping our market.

As always at an ACI World Congress, the latest technological innovations will be on show in the Exhibition Hall and opportunities for social networking and re-acquainting oneself with old friends will exist alongside the business sessions.



## SHOWCASING AFRICA

The Congress has been titled "Gateway to Opportunity" given South Africa's position that in many eyes makes it the gateway to Africa. While there is a financial crisis raging at this time, opportunities still arise, and many of them are in new geographical locations – especially Africa.

Africa was slow to register on many market participants' radars, however the need for return and margin – allied to increased ease of access through the deployment of technology and the demand for commodities – means that Africa is increasingly on financial professionals' maps.

Previously held back by political instability, the continent is changing fast on that front. Research from the African Business Research Institute in 2004 indicated that 12 countries in Africa had what it termed an undemocratic political system, compared to just 10 with democratic systems in 1980. The increasing economic health of the continent is illustrated by research from Morgan Stanley in late 2007, which placed three African sovereign wealth funds in the world's top 30.

As well as Nigeria, Botswana and Uganda, the three aforementioned sovereign wealth funds, oil and mineral finds across Africa in places such as Sudan, Tanzania and Uganda are likely to provide income streams to enable other countries to establish similar funds.

All of this means that Africa is going to play a much larger role in the future of our industry – especially if it is to recover and continue to grow post-credit crunch. Over three days in March 2009, the list of speakers brought together by ACI South Africa will highlight not only solutions to existing crises, but more importantly the opportunities that will enable our industry to thrive.

For more information or to register to attend ACI's 48th World Congress, go to [www.aci2009capetown.com](http://www.aci2009capetown.com)

# THE ACI FORUM

**A**s part of its ongoing strategy to engage everyone in our industry, ACI – The Financial Markets Association is inviting leading figures from the financial markets to discuss the evolution of our industry. In this issue, we pick the key points and recommendations made in a recent White Paper published by inter-dealer broker ICAP, which looks at the future of OTC markets.

## *WHAT IS THE RATIONALE OF THE PAPER?*

The global wholesale OTC markets are critical to the effective functioning of the global financial system. The vast majority of financial asset classes only exist in the OTC environment and consequently the efficient functioning of these markets is essential for the free flow and availability of capital, the mitigation of risk and investor choice. The paper assesses the current status of the trading, transaction processing and risk management infrastructure that supports the wholesale segment of the OTC markets and sets out some recommendations that ICAP believes would improve the quality and robustness of this infrastructure.



MARK YALLOP

## *WHAT ARE THE KEY FACTORS IN THE CURRENT MARKET DISRUPTION?*

ICAP believes that the current market disruption is fundamentally a result of loss of confidence in financial reporting, specifically in relation to the valuation of certain types of mortgage backed securities, coupled with a systemic failure to practise prudent risk management. The impact of this loss of confidence has been hugely magnified because of the build up of leverage in the financial system in recent years, inadequate attention to liquidity management, a lack of transparency in reporting and management failure to understand balance sheet risk.

Derivatives generally and credit derivatives in particular have received much abuse because they are perceived to have been the tool through which speculators have taken leveraged and uncontrolled bets on credit. This is despite the fact that they have been the vehicle through which banks have assisted mortgage providers and other corporations to reduce risk and hedge their cash flows and have helped market participants to mitigate credit risk exposures to bond issuers and other borrowers. Credit and other derivatives are a symptom of the underlying problem, rather than its cause.

There is no doubt that an overhaul of some areas of the regulatory framework supporting wholesale financial markets is now necessary. In certain areas this may need to be extensive, but serious – and perhaps unintended and unfortunate – consequences may well follow if a wrong diagnosis of the problem is reached and/or the wrong actions are taken in response to the current market turmoil. The impact of these consequences would fall on many “bystanders” outside wholesale OTC markets, including governments and corporate and retail borrowers and investors.

The regulatory response to current events need to focus on simplifying and enhancing the transparency of the already existing OTC market infrastructure and making this more robust in those areas where it is insufficient.

## *WHAT DOES ICAP BELIEVE ARE THE KEY CHANGES REQUIRED IN THE OTC MARKET INFRASTRUCTURE?*

Efforts to improve the quality and safety of the infrastructure that supports OTC markets should be focussed on the following key goals.

**i) The wider adoption of electronic trading.** Today the spot FX and major worldwide government bond markets all trade electronically. The benefits of electronic trading are numerous: price transparency is greater, trade capture is simpler and can be automated more easily, trade affirmation and confirmation are easier, regulatory reporting requirements are easier to fulfil.

Electronic trading needs to be adopted by more OTC market participants for more markets than at present. For example, the electronic trading of credit default swaps in North America and of interest rate swaps globally would be a major step forward for the industry.

**ii) Quicker settlement cycles in all securities markets.** All significant OTC securities and repo markets worldwide are already cleared, however there is still wide variation in settlement time cycles. In some markets this process takes three working days (and hence up to five calendar days if a weekend intervenes). In others it is completed in one working day.

More resources should be devoted to achieving a T+1 settlement cycle for all securities markets. This effort will require more work by the respective central counterparties and clearing houses on their own infrastructures.

**iii) Faster and automated affirmation/confirmation of all derivatives trades.** Icap concurs with the goals of the CRMPG [the Counterparty Risk Management Policy Group] and wholeheartedly supports the global regulatory push to speed up and automate the affirmation and confirmation of OTC trades as close as possible to trade date. At present this process still takes too long.

