

ACI BRIEFING

NEWS FROM THE FINANCIAL MARKETS ASSOCIATION

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Macedonia Boost for Education

ACI's education programme has been recognised by a decision from the central bank in Macedonia that requires banks in the local market to hire dealers with a professional qualification.

At its November 25 Council meeting, the National Bank of the Republic of Macedonia discussed its monetary and supervisory responsibilities and under the latter it was decided that, with a view to inducing the development of the country's financial markets, that banks in Macedonia will be required to hire foreign exchange dealers with a certificate registering a passed professional exam. The National Bank highlights the ACI Dealing Certificate as the suitable qualification.

A decision was also adopted at the meeting requiring those banks licensed to conduct international operations and intermediary operations with negotiable securities to establish electronic systems for conducting international payment operations, settling financial transactions and accessing information on the financial markets both within Macedonia and abroad. Those banks involved are required to have the systems (cited by the central bank as Reuters, Bloomberg, Tenfore and Swift) in place within one year.

"The adopted amendments will create conditions for establishing a centralised system of data on the operations on foreign exchange market and the money market and on the trade on the secondary short-run securities market in the Republic of Macedonia," the central bank says in a statement. "It will help the economic agents that participate in the operations on the financial market be more informed."

The adoption is the result of in excess of 18 months' work by the ACI Macedonia Board sup-

ported by Ann McGoff, ACI's Director of Education, which started when she was invited to address the General Assembly of neighbouring ACI Serbia Montenegro. "I spoke about the goals and importance of education," she recalls.



ANN MCGOFF

"And there were several members of the board of ACI Macedonia at the meeting who expressed their interest in how to set standards and organise an educational programme."

McGoff's first visit to Macedonia came through an invite to address that Association's General Assembly, at which the Vice-Governor of the central bank was the keynote speaker. "With the board of ACI Macedonia, I met the Vice-Governor, who made it very clear he was keen for ACI Macedonia to get ahead and offered full support," she says. "That is the key in any educational programme – the support of the local financial authorities."

"This is the result of the vision and hard work of Milena Percinkova, the President of ACI Macedonia, and her board," she continues. "They have tailored ACI's education process to meet local requirements and circumstances. This is a good place to start with accreditation in a smaller, emerging, market – if a bank has three people in a room they can get one formally qualified and then move on to the next. The results won't be instant but the foundation could bear fruit in five years."

BIS Paper Assesses Turnover Survey

The Bank for International Settlements (BIS) has released further analysis on its FX triennial survey released in September 2004. According to the survey, activity in the traditional foreign exchange market had increased markedly, with the average daily turnover for April 2004 amounting to \$1.9 trillion. It also showed that there was a surge in trade between banks and financial customers as well as an increase in turnover across instrument types and counterparty. Entitled 'Why has FX Trading Surged? Explaining the 2004 Triennial Survey', the report, written by

Gabriele Galati and Michael Melvin, assesses the factors behind the rise in the market post-2001, strategies exploited by the banks, as well as the market players involved.

In assessing the factors behind the rise in FX trading, both the survey and the latest BIS report consider the periods between 1998-2001 and 2001-2004. The report points out that between 1998 and 2001, foreign exchange market activity had decreased for various reasons: the advent of the euro, consolidation within the banking industry, the growth of electronic broking and mergers in

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JOIN ACI

ACI - The Financial Markets Association is approaching its 50th anniversary and continues to work for its members in more than 75 countries. ACI is widely regarded as the leading association representing the interests of the financial markets and actively promotes the educational and professional interests of the markets and industry through its Board of Education and Committee for Professionalism.

If you would like to become a member of ACI, or are aware of somebody who would, contact ACI at secretariat@aciforex.com or phone +33 1 42 97 51 15 for further details.



SPONSORS

TECH CORNER

Swapstream, a multilateral electronic trading platform for medium and long term interest rate swaps (IRS), has added Banco Santander Central Hispano, WestLB, and ING Bank as new users next to the existing banks and brokers on the platform.

Telerate has announced a distribution agreement with EBS to deliver prices via its TelerateMobile product. The service is available to qualified customers subscribing to TelerateMobile and will allow EBS prices to be viewed alongside Telerate's benchmark pricing and news. Additionally, the charting capabilities of TelerateMobile will facilitate the display of EBS price histories. The service provides access to definitive transactional FX market data 24-hours-a-day with data comprising one-second time slices of EBS best rate, dealt rate and time stamp, delivered at five second intervals.

BHF Bank has implemented SunGard's Octagon system for futures and exchange-traded derivatives processing.

GFI Group has begun an initiative to offer UBS' clients an FX option trading system designed to reduce errors associated with manual trade entry. A new connection is now available between UBS' electronic currency derivative trading screen, FX Option Trader, and GFI's pricing and analytical system for both vanilla and exotic FX options, Fenics FX.

The Bank of Tokyo Mitsubishi has gone live with Cognotec's Market Rate Manager solution, which it will use to provide singly-sourced FX rates to various internal bank systems.

Mitsui & Co, a general commodity trading company, has installed voice trading technology from BT to upgrade its commodity trading and risk management division in Tokyo. For the first time in the Asia Pacific region, BT has installed two ITS p31 telephony switches – doubling Mitsui's potential line and turret capability on the trading floor.

RWE has announced that Nordic Financial Systems (NFS) has been selected to evaluate and implement Trema's hedge accounting module to meet IAS 39 guidelines, which came into effect on January 1, 2005.

the corporate sector. It adds that, the events of 1998 also had an impact on the market, as global liquidity shrunk and risk aversion set in following the Asian crisis. The period 2001-2004 saw some of the same trends – continued consolidation in the banking sector and the growth of electronic broking. However, the report accepts that some of these factors are not as important as they were in 2001.

The authors say the first of several related factors behind the growth of the FX market is the 'presence of clear trends and higher volatility'. This has led to 'investments in currencies that experienced a persistent trend of appreciation'. Similarly these trends have led to higher hedging activity, which have boosted currency trades. Also, interest differentials have encouraged investment in high interest currencies financed by short positions in low interest rate currencies, the traditional "carry" trade.

Two key strategies employed by market participants also contributed to the growth in the market: exploiting forward bias by investing in high-yield currencies and momentum trading.

The report adds that the use of these particular strategies suggests that there are more financial players in the market, which now includes institutional investors (pension funds and insurance companies), hedge funds, commodity trading advisors (CTAs), proprietary trading desks of large banks and currency overlay managers.

