

ACI BRIEFING

NEWS FROM THE FINANCIAL MARKETS ASSOCIATION

<http://www.aciforex.com>

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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 66 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.

ACI Celebrates 50 Years in Style

The 50th anniversary of ACI - The Financial Markets Association was celebrated in fine style in Stockholm at its 44th World Congress. A business programme, in the finest traditions of the Association's rich history was supported by the biggest trade show at ACI Congresses, and was topped off by a social programme set in some of Stockholm's most historic sites. The Congress also proved successful in raising the Association's profile, with President Godfried De Vidts taking the opportunity to raise awareness of its work - as well as its potential.

Matters commenced with a spectacular opening ceremony in the Munchen Brewery a magnificent waterfront location overlooking Stockholm city. The night was kicked off with a welcome speech by J.P. Neergard of sponsor Danske Bank, who spoke of the importance of trust in the financial markets and also that, "A well functioning and trusted financial market has been, and most certainly still is, a crucial condition for prosperity."

Friday's business session started on a strong note and developed further as the day went on. Swedish Finance Minister Per Nuder welcomed ACI in the name of the Swedish Government and spoke to the theme of the Congress, "50 Years of Change." Mr Nuder also gave his views on current conditions in the Swedish economy.

A powerful panel of seven central bankers followed, this panel dealt with three inter-related topics; the impact of currency fluctuations and currency mechanisms on monetary policy; how risky can currency fluctuations be for financial stability; and global imbalances and their impact on exchange rate and monetary policy.

The panel agreed that it was very difficult to predict future exchange rate movements, and as such all were fairly relaxed about the impact of exchange rate movements upon monetary policy. It obviously depended upon the type of currency mechanism being operated, it was noted however, in a floating environment, there was only likely to be an impact when exchange rates were at extreme levels and as such did not reflect fundamentals.

There was unanimous agreement that the most important element in monitoring exchange rates was understanding exactly what factors were influencing the rate, rather than the level. It was also agreed that in general, economic imbalances are a way of life in the global economy, but notwithstanding that, the panel did not agree with the belief expressed previously in some



THE CLOSING DINNER IN STOCKHOLM CITY HALL

quarters that the imbalances were a "benign state of affairs".

The next session discussed asset and liability management from an ethical perspective, specifically whether the ethical perspective provided a contradiction to efficient management. A very interesting session concluded that ultimately ethical behaviour reflected best practice and that good corporate governance reflects good ethical behaviour because good governance involves taking responsibility all the way through a specific process. The panel also agreed that good, ethical, governance will be judged and reflected by the most important part of the chain - the end user.

Transparency with all counterparties and the implementation of efficient, solid risk controls are the keys to good corporate governance, the

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ACI RESPONDS TO LONDON BOMBINGS

In the aftermath of the bomb attacks in London on July 7, Godfried De Vidts, President of ACI, issued the following release.

"ACI - The Financial Markets Association extends its condolences to the families and friends of all those killed or injured in the horrific terrorist acts that occurred yesterday in London.

"In particular its thoughts are with the families of any of its members who may have been victims of this atrocity. ACI hopes that the financial markets will try and cope with this disaster in as calm and sensible manner as is possible."

At an unofficial level, ACI UK says it has received many messages of support and condolence from other ACI National Associations.

BOE TO SURVEY MEMBERS

ACI's Board of Education (BoE) is to distribute a survey to assess the current educational offerings of ACI – The Financial Markets Association, with the aim of understanding the actual and future needs of the financial markets industry. Carlene Crnkovich, Chair of the BoE, says that, through this, the Board intends to develop a well-founded vision of the future for ACI's education and examination services and a detailed action plan to meet the industry's needs.

The make up of the survey is under discussion within the BoE, however the intention is to issue a standardised questionnaire with additional open questions to be distributed to ACI members and other selected candidates. The BoE is seeking to poll opinion in such areas as whether the current examinations meet respondents' needs and whether the current range of courses and seminars on offer are adequate. As far as the open questions are concerned, the BoE is seeking feedback on what services and aspects of ACI education respondents appreciate most, as well as areas they feel ACI can enhance in its current offerings.

Crnkovich says she hopes to build a conclusive and thorough view of ACI from the outside of the Association, including the major threats and challenges from the regulatory and economic environment and the demands from the banking industry. From this, she suggests, the Board will be able to create an idea of what ACI Education should evolve into.