**iv) Greater use of net cash settlement.** Individual and systemic risk could be much reduced, and transparency increased, if there was a clearer distinction between transactions that genuinely require to be settled by the delivery/transfer of actual securities, commodities etc. and those that could be settled on a financial basis by the payment/receipt of a simple cash transfer representing the market value of the transaction. To support this objective, much greater use needs to be made in future of tools that already exist to facilitate the “netting” of transactions that are currently settled on a “gross” or “physical” basis.

**v) The wider adoption of central counterparty give up and/or central clearing for OTC derivative markets.** In those markets that do not already operate a central counterparty, introducing a CCP/clearing house for risk mutualisation and as a shock absorber would have many risk management benefits; provided that access to that CCP/clearing house is open to all execution venues on a level playing field.

Vertical integration of CCP/clearing with a single execution venue (as happens on some exchanges) diminishes competition, increases costs and reduces flexibility. Greater use of CCP functions should also potentially facilitate further progress with portfolio reconciliation and compression and netting or transactions.

**vi) The wider adoption of portfolio compression in derivatives markets.** Because of the relatively long tenor of individual derivatives transactions, portfolios of derivatives grow quite large in size over time. Even though the real credit risk in a large portfolio is a fraction of the overall portfolio size, these large portfolios create increased operational risk. Normally it is possible to reduce materially the overall “size” of a portfolio of derivatives by “compressing” or “tearing up” transactions within the portfolio that naturally offset each other.

Regular compression of derivative portfolios, ideally on a multi-lateral basis, reduces operational risk, credit risk and systemic risk (and thereby increases return on capital for market participants). Technology to perform this function already exists (TriReduce) and should be more widely used.

## ***WHAT ARE THE CONCLUSIONS OF THE PAPER?***

Three points are fundamental:

The solution does not lie in attempting to transfer OTC trading onto exchanges.

The experience of previous attempts to move OTC market trading onto an exchange format has been very poor. In the past couple of years attempts to launch FX trading (FXMarketSpace) and credit default futures (on both CME and Eurex) have all failed to take hold. This is no accident. The majority of participants in the FX and CDS markets need the flexibility that OTC markets allow and cannot accept the standardisation that exchanges enforce. These and other OTC markets trade, and need to continue to trade, separately from exchange markets.

Central counterparty mechanisms must be required to maintain open and fair access to all trading venues and participants wishing to use them. This is not just an issue of ensuring fair and open competition in trading – which is a fundamental point – but (equally importantly) of ensuring that the CCP/clearing house is actually adopted by the market. If CCP/clearing is “tied” to a particular trading venue, market participants will fear that that trading venue may abuse its economic power, to the disadvantage of traders, once its “tied” CCP/clearing house has acquired a critical mass of clearing business. This fear will in turn make market participants very reluctant to adopt such a CCP/clearing solution in the first place, thereby undermining the whole purpose. In this situation the market simply remains uncleared, participants live with the implicit inefficiency and cost, and the systemic benefits of the CCP/clearing house structure are lost.

Rather than rushing to develop new infrastructure, better and more extensive use should be made of the tremendous capabilities of the existing OTC market infrastructure, which has been battle tested and shown to operate very effectively, even at moments of severe market stress.

*The full white paper, authored by ICAP COO Mark Yallop, can be downloaded from the ICAP website at [www.icap.com](http://www.icap.com)*

## CELEBRATING 10 YEARS OF THE EURO

The world's financial markets will celebrate a major milestone on 1 January 2009, when the euro turns ten years old. When the single currency launched there were people who thought it would crash and burn. Indeed there are, amazingly, still some who believe it to be a failed project. The reality is that 10 years on, its role as a global currency is secure and its stability is viewed by many as the European Central Bank's greatest single achievement.

The advent of the euro also gave ACI – The Financial Markets Association a chance to demonstrate its potential and its relevance to the markets through its work in developing what has become Euribor ACI, an inter-bank reference rate within the European Monetary Union.

The Euro Inter-bank Offered Rate (Euribor) – the rate at which a prime bank is willing to lend funds in euro to another prime bank – was the brainchild of Helmut Konrad, who in the late 1990s was President of ACI Germany. “I thought it would be a shame if a new currency was being created but the base interest rate was not coming from within the Eurozone, where liquidity in euro would be at its strongest,” he says.

At the time, several European countries had their own national inter-bank rates with the London inter-bank offered rate (Libor) leading the way. These national rates were set by the demand and supply of money as banks lent to each other to balance their books on a daily basis.

With support from ACI France President Jean-Pierre Ravise, Konrad and his colleagues at ACI Germany embarked upon their first challenge: to persuade the ACI Presidents of other future euro countries about the soundness and viability of a reference rate for the Eurozone.



HELMUT KONRAD



NIKOLAUS BÖMCKE

“Some members were enthusiastic while others said ‘you’ll never make it because of Libor, this is something that the London banks will not give away’,” he recalls. “We had everything from absolute scepticism up to enthusiasm – even those who were very enthusiastic, such as Jean Pierre and myself, found the going very tough at times.”

ACI Germany and ACI France faced other hurdles too. First, countries with their own inter-bank offered rate (Ibor) had their own legal structure set by their local banking association.

“All the national inter-bank rates had contracts going forward some 10 years or so, with floating rate notes that were based on the national Ibor. We had to make sure that the Euribor could be the legal successor to all these individual Ibors – which was a real challenge,” explains Konrad.

In addition, adds Ravise, each country was insistent that all of their panel banks should take part on the Euribor panel. “We understood that ACI was strong but with Libor and the other national Ibor rates under the responsibility of the local banking federation we decided to enlist the help of the European Banking Federation (EBF).”