Financial models used by the latter are now enjoying greater acceptability within the financial markets, which is increasingly treating foreign exchange as a separate asset class. As such, this has contributed to the fast growth in turnover between banks and financial customers. Another reason for the growth in turnover is that CTAs are now a slightly different animal, the authors say. Previously, they were small companies which advised clients on futures contracts for bonds and equities. Now, they behave like fund managers and some have become active in the FX market.

Finally, hedge fund activity has helped raise turnover in the market. Two types of hedge funds get special mention: momentum players (those which exploit trends in asset prices) and macro funds (which typically take directional positions depending on underlying factors influencing currency markets). A greater role played by hedge funds (macro) in FX, says the report, is a sign of recovery for macro hedge funds, since the collapse of Long-Term Capital Management and the withdrawal from the market of Tiger and Quantum.

Higher hedging activity and the implementation of speculative strategies in the period 2001-2004, have been encouraged by a marked interest in differentials and trends in exchange rates. However these are both short-term incentives. There are long-term structural factors at play too. They are the consolidation of the banking sector and the growth of electronic broking. The period 1998-2001 saw a reduction in turnover

as a result of consolidation. Although consolidation of the banking sector continues today, its potential negative impact on turnover is being offset by the growth in electronic broking.

Continuous Linked Settlement (CLS) which started operating in 2002 has seen its market grow steadily says the report. Similarly, multi-bank electronic platforms aimed at bank customers such as FX Connect, Currenex and FXall, are seen to lower costs in implementing investment strategies, and increased efficiency for non-bank customers.

The report reminds us, though, to beware of the effect that short term incentives such as interest rate differentials may have on the longer-term structural factors such as the proliferation of technology.

The report confirms the thoughts of the majority in the market, that increased buy side trading was the main driver behind the surge in turnover. It does not attempt to gauge the impact of the change in method of collection announced by the BIS earlier this year. A great number of banks dropped out of reporting to become "customers" under white label agreements. These register under "other financial institutions", and thus must inevitably have increased that segment's market share.

ERC TO MEET IN MARCH

The General Meeting of ISMA's European Repo Council is to be held on March 17 at the Marriot Hotel in Zurich, from 14.40 to 17.00. At the meeting, elections to the committee of 19 will be held. Committee members hold the post for one year. Members of the Council may put forward names for proposal, not less than 30 days before the meeting. This should be done in writing to the Council's Chairman, Godfried De Vidts, Fortis Bank, Montagne du Parc 3, BE-1000 Brussels; email, Godfried.devidts@fortisbank.com; or by fax on +32 2 565 63 51.

Council members and observers are also invited to attend the Swiss National Bank's 2005 Cash and Collateral Forum, which starts after the ERC meeting and continues the next day.

ACI SECRETARIAT. The secretariat's office is open daily from 9:00 am until 5:00 pm (Paris time):
ACI Secretariat, Attn: Natalie van Drenth
 8 Rue du Mail, 75002, Paris, France
 Tel: +33 1 42 97 51 15,
 Secretariat@aciforex.com

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For editorial or advertising enquiries, contact the editor on:

Tel: +44 (0) 20 7377 6716

Fax: +44 (0) 20 7426 0727

Email: colin_lambert@profit-loss.com

www.profit-loss.com

ACI's Council Meets in Johannesburg

Welcomed by our excellent hosts, ACI's Excom and Council met, for the first time, in Johannesburg at the end of November 2004 for their regular half-yearly meetings.

Many months of preparations by the board of ACI South Africa, under the leadership of Rudi Gibbs and Roy Daniels, created an atmosphere of friendship and also showed the commitment to ACI.

After the opening address by ACI's President, Godfried De Vidts, setting the tone for the two-day Council meeting, 43 National Associations representing 10,737 members, elected a number of new representatives to the executive board of ACI for the next three years:

- ACI Vice President is Shadi Hanna from Byblos Bank in Beirut
- ACI Treasurer is Armin Steppan from Arab Bank Plc in London
- Chair of ACI's Committee for Professionalism (CFP) is Teruo Tanaka from JP Morgan Securities ASI Pte, Ltd Tokyo
- Chair of the ACI's Special Projects Group (SPG) is Mike Eastaway from National Australia Bank Sydney

The results of the regional elections were as follows:

- Sub-Regional Executive for the Channel Islands, Ireland and the UK, Larry Gordon from ACI Ireland replacing Alan Attwood.
- Sub-Regional Executive for the Mediterranean Region, Antonio Goncalves



from ACI Portugal replacing Angelo Brizi

- Sub-Regional Executive for South & Southeast Asia, Peter Foo from ACI Singapore replacing Ronny Tan
- The Sub-Regional Executive for Central & Eastern Europe remains George Mucibabici until the next ACI Council meeting in May.

For all other positions within ACI, please refer to our website www.aciforex.com.

At the Council meeting, the outgoing Vice President, Mike Eastaway, recalled his achievements and in particular highlighted the ongoing success of the ACI Australia Dealing Simulation Course.

Jan Tradgardh, acting chair of the SPG, presented his activity report since the meeting in London. Work has already started on a congress blueprint. This document will be finalised by May of 2005 for approval by Council in Stockholm. In the second part of his report he elaborated on the specific work that had been

done on the updating of ACI's Statutes. Various comments from Council and some further written suggestions will now be looked at again by the SPG with the plan to finalise the project in Stockholm in May.

Upon a suggestion to Council by the President, a broader role for the SPG was approved. The Special Projects Group will continue to work on internal matters, whilst at the same time, looking into global projects such as Basle 2, the report by the CPSS/IOSCO group regarding Central Counterparties and the recent report by the BIS on the 2004 triennial FX survey. In due course, a press release highlighting ACI's opinion and concerns will be released.

ACI's Council, in a project that has been ongoing for two years, had asked Excom to look for a Chief Executive Officer to help grow the association and to represent it in all corners of the world to ACI's members, Central Banks, Regulators, other associations and the media. After two searches and far reaching discussions, Council has withdrawn this proposal. The financial markets have changed dramatically over a number of years and the membership of ACI in general has dwindled. The financial situation of ACI, although solid, does not allow it to pursue this project at the current time.

ACI's Council has requested Excom to look at a new business case for ACI - The Financial Markets Association. Initial work, with the assistance of a leading firm of consultants, will start at the end of January 2005. After Excom has agreed on the basic concepts, the project will be passed on to the SPG to finalise the business case project and bring it in line with ACI's Statutes. Final approval can be expected at ACI's next Council meeting in Stockholm.

Manfred Wiebogen, acting Treasurer, presented the financial situation for the current year to date and presented his proposed budget for 2005. As a result of the previously mentioned change regarding the appointment of a CEO, the budget was scaled down to reflect this change by ACI's Council. All transfers of responsibilities have been completed by the end of 2004 to the new Treasurer. Obviously, whatever financial consequences the new business plan proposals will have, these will be studied at this time.

Carlene Crnkovich, Chair of the Board of Education, made a presentation to Council highlighting the newly republished ACI Diploma that should increase the uptake of our examinations. The group is now looking at republishing the Operations Certificate (formerly the Settlements Certificate), once again highlighting the importance of education. Accreditation in many countries is being achieved. You will find a more detailed report on this in the ACI Annual Report that will be published in the spring of 2005.

Werner Pauw, Chair of the CFP bid farewell to Council. In his report, he highlighted the various topics still under discussion by his group.



In Sweden, a workshop with vendors will be organised on the particular topic of electronic trading and its impact on The Model Code.

ACI's Council extended honorary membership to Werner for his long term devotion to ACI.

The Euribor ACI report was given by the President of ACI Germany, Joerg Isselmann, who referred to the ongoing work of the various working groups. In particular the creation of the Eonia Swap Index and the creation of the EU Commission Working Group show the vibrant work of this group of ACI members. Finally, the Short Term European Paper project of the STEP Task Force, supported by the ECB was mentioned as a project that will be finalised in the coming year.

As reported by ACI's Managing Director Bill Hahn, ACI's website is under reconstruction and should be released early in the New Year. Affiliation discussions are ongoing with a number of potential new associations in Africa and Eastern Europe.

During the second day of ACI's Council meeting, presentations by Germany, the UK, the Philippines and the next host of the ACI World Congress, ACI Sweden, completed the meetings and gave sufficient input to the SPG to assist it to produce a solid Congress Blueprint in time for the next meeting scheduled for May 26th 2005.

All the hard work at the meetings was compensated for by some excellent social events sponsored by various banks in the country. The tour of the Apartheid Museum showed that South Africa has come a long way in a very short time and stands for an example to others of what can be achieved when you co-operate with each other. The evening under the South African sky will be remembered by many, in particular for the different local meats that could be enjoyed by all. The location of the gala dinner on Friday night was the jewel in the crown.

Thanks again to ACI South Africa and to the sponsors of the meetings:

ABSA Corporate and Merchant Bank
CitiGroup
Commerzbank AG, Johannesburg Branch
Investec Bank Currency & Derivatives Trading
Micromega Securities (Pty) Ltd, in association with Collins Stewart Tullett PLC UK
Nedbank Capital - Treasury
Rand Merchant Bank, a division of FirstRand Bank Limited
Reuters
Standard Bank, Corporate and Investment Division

A Steep Learning Curve

ACI Australia recently held its very successful Dealing Simulation course in the UK. *ACI Briefing* sent one of its staff, Jennifer Coldwell, along as a delegate on the course – this is her diary.

FRIDAY, 12TH NOVEMBER

I am informed that I am going on the ACI Dealing Simulation Course next week, starting on the Tuesday and ending on the Friday. This fills me with dread as I have a limited knowledge of spot trading. I feel it is going to be a long weekend.

TUESDAY, 16TH NOVEMBER

It is 5:00am and I am feeling slightly nauseous, it's too early and I wonder who else has signed up for the "fun". I hope that I am not the only one that has no experience in this field.

Upon arriving at the hotel, the first person I meet is Noora Pahlkala, who works at Skandinaviska Enskilda Banken. We chat and I find out that I am not alone in thinking this might be a tough week, which is comforting.

At about 8:00am we walk over to the Excel Centre, where we will spend most of our time for the next four days. This is where we will be doing the dealing simulation. Once out of the lift on the second floor we are met with the longest corridor I have ever seen in my life – it conjures up images of "The Shining". It is about 400 metres long and takes about five minutes to walk.

Once at the lecture room, we are split into six banks, three people in each, called: Tiger, Baboon, Cheetah, Giraffe, Eagle and Gorilla. Luckily I am in the same group as Noora, Tiger Bank. Our other teammate is Per Kvarnstrom, Sveriges Riksbank.

At 8:30am the instructors of the course introduce themselves, they are Mike Eastaway from National Australia Bank, Sydney; Chris Howlett, COO of ACI Australia; Colin Lambert, Editor of *Profit & Loss* and *ACI Briefing*. They will manage the course and act as customers and central bank – under the name Zoo.

Mike begins by giving us a presentation on spot foreign exchange, explaining how FX transactions arise, who makes up the FX market, what influences the market, and how it basically works, as well as details spot market concepts, including how spot rates are quoted and what a price maker and price user are. This provides us with the basics for the rest of the course.

Kevin Conlon from the Society of Technical Analysts then gives us a comprehensive talk about technical analysis. He explains how graphs can be used to represent the market. He uses bar charts and candle graphs to illustrate his points and explains how to interpret them.

Finally, we are introduced to the Saxo Bank trading game in which we will be able to trade in real markets, on their electronic trading platform. Those with the three highest closing amounts will win. I decide to buy dollars against the South African rand, just because of

a hunch I have about the rand depreciating. This game is done during our own break time. So even then it is trading, trading, trading.

Before our first dealing session begins, Chris outlines the dealing simulation rules. We are shown specifically how the market operates, how participants need to operate, what limits are, quoting procedures and behaviour. This information proves invaluable.

Chris explains to us that each team has a link to voice brokers, other banks, via telephone or direct dealing machine and that during each session one team member will act as a voice broker, one as a position keeper and electronic trader and the third as a chief dealer. Candidates switch throughout the course to ensure each plays every role.

SESSION 1

During the first session, I was position keeper. I had to monitor the electronic trading platform, and update our market position on a sheet by writing what we had bought/sold to the other banks. We were all finding our feet at this point so the simulation began quite slowly with very little noise.

SESSION 2

This time I was elected as broker, so instead of sitting with my other team mates as before, I was placed on a table with five other people chosen to be brokers. I did not broke my own bank during this session, I had Giraffe. Jeremy Green, who was running the broking desk, wrote the big figures down on a board so that we could keep track of the market. He began by giving us a lesson on the language that we should use at the table which became quite confusing when everyone was shouting. As a broker, you are an extension of the bank that you are representing and you do exactly what they say. If they ask you to quote a price "20/25" then you shout it out to the rest of the table, with your hand out, shaking. If a broker shouts back yours or mine, then you tell your bank yours or mine and you have effectively bought/sold at 20/25 as if you were acting as the price maker – OK got it...

I found broking lots of fun; very noisy and tiring. You also have to watch everyone very carefully, and listen to what is going on as you may miss putting a bid/offer in, which may lose your bank pips.

WEDNESDAY, 17TH NOVEMBER

We begin by discussing how the previous dealing session went. Mike and Colin ask each of our teams how we felt we did, where we thought the market went and what our strategy was. This is a good exercise as it makes us analyse our strategy.