Nikolaus Bömcke, Secretary General of the EBF in the late 1990s, recalls: “The creation of this truly European rate was a landmark for the European financial industry.”

He adds, “There was a lot of cooperation between the French and German ACIs. Helmut and Jean-Pierre were the leading figures and they later invited other big countries to join. I saw immediately the importance of the issue. For the banking federation it was an excellent way to be at the forefront of the development, and it was a great collaboration. We represented all banks within the Eurozone and ACI provided the technical input – they were very familiar with the mechanisms of the markets and had the know-how.”

From 1997 through to the launch of Euribor on 2 January 1999, ACI and EBF collaborated closely, devising a Code of Conduct at the end of 1997, which laid out the national quotas for the number of panel banks. “This was an extremely sensitive issue because if we had done it according to the importance of economic factors of countries then small countries would perhaps have had no participants...it was very difficult to allocate a quota for every country,” says Bömcke.

“We had to make concessions to some of the smaller countries,” adds Konrad. “At the time there were 11 German banks on the Euribor panel of banks and we had to convince the 12th largest bank that it wasn’t on the panel because a bank a quarter of its size was, only because it was in one of the smaller countries.”



JEAN-PIERRE RAVISÉ

Another worry for the two organisations was the number of banks on the panel. “We had a much bigger panel than we thought we would at the beginning – about 60 banks. We thought at the beginning we would have 20. But very soon even the market practitioners had to realise that that wouldn’t have worked as it would have completely excluded the smaller countries,” says Konrad.

According to Bömcke there were concerns at the time that if the panel was too big then Euribor wouldn’t be credible. “With the benefit of hindsight, however, I would say this was actually the strength of Euribor. It’s hard to manipulate the reference rate if it consists of 60 different quotes,” he says.

ACI and EBF also made sure it had US, British, Japanese, Swiss and Scandinavian banks on board. “We didn’t want to be exclusive, a closed shop – we wanted to have all the market forces involved in Euribor,” stresses Konrad.

With commitment, collaboration and hard work the new reference rate became the benchmark for short fixed-term inter-bank deposits within the Eurozone, successfully replacing the national inter-bank rates. Euribor is now one of the most important financial benchmarks in the world in terms of money referenced against it, not only within the inter-bank market but also for an increasing number of derivative instruments, both exchange traded and over-the-counter.

In addition to Euribor, ACI launched Eonia, the Euro Over Night Index Average on 2 January 1999 with the same panel banks contributing to Eonia as for Euribor

The Eonia reference rates are calculated by the European Central Bank based on all overnight interbank assets created before the close of RTGS systems and published through Thomson Reuters every day before 7pm CET.

## ACI EDUCATION DELIVERS EXCELLENT RESULTS

It used to be that presidents of ACI – The Financial Markets Association and their colleagues on ACI’s committees would say, “**Education is the key to your future success**”. Considering the current market situation and economic outlook, ACI’s current President, Manfred Wiebogen, likes to underline this statement and then add: “But education means more: the advantage is for both the employee as well for the employer”.

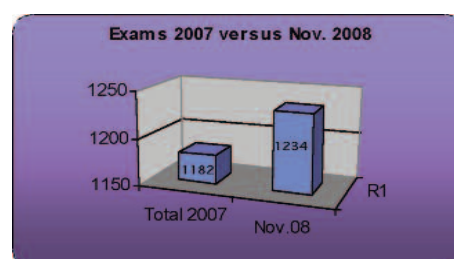
ACI offers certification for the financial markets industry on two levels. Level 1: **ACI Dealing Certificate** for developing Treasury staff and **ACI Operations Certificate** (for the middle and back office staff). Level 2 represents the **ACI Diploma**, which is for experts.

The Executive Board of ACI and the Board of Education is very proud of its long history of offering a global certification programme to the industry, not only to certify at a trading level but also at the middle and back office.

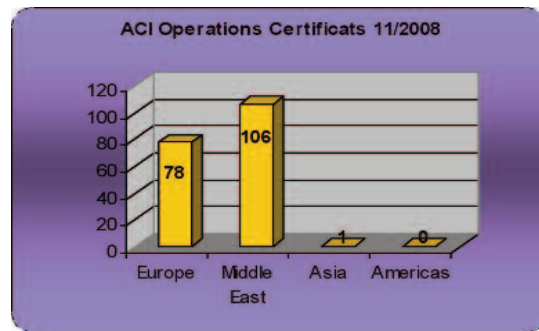
“Given the current environment I would say the importance of our Treasury ‘benchmarking’ will grow even more,” says Wiebogen. “Regulators and central banks are going to keep a very close eye in future on the standard of banks’ staff.”

ACI’s education programme enjoyed a very successful year in 2008 as its relevance to the markets became even more apparent in the current financial climate. The Association is very proud to announce an increase by 4.4% (Jan – Nov ’08) in the number of its exams taken compared to the entire year 2007. At the time of writing, 1234 exams had been applied for.

Here are some interesting statistics:



The absolute favourite of ACI's certification programme remains the ACI Dealing Certificate, which provides an introduction to the Foreign Exchange and Money Markets, as well as the Codes of Conduct and Market Practices. This targets new market entrants and is a pre-requisite for being allowed to go for the ACI Diploma. The ACI Dealing Certificate counts for more than 77% of all exams taken.