Method & Psychology of Trading by Roger Hawes from the Royal Bank of Scotland was long, but gave a good understanding of the trading structure and what it takes to be a dealer. Forward FX presentation by Chris is interesting, but complicated, wish I had had



more time to go over the equations (although we did get hard copies of all presentations at the end of the course to keep practicing).

SESSION 3

I am chief dealer – well really it is my turn but I am not looking forward to it. I find this session exceedingly frustrating, I do like being in control but I find it confusing to handle the phones as well as to monitor what is going on, on the screens. The broker is on speaker, shouting prices, and Zoo Bank has decided to make it more interesting by giving us economic data amongst the rolling news that could affect the market. In this position you have to make judgements on where you think the market is going, this is difficult when you have banks and the broker asking you to quote prices. I did not enjoy this session, as chief dealer it was very easy to be overwhelmed and to panic, but it taught me that I need to know what my position is and that I have to decide where the market is going, this may be based on a hunch or on the graphical data we have been given on the screens or where the market has been going in the previous session, although I quickly realise that customer business really helps either give direction or as an opportunity to make money.

The night time trading was fabulous. It started after dinner and tested our endurance. It clarified market maker, market user, and the mine and yours concepts. It also taught us about price discovery and the importance of relationships. We separated into our banks and set up in different parts of the hotel bar. Per was our chief dealer, giving out prices to other banks while keeping our position at the same time, while Noora and I ran around to all the other banks to get prices for 10 million Eur/Usd and to help Per find where the market was. Per, cigarette and glass of red wine in hand, seemed to really enjoy it. He kept on shouting across the room, "Jen, Noora where is the market?"

Zoo also took part and kept us on our toes. Lots of the teams made money in this session, through arbitrage, because Zoo was quoting some very good rates back to us for once. Zoo also tested our understanding of what we had learnt during the day and our discipline. For example, they would ask us what the big figure was, when we came round asking for prices and easy as that sounds, when you have no

screens or phones and the market is really moving it can be a little dangerous.

This session finished at about 1:00am so I literally fell into bed.

THURSDAY, 18TH NOVEMBER

Beginning to feel like this is boot camp, I was up at 6:30am again – but at least I hadn't been woken up like some banks who had had their overnight orders executed.

Entered our overnight trades into our computers and discussed how last night's session went.

The presentation by Chris about "what risks are we running?" was very interesting. It gave us a look at the wide range of risk considerations that must be made when entering into a trade. It also outlined how to measure risk revealing a variety of measurement techniques, but highlighted that if risk is not measured or at least recognised, then it cannot be managed.

SESSION 5

I am position keeper again and I think I am getting the hang of things. I like being in this role as it allows me to step back and look at what is going on without being interrupted constantly. This way I am able to feed information to the chief dealer so that they can make informed decisions. Things begin to speed up at this point and the noise begins. Zoo Bank comments that at one point, above all the other shouting, they could hear me berating our broker for not putting the price in as we quoted it – I am definitely getting the hang of this!

During the night time trade I was chief dealer, and Per and Noora went out to find the market for me. This time it was more difficult, Zoo Bank were not as generous. The market was going down, so I began giving prices lower than the market rate. However I did not give low enough prices so the other banks still sold to me. This session was a low-point and I found it frustrating. I found that I was very long, and over my limit, but a customer (Zoo) came round and bailed me out by buying 100 million Eur/Usd. We finished off at about 2:00am, so was feeling pretty tired, also we had to put in more overnight stop orders and Zoo threatened to call some of the chief dealers. So I wrote everything down and hoped that they wouldn't call me.

FRIDAY, 19TH NOVEMBER

No night time call, thank goodness, but up early again.

I am broker again, I am looking forward to this, but it turns into a bit of a disaster as I start to get confused with the mine/yours concepts. Just when I thought I was getting the hang of things. Helen Burgess, EBS, also has a tough time – she is brokering for Baboon and James Witt, from UBS, is the chief dealer and he is tough. I could hear him from the second room, shouting at

Helen, "Mine and yours!" and then, "DID YOU GET IT?" Helen kept her cool though and kept going. This is an example of how heated things could get and also the need to stay focused, disciplined and (most importantly) to communicate properly.

Insider trading, as well as an outline of the Code of Conduct was explained during the regulation and compliance presentation, by the Financial Services Authority. This gave us insight into what could happen if we did not follow the Code of Conduct.

At the end of the day we were given a test, it was multiple choice. I found it hard, but we all got above 60% so we all did pretty well.

After this, we had a well needed break, after which we went back to the Excel centre where we listened to Martin Mallett, chief dealer of the Bank of England, about the role of the central bank. It was very interesting as he explained the role of the Bank of England in the market and its philosophy.

Finally, we had the presentations. We all received certificates saying that we had completed the course. Most profitable bank was Eagle bank, which included Ana Ujevic, Privredna Banka Zagreb; Christopher Fisher from EBS; and Anthony Skitini from NordLB, they will have their names engraved on a trophy, which is sponsored by *Profit & Loss*. Dealers' Dealer went to James Witt, UBS Warburg – I voted for him – and there were prizes for the most competent bank, Baboon Bank, comprising, of James Witt; Andrew Mullins, EBS; and Karl Falzon from the Central Bank of Malta. Best broker was Mark Marston from Reuters in London, and best exam result was by Mark Allan from HSBC Private Bank, in Guernsey, who got 98.5%.

We made the last walk down the corridor, exhausted from the last four days continuous trading, but happy that we had got through it all. A couple of us stayed behind well into the night drinking to the success of it.

Although I found this course extremely demanding, tiring and frustrating, I also really enjoyed it, and I also got to meet a variety of people that I would otherwise never have met. I learnt a lot about spot trading, I now have a better idea of how the market works and how difficult it actually is to be a trader. I was also able to do this in a safe environment, (which was great because our team lost a lot of money).

It also gave us a realistic representation of how trading is done in the real world and the amount of stress that one has to cope with. We were also given very informative presentations from current and past market participants, each with years of industry experience. I also was able to meet people in the market and to establish relationships with other course delegates. Everyone I spoke to after the course said that they had had a brilliant time and that they now felt more confident about taking the leap into trading.

The organisers would like to express their thanks to BT, EBS, Profit & Loss and Saxo Bank for their sponsorship of the course.

Sydney Success

ACI Australia held two Dealing Simulation courses in the last quarter of 2004, the accompanying article covers the London course, but a very successful course was also held in Australia. The course, which was taken by the maximum number of candidates, took place at a hotel in New South Wales' Hunter Valley and organiser Chris Howlett, director and COO of ACI Australia, extends on behalf of the ACI Australia Executive Board, full congratulations for the following award winners:

Dealers' Dealer

- Mr Andrew Hoare / ANZ Melbourne

Prebon Yamane Award for Best Broker

Ms Meha Thind / National Australia Bank

Highest Examination Mark

-Mr James Struik / Westpac Banking

Profit & Loss Award for Most Profitable Bank

-Jaguar Team

Ms Carly Skeers / Reserve Bank of Australia

Mr Hunter Jamieson / NAB

Mr Andrew Hoare / ANZ

Mr George Ritchie / National Bank of New Zealand Wellington

Most Competent Bank

-Giraffe Team

Ms Suliana Wainiqolo / Reserve Bank of Fiji

Ms Olivia Core / NAB

Mr Richard Horrocks / Westpac New Zealand

Mr Tony Gangemi / Telerate

Mr Paul Cheah / ABN Amro

Howlett says that ACI Australia would also like to thank the global sponsors of Dealing Simulation, BT Syntegra, Telerate and *Profit & Loss* as well as event sponsors Saxo Bank. He would also like to thank the following institutions for allowing their staff to take time off to present at the courses in London and Hunter Valley:

National Australia Bank

HSBC

Prebon Yamane

Reserve Bank of Australia

Bank of England

RBS Financial Markets

EBS

Saw Software

Australian Financial Markets Association

Profit & Loss

VBM Financial Services

Emergence Consulting

Following the success of its two stagings of the course, ACI UK has plans well underway to once again hold the Dealing Simulation Course. The course is planned to take place in London from May 16-20, 2005, running from Monday lunchtime to Friday afternoon.

Delegates attending the course will be invited to ACI UK's Gala Ball on Friday May 20, at which course prizes will be presented. Details are available from Sue Attwood of ACI UK of aciukmembers@aol.com.

Further courses are planned for Bahrain, Kuala Lumpur, Australia and Copenhagen, further details can be obtained from chris.howlett@aciaustralia.com.au

Market Matters

NAB Losses Prompt FXC Rethink

The FX options trading losses that were revealed by National Australia Bank (NAB) at the start of 2004 have prompted the New York FX Committee (FXC) to reassess its Management of Operation Risk in Foreign Exchange Guidelines (otherwise known as the Sixty Best Practices). In a letter to market participants, FXC chairman Mark Snyder stresses that the committee regularly reviews the practices, which were first published in 1996 and then updated in 2003, to ensure they remain topical, and as such it concluded that publicly available information about the NAB fiasco warranted additional guidance.

Although the FXC believes that adherence to the Sixty Best Practices should reduce the possibility of a firm suffering weaknesses as those reported at NAB, it also determined that the practices could benefit from some revision, specifically addressing FX options. It highlights the sale of deep-in-the-money options and argues that this practice warrants special attention and specific procedures applicable to sales and trading staff.

"Procedures should ensure an appropriate level of review – if necessary by senior trading management or risk management outside the sales and trading area – to guard against potential legal, reputational and

other risks," Snyder states in his letter. "In addition, the committee emphasises that an FX options portfolio is not effectively marked to market unless the valuation reflects the shape of the volatility curve. Further the committee recommends that positions should wherever possible be revalued reflecting the 'smile effect!'"

The committee further stresses that while there may be legitimate reasons for the sale of deep-in-the-money options, for example the "sell back" of an option or the implied delta within a separate derivatives product, it should also be recognised that these trades can be used to exploit weaknesses in a counterparty's revaluation or accounting processes and as such create erroneous results.

The practices which have been revised are:

No 12: Closely Monitor Off-Market and Deep-in-the-Money Transactions

No.41: Conduct Daily Position and P&L Reconciliation

No.42: Conduct Daily Position Valuation

No.43: Review Trade Prices for Off-Market Rates

No.52: Ensure Proper Model Signoff and Implementation

No.54: Establish Strong Independent Audit/Risk Control Groups



MARK SNYDER

Separately, the FXC has released its Recommendations for Non-dealer Participants, which seeks to share the experiences of the major financial institutions with non-dealer counterparties (which the FXC terms as those transacting FX on a more "occasional basis"). The paper highlights 22 issues intended to raise awareness and provide "best practice" recommendations and, along with the revised Sixty Best Practices, can be viewed at the committee's website, www.newyorkfed.org/fxc.

Disputes and Documentation

One of the main tasks of the Committee for Professionalism (CFP) is the Expert Determination Service in relation to a dispute between market participants.

The Model Code at Chapter V states that one of the common causes of disputes is the use of unclear terminologies or rate or price quoting. This still holds true. Many of the disputes brought to us last year could have been avoided if the parties concerned had exercised due care.

Appendix 1 to the Code stipulates the conditions and procedures of such Service and states at 1.1.3 that the dispute must be "related to market practice or conduct" but not a legal dispute. This is a very fine line. If all other facts and circumstances justify the time and cost, a party may bring his claim to a court of law whose determination may depend on the success of proving what the relevant market practice is.

Some industry groups, most notably, the International Swaps and Derivatives Association (ISDA), publish standard forms of documentation. These publications include definitions of terms to unequivocally agree on the terms and conditions of OTC market transactions.

The definitions are largely terminologies which had been used in the market and which

the majority of the relevant dealing community had shared common understanding of what they meant.

The use of such common language could be termed as "market practice". Industry groups like ISDA have meticulously defined such terms with input from practitioners so that the terms commonly used in the market are given legal meaning which matches the "gut feeling" understanding of the market participants. Definitions also contain clearly defined rounding conventions, formulae for calculating certain rates, etc.

Standards

Industry groups also produce templates for standardised products using such defined terms. One of most recent templates is for Non-Deliverable Forward confirmations. But, where there are defined terms for the transactions that a member is contemplating, not only middle or back office persons who produce confirmations but also front office traders who initially agree on the terms and conditions of the trade with their counterparts, are strongly encouraged to use the defined terminology.

In addition, the execution of a master agreement governing the relevant transactions on or prior to the commencement of a trading

relationship is encouraged. These master agreements do contain provisions which could avert unnecessary disputes and provide a solid basis for credit risk management at the same time. This is an elaboration of what is said in Chapter V, 2 of The Model Code.

There are certain terms or things which are not defined in these publications such as rounding convention for exchange rates for each pair of currencies. Some are not fit to be defined for use in a contractual document.

These gaps are filled by the Market Terminology section of the Code which we are currently working to update. We at CFP always welcome any suggestions you may have on these.

The reach of the industry groups which are active in documentation is pretty much limited to North America and the Commonwealth. ACI's strength is its arguably broadest geographic coverage. Where such industry groups are not recognised or accepted for some reason, ACI members should spread the use of standard documentation to create an environment in which all professional market participants deal speaking common language for cross-border transactions.