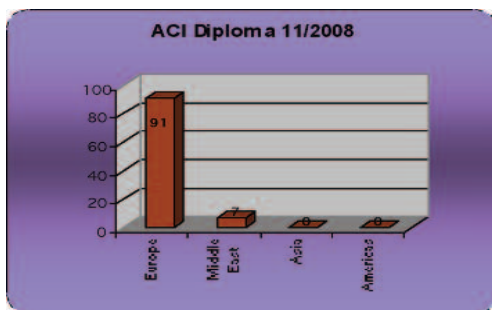


The above charts demonstrate that the ACI Dealing Certificate and the ACI Operations Certificate are especially popular in Europe and the Middle East. Asia counts for nearly 100 exams taken in the ACI Dealing Certificate.

From affiliated associations to ACI, the following countries contributed to the good increase of exams: Egypt (+24%), Germany (+31%), India (from 3 to 41), Jordan (from 0 to 18), Macedonia (+31%), Serbia (+150%), South Africa (+99%), Sri Lanka (from 0 to 29), United Kingdom (+38%) and Zambia (+68%).

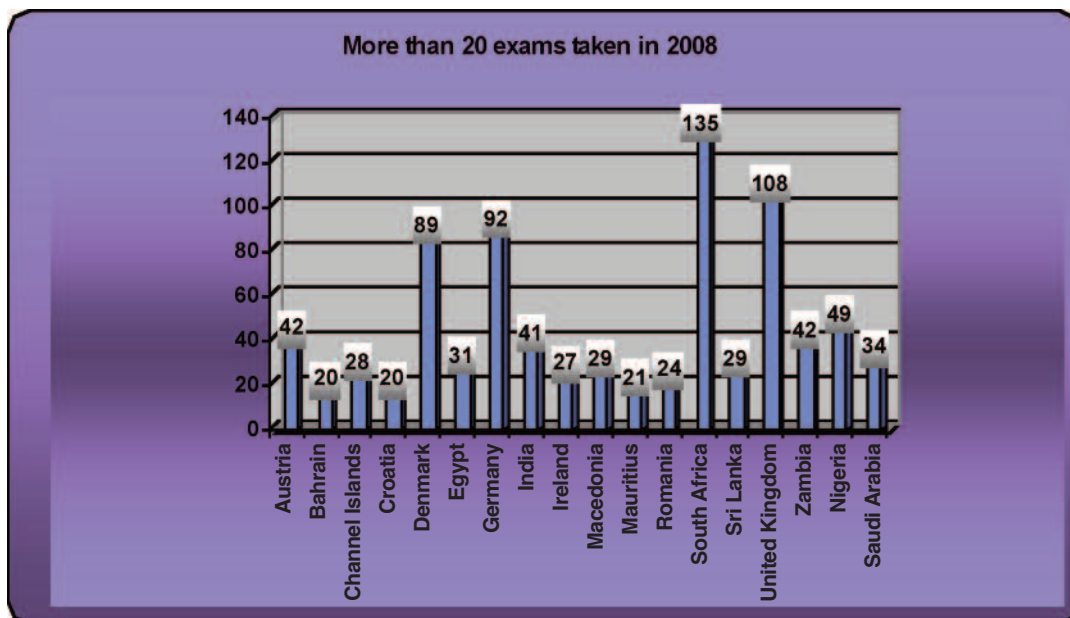
In addition, there have been some interesting developments and increased demand from countries that are not affiliated to ACI: China (8 exams taken), Latvia (14 exams), Nigeria (+206%, making 49 exams) and Saudi Arabia (+126% giving 34 exams taken).

Some countries that have seen strong demand in the past for the exams have seen a slight decrease, they are: Channel Islands, Denmark, Iceland, Lebanon, Romania, Tanzania, Tunisia and US.



*The ACI Diploma counts as the "master" discipline. Being quite sophisticated it seems to mainly attract the European region.*

*Austria, Denmark, Germany, Switzerland and United Kingdom hosted the largest number of Diploma takers in 2008.*



Further details on the education programme can be found at [www.aciforex.org](http://www.aciforex.org) Education/Certification.

*In reviewing the educational year for ACI, Wiebogen is keen to express his appreciation for those people that work so hard to make the ACI education programme such a success. I would like to express my special thanks to **Christoph Niggli**, UBS Zurich, Chairman Board of Education, **Andreas Gaus**, Credit Suisse Zurich, Chair Operations Working Group, **Roberto Schiavi**, European Central Bank, Chair Appeals Board, **Eugene Acevedo**, Citibank Hong Kong and **Linus Chua**, HSBC Singapore, both Representative Asia Pacific, **Chris Howlett**, ACI Australia and Representative Australia, **Alan Malon**, AIB Bank, Representative Europe, **Tamer Mohamed Khalifa**, Arab African International Bank, Representative Middle East, **David Clark** as Non-executive Member," he says. "I would also like to express my appreciation for the work of **Andreas Emser**, Frankfurt Business School, being the Director of Education ACI, and also to **Nathalie van Drenth**, Deputy Managing Director of ACI – The Financial Markets Association.*

## ACI EDUCATION

### FMAC SETS AGM DATE

The Financial Markets Association of Canada has set February 18, 2009 as the date of its Annual General Assembly. The meeting is to be held at the Design Exchange in Toronto and will consist of a day of panel discussions followed by a cocktail reception.

Among the topics to be discussed during the business programme are retail FX; pensions and currency management; central banks and liquidity management approaches; and a session entitled "The plot line for 09 – What's in Store for FX and Rates?"

Details of how to attend the event can be found at the Association's website, [www.fmac.ca](http://www.fmac.ca).



MANFRED KUNERT

### END OF AN ERA AT ACI AUSTRIA

The 50<sup>th</sup> Annual General Meeting of ACI Austria saw the end of an era as Manfred Kunert stepped down after a nine year term as President of the Association. With a term that included the organisation of two international congresses (Frankfurt in 1996 and Vienna 2008), a spell on ACI's Examinations Board and Board of Education, Kunert worked tirelessly for the cause of ACI – The Financial Markets Association.