Teruo Tanaka was elected Chair of ACI's Committee for Professionalism at the recent Council meeting in Johannesburg.

Education with a Difference

Board of Education Chair, Carlene Crnkovich, found a different way of spreading the word from ACI's Board of Education over the festive period, sending the following festive messages.

HERE WE COME REPUBLISHING

*Here we come republishing among the leaves so green;
Here we come with editing so fair to be seen.
FRAs and Options come to you.
And to you glad Repos too.
And Gamma bless you and send you a Delta neutral New Year.
And Gamma send you a ITM New Year.
We are not daily beggars that beg from door to door.
But we are BOE members whom you have seen before.
FRAs and Options come to you.
And to you glad Repos too.
And Gamma bless you and send you a Delta neutral New Year.
And Gamma send you a ITM New Year.
Discount to Present Value and Strip the Zero's please.
And calculate the arbitrage for 3 month HKD's
FRAs and Options come to you.
And to you glad Repos too.
And Gamma bless you and send you a Delta neutral New Year.
And Gamma send you a ITM New Year.*

HARK THE REGULATORS SING

*Hark! The regulators sing,
"Write exams to our liking."
Not too easy, not to hard,*

*Not with those rogue questions marred."
Joyful, all ye nations rise,
Certification of ACI's.*

*With the Prometric sites proclaim,
"Dealing Certificates are the game!"
Hark the joyful trainers sing,
"Let our sparse cash registers ring."
Candidates from far and near
Pass exams without a tear.
Review team and BOE proclaim
"Diplomas will bring us fame."*

GOD REST YE MERRY TRAINERS ALL

*God rest ye merry trainers all; let nothing you dismay.
The DC exams are republished and headed on their way.
Diplomas are for 2005 if we don't go astray!
O tidings of profit and joy, profit and joy!
O tidings of profit and joy!
In all the countries of the world; across the seven seas
The candidates are lining up to learn and pay their fees.
To calculate a delta hedge and use volatilities!
O tidings of profit and joy, profit and joy!
O tidings of profit and joy!
From Mozambique and Serbia, the hungry traders came;
To learn to calculate forwards and T/N swaps to tame;
To pass exams with distinction is certainly their aim.
O tidings of profit and joy, profit and joy!
O tidings of profit and joy!
Christmas is just plain weird.
What other time of the year do you sit in front of a dead tree in your living room eating candy and*

snacks out of your socks???
If you see a fat man ...
Who's jolly and cute,
wearing a beard
and a red flannel suit,
and if he is chuckling
and laughing away,
while flying around
in a miniature sleigh
with eight tiny reindeer
to pull him along,
then lets face it ...

Your eggnog's too strong!

WITH JOY AND AWE.

ACI SRI LANKA RESPONDS TO TSUNAMI DISASTER

ACI – The Financial Markets Association is in the process of ascertaining what initiatives have been established by the national associations in those countries affected by the Tsunami disaster at Christmas and stands ready to support these efforts. The following letter has been received by ACI Managing Director Bill Hahn from Sri Lanka, outlining the Association's efforts.

Dear Bill,

Thank you so much for your kind consideration. First let me tell you what we have done. We have donated a large number of medicines, food, clothing and various other essentials.

Also we are sponsoring a mobile team of doctors to visit the affected areas on a needs basis, which we intend to start end February or early March.

At the last Ex-Co Meeting we decided to sponsor 10 children who have lost both parents right through their education and we intend building houses for these people depending on the fund flow.

All our Sri Lanka Forex Association accounts are maintained at Commercial Bank of Ceylon Limited and any funds/contributions can be routed through them.

For USD - To Standard Chartered Bank, New York A/C. No. 3582052360001

O/a Commercial Bank of Ceylon Ltd.

For further Credit to Sri Lanka Forex Association A/c. No. 1504550901

SWIFT CODE NO. CCEYLKX

For GBP - To Standard Chartered Bank, London - Grace Church Street Branch

O/a. Commercial Bank of Ceylon Ltd.

A/c. No. 01804813401

For EUR - To Standard Chartered Bank, London - Grace Church Street Branch

O/a. Commercial Bank of Ceylon Ltd.

A/c. No. 5601804813496

We have received a lot of funds from various parts of the world from very dear friends and will ensure that the funds that we receive will be used for a worthy cause and accounts relating to funds received will be forwarded to you in due course.

Thanking you.

Wije, Chairman, Sri Lanka Forex Club

ACI Reinforces Self-Regulation Ideal

ACI – The Financial Markets Association, has, in the form of a letter from President Godfried De Vidts, and Chairman of the Committee for Professionalism, Teruo Tanaka, to Pierre Francotte, CEO of Euroclear, reinforced ACI's stance that the OTC markets function better with a minimum of regulation.

The letter was in response to an opinion article in *Dialogue* magazine by Francotte, which looked at the dismantling of Giovannini Barriers as Europe works towards a single clearing and settlement standard. In the article, Francotte asked, "And why have special rules for clearing and settlement and not for other financial market activities such as trading, foreign exchange and payments systems? If no such regulation is needed for such activities, then what is the objective rationale to do so for post-trading?"

De Vidts and Tanaka pointed out they were a little disturbed by the nature of the above comments, stating that, "Through the work of ACI's Committee for Professionalism (CFP), we aim to keep the self-regulatory environment for inter-professional OTC financial markets intact."

They also highlighted the content of The Model Code, which covers a great deal of the areas of concern cited by Francotte, adding, "We believe banks already have enough regulation. Through the dialogue between industry groups such as ourselves and the regulators; the regulators generally agree that the OTC market could best function with a minimum of regulation. This belief forms one of the three pillars of the new capital accord."

The letter further highlights ACI's success in its ongoing efforts to get its exam suite officially accredited and its aim of even greater take up of its exam suite amongst the world's regulators. It further invites Euroclear Bank to participate in the association's ongoing work to maintain the self-regulatory environment (the company is already represented at board level in ACI Belgium). "I hope we can continue our collaboration in the various official meetings we attend, aiming to keep self-regulation in place where possible for the benefit of our industry," De Vidts concludes.

Not again!

Like periodical calls for a return to the Gold Standard, the Tobin Tax surfaces on and off again in international financial forums. This time, as before, it has gotten more attention than it deserves, as none less than President Chirac of France has decided to propose it at the recent meeting in Davos.

President Chirac follows the step of an heterogeneous army, which includes the anti-globalisation protesters, Lionel Jospin and Gerhard Schroder, George Soros. The last time he had a chance to speak about his own idea, Jim Tobin himself sounded vaguely apologetic. Like the return to the monetary system of the last century, a proposal to tax financial trading can only be explained, we are sorry to say, by the fact that its champions have little familiarity with the way financial markets really work today. Some awareness of the fundamental functions of financial markets, coupled with sound economics (which is really common sense) are enough to bury the Tobin Tax idea.

How do financial markets work today? They carry out many functions, among which the transfer of value over time (borrowing-lending), across borders and industries, the facilitation of payments, the fragmentation of large-size investment projects, and so on. But perhaps the foremost function financial markets carry out at present is the transfer or allocation of risk among different actors: young people tend to be better equipped in taking on risk than old people, and institutions like pension funds are willing to take on much less risk than institutions like venture capital funds. Given a total amount of risk in the economy, financial markets contribute to its distribution among different actors in a way that better fits individual preferences or conditions.

Their key point here is that, in order to provide that function of risk allocation financial markets (financial intermediaries) need to trade at very high frequency: in theory, they would need to do a trade every instant. Consider the classic case of options contracts: these are much liked by investors as they limit downside risks in investments. But where and how can investors obtain such protection? They obtain it from intermediaries like banks or securities houses that manufacture it by trading with high frequency in financial markets. These intermediaries manage portfolios of risky and riskless securities continuously changing their relative shares, in a way that reproduces almost exactly the patterns of

returns of options contracts. The technique they apply is called dynamic replication.

Thus, dynamic replication permits efficient risk allocation with minimal usage of capital. One should not underestimate the pervasivity of this concept: financial intermediaries trade all the time in almost all they do (and not only in the manufacture of options) for the very reason that, by doing so, they are able to fine tune their portfolios and their risk to market conditions, thereby optimising their usage of capital.

What would happen if a tax were imposed on financial transactions? Continuous trading would become very expensive indeed, thus trading would have to become less frequent, with the frequency decreasing the higher the rate of tax. This would make risk allocation a much more expensive affair, by requiring a much higher absorption of capital into financial intermediation, thus taking it away from other productive uses in the economy, such as the funding of development projects. The social cost of the Tobin Tax is to make capital scarcer and more expensive.

To carry on with common sense, let us ask whether the Tobin Tax would stifle speculation, as it is often argued. First of all it is important to be precise here. Speculation is a good, stabilising force in the marketplace, as it performs the essential function of making prices efficiently reflect market-relevant information. What the Tobin Tax proponents really think about is the illegal but sometimes hard-to-detect activity of market manipulation, which is the use of techniques meant to catch markets off-guard, generating wide and predictable price responses. There is no doubt that a Tobin Tax would make markets far more, not less, vulnerable to destabilising forces like market manipulation, since the cost of trading decreases the participants in the marketplace and by reflection, increases the impact on prices of exogenous disturbances.

Financial markets are a very sophisticated but sometimes fragile community that can be subject to instabilities and erratic behaviour. There is nothing more damaging than trying to deal with these problems with supposed remedies that, as a matter of fact, only end up exacerbating them.

Godfried de Vidts, President ACI

Alberto Giovannini, Chairman of the Giovannini Group at the European Commission



ACI LEBANON HOLDS AGM

ACI Lebanon - The Financial Markets Association held its Annual General Assembly on Friday, December 17, 2004 at its premises. There was a minute of silence in memory of one of its pioneer members, Afif Nehme (Finance Bank) who recently passed away.

This year is the 40th anniversary of the founding of ACI Lebanon, so President Saad Jamaluddin reviewed the achievements that contributed to the increasingly relevant role the Association has achieved nationally and internationally since 1964, maintaining continuous focus on the amelioration of promoting education and professionalism to national market practitioners. He also congratulated Shadi Hanna on his appointment as ACI Vice President.

Vice-Governors of the Central Bank, Secretary General of Association of Lebanese Banks and other guests as well as members and their companions attended the dinner reception held at Phoenicia Intercontinental hotel in Beirut during which the keynote speaker, Mr Steffan De Mistura, Personal Representative for UN Secretary General in South Lebanon, spoke about the role of the United Nations in emerging countries.

Finally, the 25-Years-of-Dealing Awards were handed over to four members, in recognition of their devotion to the profession. They are:

Samir Hamadeh – Al-Mawarid Bank
Nakhle Khoneisser – Intercontinental Bank of Lebanon
John Wakim – BLC Bank
Raymonde Wazen – Audi Saradar Group



ACI REITERATES OPPOSITION TO MARKET TAXATION

French President Jacques Chirac was responsible for the resurrection of a controversial subject with the financial markets at the World Economic Forum in Davos – proposing an international tax to help fight AIDS, claiming that such a measure could raise a desperately needed \$10 billion each year. Chirac's plan calls for a tax on international financial transactions – similar to the so-called Tobin Tax

which was mooted by Canadian Economist James Tobin to reduce speculation in the foreign exchange markets in 1978.

His proposals received a lukewarm reception from many quarters including the US and UK – both vital centres for the financial markets industry and are generally seen as unworkable. ACI – The Financial Markets Association remains against the imposition of such a tax, this was stressed by Andrea Lanzi, Sub-Regional Executive for Austria, Germany and

Switzerland in an interview with the Reuters news agency. "Every tax slows things down," Lanzi told Reuters. "The moment you tax an FX transaction people will think twice about making a transaction. Hedge funds and speculators will think twice. Trading volumes will go down."

The arguments against such a tax are also laid out in the accompanying article by ACI President Godfried De Vidts and Alberto Giovannini, Chairman of the Giovannini Group at the European Commission.



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Commerz FX Team Awaits Further News

Following last Tuesday's announcement that Commerzbank would be retrenching its global investment banking operations back to Frankfurt, sources close to the bank say that the FX team has so far received no news and been left hanging in the balance.

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Committees Survey FX Turnover

The New York Foreign Exchange Committee (FXC) and the UK's Foreign Exchange Joint Standing Committee (JSC) have released details of their inaugural semi-annual FX volume survey. Conducted in October 2004, the survey will be conducted every six months to provide the market with frequent information on the size and structure of the FX markets in both the UK and US.

Although comparisons with the Bank for International Settlements' (BIS) Triennial Survey of FX Turnover, which was last published in September 2004 are inevitable, there are two significant differences in how the data is collated in the FXC and JSC surveys. As used to be the case with the BIS survey, the committees' surveys measure data according to where the dealing desk is and not, as the BIS did in 2004, according to where the sales relationship was based.

More importantly, the two committees do not include intra-bank trades or those with subsidiaries, therefore the numbers are bound to be lower than those in the BIS survey.