Franz Gruber, former Secretary of ACI Austria was elected Kunert's successor as President at the meeting which was held in Klagenfurt.

### SRI LANKA TO RUN OPS EXAM

ACI Sri Lanka is to hold a six day workshop for the ACI Operations Certificate. The course will be held from January 19-24 2009 and follows the Association holding an ACI Dealing Certificate course in August 2008. Details on how to take part in the course can be found at [www.srilankaforex.com](http://www.srilankaforex.com).

### ACI ITALY HOSTS 6<sup>TH</sup> BANKING MEETING

ATIC Forex, The Financial Markets Association of Italy & Banca IFIS Spa invited some 150 people from the Treasury environment to the sixth Banking Meeting in Venice on September 26 – the meeting is fast becoming a tradition in the local market's calendar.

This meeting, aside from being dedicated to developing relationships be-



tween people working in Treasury/Finance and banking relationship areas, also aims to build a bridge to the Eurozone international institutes and Eastern European countries that will be adopting the euro soon.

The highlights of a very educational and pleasant meeting were speeches and presentations delivered by representatives from Banca d'Italia as well as the European Investment Bank. ACI International was pleased to be able to participate and promote at the event. It also held its Executive Board meeting to set the agenda for the next scheduled Council meeting in Singapore.

## EGYPT HOSTS 34TH INTERARAB CAMBIST ASSOCIATION:

### *“Time to Share”*

ACI Egypt hosted the 34<sup>th</sup> ICA Congress, bringing together to Sharm El-Sheikh 445 delegates and guests representing economic and financial institutions from 27 countries.

Hisham Ramez, Deputy Governor of the Central Bank of Egypt officially inaugurated the Congress and the exhibition that hosted 22 banks, financial institutions and entities providing financial services. High-profile global chief economists and global FX strategists shared their time and their views with the audience through presentations centred on the current credit crunch, liquidity crisis, volatile markets, the impact of central banks and governments’ interventions and the current hedge fund industry environment.

Business Session One of the Congress was opened by Paul Donovan, Managing Director and Global Economist at UBS with a presentation on “When do we get back to normal?” This was followed by Chris Acito, Global Chief Operation Officer for Investcorp’s hedge fund group on “How are Hedge Funds faring in a difficult environment”.

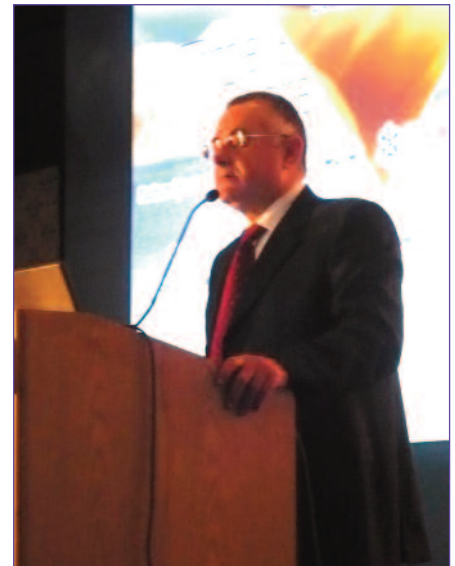
Business Session Two focused on “Where do we go from here” and featured Binit Patel, VP and Global Economist at Goldman Sachs and Bilal Hafeez, MD and Global Head of FX Strategy at Deutsche Bank on “How will the world look in 2009?”

Business Session Three looked at the “Global FX Outlook and Middle East Economic Highlights”. Excellent presentations were delivered first by Brian Fabbri of BNP Paribas and then by Shahin Vallee, also of BNP Paribas. Business Session Four concluded the formal activities and was presented by Hisham Ramez, Deputy Governor Central Bank of Egypt, who spoke about the “Liquidity Crisis and its impact on Egypt”.

The presentations are available on ACI’s website at [www.aciforex.org/PastEvents](http://www.aciforex.org/PastEvents).

Prior to the Congress, ICA’s Executive and Administrative committees convened on Thursday, November 13 for their annual meetings. On Saturday, November 15, Amr El-Ganainy chaired the Annual General Assembly.

This forum was also a great opportunity for delegates, guests and exhibitors to strengthen professional relationships and develop new ones as well, during business lunches held on Friday (November 14) and Saturday (November 15). At the closing dinner the hand-over of ICA flag to the President of ACI Lebanon, Nakhle Khoneisser, took place. Khoneisser invited everyone to the 35<sup>th</sup> ICA Congress in October 2009 in Beirut, “the place that Treasurers bond”.



HISHAM RAMEZ, DEPUTY GOVERNOR,  
CENTRAL BANK OF EGYPT

## MEET THE NEW ACI EXECUTIVE BOARD

ACI – The Financial Markets Association counts some 13,000 international members from more than 60 countries. The restructuring of ACI’s Executive Board, which was ordered by the Council, is finished and new statutes and guidelines are in place. One of our key words in ACI will be “know your members”, the same as our industry talks of “know your customers”. Again, networking is one of the big assets ACI offers to our community. So as the first step – you should know us – your Executive Board!

**THE NEW EB COMPRISES THE FOLLOWING.**



MANFRED WIEBOGEN,  
PRESIDENT



ALDO BOR-  
TOLOTTI,  
TREASURER



Lynn Kennedy,  
Rep. Americas



EDDI TAN,  
REP. ASIA + VP



PIER MARIO  
SATTA,  
REP. EUROPE



AMR EL-  
GANAINY,  
REP. MIDDLE  
EAST  
AND AFRICA

**ACI EXECUTIVE BOARD**

The team is supported by the Standing Committees of ACI, which are

**Board of Education, chaired by  
Director of Education**

**Christoph Niggli, UBS Zurich  
Andreas Emser, Frankfurt Business School**

**Committee for Professionalism, chaired by**

**Terry Tanaka, RBS Tokyo**

**Euriobr ACI, chaired by**

**Godfried de Vidts, ICAP supports  
the activities of ACI.**

**ACI COMMITTEES AND OFFICE SUPPORT**



CHRISTOPH  
NIGGLI, CHAIR  
BOE



ANDREAS  
EMSER,  
DIRECTOR  
EDUCATION



TERRY  
TANAKA,  
CHAIR CFP



GODFRIED  
DE VIDTS,  
PRESIDENT  
EURIBOR ACI



JEAN-PIERRE  
RAVISÉ,  
MANAGING  
DIRECTOR



NATALIE VAN  
DRENTH,  
DEPUTY  
MANAGER

The new team will adjust their business programme at the wishes of ACI's Council at its next meeting, but for sure, the biggest challenge will be the current financial and economic crisis. Should you have any suggestions as to what ACI should address don't be shy to contact our staff in Paris office.

**ACI Head Office**

8 rue du Mail  
F-75002 Paris

Deputy Manager : [deputymanager@aciforex.com](mailto:deputymanager@aciforex.com) Tel. +33 1 4297 5115  
Managing Director: [managingdirector@aciforex.com](mailto:managingdirector@aciforex.com) Tel. +33 1 4297 5539

Or go to [www.aciforex.org/contact aci](http://www.aciforex.org/contact aci)

## EUROFI RELEASES RECOMMENDATIONS FOR ECOFIN

ACI – The Financial Markets Association took part in the prestigious Eurofi symposium, which was organised with the support of the French Presidency of the European Union alongside the Ecofin Council session in Nice earlier this year. Manfred Wiebogen, President of ACI, and Godfried de Vidts, President of Euribor ACI, were among the more than 800 leading figures from European institutions and the financial industry that debated the financial climate over two days.

The discussions that took place during the symposium have led to Eurofi, which is dedicated to accelerating the integration and efficiency of financial services in Europe, identifying a number of key areas for strengthening the European financial system and ensuring its effective management.

Eurofi identifies the key causes of the ongoing financial crisis as follows:

- A long period of excess liquidity
- Low interest rates for too long
- An excessive appetite for poorly measured risks
- The misuse of securitisation

More specifically, the think tank believes that Securitisation has contributed to the development of a parallel and uncontrolled banking system in the form of specialised vehicles, for example, the scale and complexity of which is being discovered each day. It also sees the problem being contributed to by the excessive use of leverage on the part of certain players, some of whom have highly insufficient controls. This represents a further source of systemic risk, which is probably accelerating the downturn on the financial markets, Eurofi says.

Further, the group argues that the “procyclicality” of prudential and accounting regulations has demonstrated its role as an accelerator in the development of new sources of risk and is increasing the effects of the crisis. It adds that the assumptions and structures for the models used to assess the risk taken on by the vehicles have shown their limits, with rating agencies, structurers and investors not looking at them in a sufficiently critical way.

Over the last few months, the meeting concluded that financial players have also become aware that the system was founded on an insufficient number of insurers and on investment banks – whose systemic nature was not factored in by supervisors, as well as on insufficiently or unregulated players.

While governments initially believed they would be able to manage the destabilisation on a case-by-case basis, they quickly saw that the reaction of some countries actually restricted the room of manoeuvre of others (for example, Ireland’s unilateral decision to guarantee all deposits forced the British Prime Minister to react).

For their part, the central banks have managed to intervene in a more harmonious and collective way to overcome the exceptional bank refinancing and liquidity issues, thanks to the consistency of their objectives, mandates and statutes, Eurofi says.

### CHALLENGES AND RESTRUCTURING

Within the context of the aforementioned key causes, Eurofi says that several challenges identified during the symposium must be met. It stresses that stringent liquidity management must be ensured to combat all forms of inflations, including those reflected in asset bubbles. This means appropriate monetary and prudential management, it adds.

There must also be moves to ensure the reliability of the various financing mechanisms and the approaches adopted by the various market participants and their employees. Eurofi adds: “It is also vital for the supervisors of these activities to be able to understand the new risks resulting from innovative products or techniques (ability to be able to evaluate the macroeconomic and systemic impacts of these risks, as well as the relevance over time of the assumptions underpinning the current risk assessment models developed by the various players).”

In order to rise to these challenges, Eurofi believes it is necessary for both regulators and market professionals to work on four areas that dovetail with each other. These are, the restructuring of financial activities; transparency and control on dynamic techniques for managing financial risks; the establishment of macro-prudential supervision; and the integration of supervision for cross-border financial groups.

As far as the restructuring of the financing mechanism, Eurofi says this must focus on transparency, compensation systems, prudential and accounting standards, control and decision processes, as well as mechanisms for protecting consumers.

It continues: “Financial businesses must no longer be focused on the short-term or encourage excessive risk-taking, which has

been behind the production of the “toxic” sub-prime assets, whose value was illusory. Moreover the choice, scale and interaction between the various activities performed within each institution must be systematically evaluated, managed and, if necessary, supervised.

“Financing techniques must make financial innovation available to economic players in sufficient transparent conditions, based on compensation levels or mechanisms for staff and shareholders built around long lasting and effective value creation,” Eurofi adds. “Prudential standards therefore need to be supplemented, particularly in terms of the liquidity of institutions, while ensuring better control over risk assessment models, deploying effective processes within banking institutions and investment companies for taking decisions and controlling risks.”