The FXC survey shows average daily volume in October 2004 of \$335.4 billion. Of this, \$168.4 billion was spot turnover, \$49 billion outright and \$118 billion FX swaps – OTC FX option turnover was measured at \$36 billion.

The JSC survey showed overall FX turnover of \$587 billion per day, \$207 billion in spot,

\$40 billion in outrights, \$335 billion in FX swaps, \$5 billion in currency swaps. It also reports \$70 billion daily average turnover in FX options.

Without in any way comparing the headline data, it may be constructive to compare the different elements of the recent surveys. Typically in the FX industry it is the sales function that is diffused rather than the trading function (and as such it can be argued that the BIS survey would understate a centre's turnover). That being the case, both centres' turnover is slightly down, as should be expected given the non-inclusion of internal trades – the US from \$461 billion (as measured by the BIS) and the UK from \$753 billion.

A fairer comparison can be made with the 2001 BIS survey which collated data in the same fashion as the committees (again though, it included internal trades), and here the renewed growth of the FX industry is confirmed. In 2001, the US registered \$254 billion per day average and the UK \$501 billion.

Interestingly, while the FXC survey indicates a drop in spot FX turnover from the BIS survey, measuring \$168.4 billion compared to \$217.3 billion in April 2004 (a picture that was repeated in the other market segments, where FX swaps turnover was \$118 billion in October 2004, compared to \$182.9 billion in April; and

outright which registered \$49 billion in October from April's \$61.1 billion) the JSC report hints at higher turnover.

In the JSC data, turnover in the spot market held up well considering the lack of internal trading volumes, registering \$207 billion in October, compared to \$222 billion in April. A decline was seen in the forward markets, where outright turnover registered \$40 billion per day (compared to April's \$103 billion) and FX swaps \$335 billion (\$428 billion) both of which reflect the dropping out of the internal data. OTC option turnover in the UK was steady, registering \$75 billion in October, compared to \$80 billion in April.

Both committees invited 31 financial institutions to participate in the survey, although the lists differed slightly according to different banks' regional strategies. While this number is fewer than participated in the BIS survey, the 31 institutions listed in both countries represent the bulk of the FX market in terms of volume transacted.

"Our goal in launching this survey is to help market participants identify emerging trends in foreign exchange," says Mark Snyder, chair of the FXC. "Moreover, we hope that this information will enable market participants to measure and effectively manage the risks associated with this high volume and rapidly evolving industry."

ACI Reports Successful 2004 for Exams

ACI - The Financial Markets Association is pleased to announce another successful examination year in 2004.

A total of 976 examinations were taken during the course of the past year. The breakdown of this number by examination type is as follows:

| | |
|-----------------------------|-----|
| ACI Dealing Certificate | 690 |
| ACI Settlements Certificate | 148 |
| ACI Diploma | 138 |

Additionally seven candidates sat for the electronic version of the Wholesale Markets Brokers' Association (WMBA) certificate examination and six candidates sat the separate Model Code examination, which forms part of the ACI recognition criteria for the WMBA Certificate.

There was a wide geographic spread of candidates among the various ACI regions as follows:

| | |
|------------------------|-------|
| Americas | 0.7% |
| Asia Pacific | 4.1% |
| Europe | 61.2% |
| Middle East and Africa | 33.9% |

ACI's Board of Education (BoE) comments that the numbers have continued to increase which is encouraging. Regionally, Europe has increased registrations in 2004 with the Middle East and Africa in a holding pattern similar to 2003. Asia Pacific and the Americas show steady growth.

The developing markets have shown great initiatives this year in working towards estab-

lishing professional standards for both front office staff and the support functions of their financial institutions. This will have a bearing on their standing in the international financial services marketplace.

The ACI Foundation offers a Bursary programme, which assists candidates from developing countries. The Bursary covers 50% of the examination fees, thus encouraging more candidates to hold an ACI qualification. Since the establishment of the programme in 2001, the Foundation has approved over 100 grants to candidates from around the world.

Separately, the BoE wishes to extend its boundless gratitude to Thomas Einramhof for his dedicated service over the last three years as a member of the Review Team. Thomas diligently rechecked the databases for the Diploma and the Dealing Certificate and spent countless hours helping in the revisions, both in English and German. Without his efforts, we could not have made the progress that we have made in the tedious republishing projects.

Thomas has been a STIR-Derivatives and FX Forward dealer for ERSTE Bank der oesterr. Sparkassen AG in Vienna since 1998. He has also been the Education Officer for ACI Austria since 2001 and involved with the German Language Board since 1997. Increased



THOMAS EINRAMHOF

responsibilities at his bank have resulted in his resignation from these ACI appointments. He will be sorely missed and very difficult to replace, but we thank him profusely for his time and talents.

Finally, the BoE will be holding its first ever Workshop for Education Officers at the Stockholm Congress. All Education Officers from each country are encouraged to attend. The two hour agenda will include brainstorming, idea swapping and education on education. In keeping with the Swedish venue, the theme will be "Teach a person to fish..."

CALENDAR 2005

| | | |
|--|--|--|
| FEBRUARY | TBA | 15-18 |
| | Forex Club Argentino GA Buenos Aires | Serbia & Montenegro GA Serbia & Montenegro |
| 17 | | 30 |
| Sweden General Assembly Stockholm | MAY | Belgium General Assembly Brussels |
| | 6-7 | TBA |
| MARCH | Forex Croatia General Assembly Brac Island | Georgia General Assembly Tbilisi |
| 1 | 26-28 | TBA |
| Korea General Assembly Seoul | ACI 44th World Congress Stockholm | Iceland General Assembly Reykjavik |
| 11-12 | | |
| Monaco General Assembly Monte Carlo | JUNE | |
| 17 | 4 | OCTOBER |
| Luxembourg General Assembly Luxembourg | Mexico General Assembly Mexico | |
| 18 | 10-11 | 7-9 |
| Macau General Assembly Macau | Slovenia General Assembly Maribor | Austria General Assembly Vienna |
| 31 | 18-19 | 17-20 |
| Malaysia General Assembly Kuala Lumpur | Switzerland General Assembly Luzern | Kuwait ICA Congress Kuwait |
| 31 | TBA | 26 |
| Kuwait General Assembly Kuwait | Poland General Assembly Warsaw | Netherlands 50th Anniversary Party Amsterdam |
| | | |
| APRIL | SEPTEMBER | |
| 14 | 8 | DECEMBER |
| Germany General Assembly Frankfurt | Netherlands General Assembly Amsterdam | |
| 23-25 | 15 | 8 |
| Portugal General Assembly Vaia monte | Danmark General Assembly Copenhagen | Hong Kong General Assembly Hong Kong |

Web Listing

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