The think tank also concluded that it is also necessary to improve the recognition of assets, particularly when they become illiquid, and factor in the different investment horizons. It also stresses that it is becoming clear that certain areas of consumer protection must be strengthened, such as “predatory” lending to insolvent customers and greater disclosure requirements, notably for individual investors.

Eurofi also believes that for activities that are now globalised, reforms must be defined and implemented on a consistent and coherent basis by countries within the European Union and if possible worldwide.

Adding specifics to these recommendations, Eurofi reinforces its points by stating the following:

### ***ENSURING EFFECTIVE CONTROL OVER DYNAMIC RISK MANAGEMENT TECHNIQUES***

- Dynamic risk management techniques (securitisation mechanism, derivatives) must be able to continue playing their risk diversification and hedging role, enabling optimum use of institutions’ capital under more secure conditions.
- To achieve this, it is necessary to set up infrastructures in order to provide the transparency required for the volumes and positions of the players and markets, while making the products used easier to understand, notably thanks to the implementation of central clearing mechanisms and the development of standardized products.

Preventing asset bubbles and ensuring macro-prudential supervision at European and global levels

- Insofar as innovation will inevitably continue to put prudential regulations to the test, the monetary authorities must be able to incorporate the risks stemming from asset bubbles into their objectives to combat inflation.
- It is essential to assemble the conditions for genuine macro-prudential supervision at European level and if possible globally, ensuring a systematic and collective focus on looking for better control over the systemic risks brought about by constant changes to financial businesses, the assumptions and statistical series used in risk assessment models for banks, insurance companies and rating agencies, and the systemic roles that are gradually being taken on by certain financial operators.

“Under these conditions it shall be possible to anticipate the dangers linked to the excessive development of leverage, lessen the procyclical nature of prudential and accounting standards, which are accelerating and amplifying the formation of bubbles, and factor in the risks linked to the now central position, such as mono-liners or certain counterparties,” Eurofi states.

For integrated supervision of cross-border financial groups, Eurofi says that the crisis has also highlighted the limits of supervision on a national basis for financial groups (“solo” supervision). Since cross-border financial players are increasingly characterised by highly integrated and centralised operations, on both a strategic and a commercial level, as well as in terms of risk and cash management, it is at the group’s head office that growth strategies are mapped out, future sources of profits planned, choices made and decisions taken for innovation, the various corresponding risks identified, and, finally, the balance between the various financial business performed is set.

It continues that despite the recognised need for the effective integration of supervision for such financial groups, its implementation is coming up against uncertainties linked, in the event of a group going bankrupt, to the conditions for sharing out the costs of this bankruptcy, which tends to maintain a supervision system based on a national approach. Lastly, insofar as no supervisor has been able over the last few months to anticipate the difficulties experienced by national players, the integration of supervision also required relations to be built founded on effective mutual trust.

“Under these conditions, any new European and if possible global organisation will need to demonstrate its ability to give the supervisors of each cross-border group a consolidated and local vision of its solvency and liquidity, counting on deposit guarantee systems whose operations must be harmonized and integrated,” it says.

### ***CREATING SUCCESS***

Eurofi acknowledges that successfully implementing the recommendations and ensuring their consistency at European and

global levels is essential for the reconstruction of a reliable, efficient and effective financial system. To achieve this it offers four key conditions for success.

- Regulators must take steps that combine precision and flexibility in order to respond to the shortcomings identified, while maintaining financial innovation. In light of the financial sector's position within the economy, the changes to be made will no doubt need to include various initiatives entrusted to market forces, in addition to regulatory initiatives.
- The regulations implemented must ensure that the financial sector has a similar appeal to other economic sectors in the eyes of investors and employees. The aim is also to ensure that these new rules of the game enable the financial sector to meet all the needs for financing and insurance at appropriate costs.
- Specific requirements must be able to be covered through technically complex and tailor-made products, provided that they are accompanied by complete and accessible information with competent and responsible investors.
- These measures must be combined with the adoption of new practices by supervisors since, beyond a player's compliance with the rules, they must be able to judge the possible consequences of the trends that are taking shape behind player's strategies and they must be able to implement the means for action offered by regulations.

In conclusion, Eurofi says, "The different measures, most of which were looked into at the Symposium in Nice, are generally shared by the industry and public decision makers. However, the conditions for their implementation are still to be defined. The challenge now is to put these changes in place in a coordinated way in Europe and around the world. It is also essential to establish a sufficiently responsive legislative process. The measures proposed must be sufficiently ambitious faced with the challenges resulting from this unprecedented crisis. All of this requires a strong political commitment."

It stresses that over the next few months, it will be continuing with its analysis and its role as a catalyst within the financial industry, notably to encourage sufficiently ambitious European steps forward and, based in particular on impact analyses of the most discussed solutions, define the measures that are best suited to correcting the shortcomings and maintaining the financial sector's dynamic development in Europe.

---

## ***FED SETS OUT AGENDA FOR OTC DERIVS PROCESSING IMPROVEMENT***

The Federal Reserve Bank of New York has welcomed further progress by major market participants (the dealers) to further strengthen the operational infrastructure for OTC derivatives as laid out at a March 2008 meeting between the central bank and the dealers.

In a letter, the dealers highlighted how the current financial environment has sharpened the focus on the industry's systemic risk concerns. They also laid out the areas that have been improved since the last update to the New York Fed during the last quarter.

The dealers stated these areas as:

- The achievement of 92% aged confirmation backlog reductions in credit derivatives notwithstanding volume increases of over 300% since 2005, 74% confirmation backlog reductions in equity derivatives since 2006, and 53% confirmation backlog reductions in interest rate derivatives since 2006.
- An increased rate of electronic confirmation automation in credit derivatives from 19% in 2006 to 95% in 2008.
- An increased rate of electronic confirmation processing from 46% to 91% in credit derivatives since 2006 and from 34% to 94% of eligible trades between major dealers in equity derivatives since February 2007.
- The increase of certainty around novation processing by eliminating assignments without consent on trade date in interest rate and credit derivatives.
- Since January 2008, the notional value of credit default swaps outstanding has decreased by \$24.4 trillion through trade compression, which by any standard is a very sizable fraction of the total notional outstanding. Renewed and still more aggressive compression efforts are underway suggesting that further large reductions are in the pipeline.
- Increased use of LCH.Clearnet as a central counterparty to reduce counterparty credit risk among dealers for interest rate derivatives.
- The establishment of a DTCC trade warehouse in credit derivatives to increase transparency, automate payments and ease credit event processing.
- The establishment of a successful auction-based mechanism actively employed in 14 credit events including Fannie Mae, Freddie Mac and Lehman Brothers, allowing for cash settlement.
- An agreement among major dealers on a standard close-out methodology.
- In recent weeks, efforts to accelerate central counterparty clearing have achieved a measure of success. In furtherance of reducing counterparty credit risk, the market is actively pursuing the implementation of a central counterparty in Credit Deriv-

atives, expected to be in place to clear index transactions commencing in November 2008, with single names commencing in January 2009.

While the New York Fed was quick to welcome the group’s work, it stressed that “broader action is warranted to address additional market design elements”.

The central bank added: “The following areas constitute our central priorities for addressing both operational and market design concerns for OTC derivatives”.

These are: the establishment of a central counterparty for credit default swaps; a reduction in the level of outstanding trades via portfolio compression; enhanced market transparency; and a continuation of operational improvements.

The Fed concluded, “The New York Fed will continue to work with domestic and international industry supervisors to monitor progress and encourage further effort to improve OTC derivatives operational infrastructure.”

## VISIT ACI’S NEW WEBSITE

The screenshot shows the ACI website interface. At the top left is the ACI logo with the text 'THE FINANCIAL MARKETS ASSOCIATION' and the date 'December 15, 2008'. A banner at the top right promotes the '48th ACI WORLD CONGRESS' in Cape Town, South Africa, from March 11-14, 2009, with the theme 'Gateway to opportunity' and a 'D-087 click here' link. Below the banner is a navigation menu: 'PAST EVENTS | UPCOMING EVENTS | ACI BRIEFING | CONTACT ACI | FAQ'. The main content area is divided into several sections: a 'WARNING on attempt to defraud of ACI\_4', an 'ACI INSIDE' section with news items like 'OTC Derivatives Markets Activity first half of 2008 BIS' and 'Middle East & Africa Region has nominate GMT: 14:59 London: 14:59', a 'Middle East & Africa Region has nominate' section with a world clock showing times for Sydney, Tokyo, Hong Kong, Dubai, Moscow, Cape Town, Frankfurt, London, New York, and San Francisco, a '48th ACI WORLD CONGRESS' event listing, an 'ACI Workshop on Market Cr...' event listing, an 'ACI Executive board meet...' event listing, and a 'Market INFO' section with a Reuters logo. A central sidebar lists various ACI services: 'ACI', 'BOARD OF DIRECTORS', 'NATIONAL ASSOCIATIONS', 'MARKET PRACTICES (CFP)', 'EDUCATION / CERTIFICATION', 'EURIBOR ACI', 'MARKET TOPICS', 'PUBLICATIONS', 'PRESS STATEMENTS', and 'LINKS'. The 'LINKS' section includes 'THE MODEL CODE' and 'CERTIFICATE OF EXAMINATION'. The main content area also features a 'SEARCH' bar and a 'LAST UPDATES' section with a dropdown menu.

The new ACI website was launched on January 1, 2008 and is about to celebrate its first birthday. Since the site was opened, more than 175 000 visitors have spent an average of 14 minutes connected and opened more than 573 000 pages – the peak coming in November, when 50 000 visits were recorded, close to double the number at the start of 2008.

The website has been a real success but ACI has decided to modify the first page to gave it a more professional feel, to carry more content and to provide a new look in terms of colours and design.

To this end:

- a new space was created for ACI Inside with two rolling headlines
- the world clock demonstrates that there is “no sunset in the markets”
- two new blocks in the middle to support The Model Code and Certificates of Examination
- a screen identifying ACI’s mission statement and its members’ work

New projects are in the pipeline and will be rolled out over the coming months, so continue to check the website by visiting [www.aciforex.org](http://www.aciforex.org)

*ACI's President, Executive Board and all officials at ACI - The Financial Markets Association would like to wish all readers the compliments of the season and good luck for 2009.*

# UPCOMING EVENTS - UPDATE



## 48TH ACI CONGRESS CAPE TOWN MARCH 12-14 2009



### ACI BRIEFING MARCH 09 ISSUE - **PREVIEW**

REGULATORS ACTIONS

ACI'S VOICE ON MARKET CRISIS

REPORT FROM THE REGIONS

AS WELL AS FUTURE EVENTS, MEMBERS CAN CHECK OUT PAST EVENTS, WITH  
REPORTS AND PHOTOGRAPHS  
**GO TO [WWW.ACIFOREX.ORG](http://WWW.ACIFOREX.ORG)**