Currently, the BoE is planning to set the timeframe for the survey, as well as to assign target groups to board members and generate questions for the survey. Further details can be obtained by contacting Ann McGoff, Director of Education Operations or Christoph Niggli, Survey Team Leader.

PORTUGAL ELECTS COMMITTEE FOR 2005

Following its Annual General Meeting at its premises in Lisbon, Forex ACI Portugal discussed and adopted the report of the board for 2004 and re-elected the board for the next three years.

The board is made up as follows:

António Gonçalves

President (Banco de Portugal)

Paulo Rosa

Vice President (Millenium BCP)

Basílio Leal

Secretary (Banco Internacional do Funchal)

Fernando Baptista

Treasurer (Montepio Geral)

Ana Paula Costa

Deputy (Caixa Geral de Depósitos)

José Martins

Deputy (Banco Espírito Santo)

Luis Ferreira de Melo

Education Officer (Millenium BCP)

Gonçalves says that the association is planning a series of seminars and training for its members during the next three years, details will appear on the association's website, www.forex-aciportugal.com.pt.

panel agreed. The panellists also concurred that efficient markets build greater transparency and, as such, answer the calls for more ethical behaviour. It was pointed out that markets are unlikely to be 100% efficient and there are always risks of misbehaviour in the global market, however through greater training and education, employees and employers alike will be able to maintain the generally high standards in the financial markets.

Panel three discussed the challenges faced by the world's corporations in a world witnessing increasing volatility in exchange and interest rates. There were different opinions expressed as to the value, or otherwise, of hedging exchange rate risk in corporations. Ultimately, the more certain a cash-flow was, the more likely it was to be hedged, the panel agreed, however that on many occasions, cash-flow levels were subject to a myriad of influences from other parts of the global economy.

There were also suggestions that some companies could change their risk management policies to allay demands for "flatter" returns from auditors in the new regulatory regime, although panellists did not see this being a widespread problem.

Delegates and partners then joined Handelsbanken for dinner at the historic Vasa Museum which houses a reconstruction of the impressive but ill-fated Vasa ship, which sank on her maiden voyage in 1628.

Saturday morning saw a very healthy gathering hear from a panel from all sides of the market discuss the changing market environment in the electronic era. The panel delved into themes surrounding the impact on people's business from the e-revolution and agreed that the evolution "curve" was still relatively young. The future course of the market – areas such as "will we have a single exchange?" and "how do smaller banks survive in a global world?" – were discussed, as was the increasing impact of hedge funds upon the financial markets. It was agreed that while hedge funds bring valuable business and liquidity to markets, there is a risk if the sector becomes too dominant.

The business sessions closed out with ACI's General Assembly, at which members were appraised of the outcome and issues discussed at the various committee meetings, and also advised of future events such as the Paris Seminar.

Finally, and fittingly, ACI Sweden took delegates and partners to Stockholm City Hall for a dinner, sponsored by SEB Merchant Bank, which celebrated 50 years in song and images. Set in the grand hall which houses the annual Nobel Awards, delegates saw a very skilful weave of images from the history of ACI as well as from the wider world, interspersed with images from the world's media as they reported the major financial events of the period, and a series of songs.

At the end of the evening, the Organising Committee of the 44th World Congress took to the stage to a standing ovation from all present and took part in the handing over of the ACI flag ceremony to ACI Philippines.

CFEC RECOGNISES VALUE OF ACI'S MODEL CODE

In its recently published Annual Report for 2004, the Canadian Foreign Exchange Committee (CFEC) highlights the value provided by ACI – The Financial Markets Association's Model Code. The CFEC, which is sponsored by the Bank of Canada in a similar fashion to the relationship between the Federal Reserve Bank and the New York Foreign Exchange Committee in the US, notes that most financial institutions have their own internal code of conduct and market principles. It adds though, that The Model Code is "meant to govern markets in general and can serve as a benchmark in that an internal code should be at least as rigorous and comprehensive as the ACI Model Code."

The report also highlights the benefits provided by The Model Code in solving disputes between financial institutions, stating, "Given that the ACI Model Code serves as a guide for the inter-professional market, it can be used as a point of reference when there is a disagreement between dealing institutions."

Canada adopted The Model Code in 2001 as the standard for best market practices in the Canadian FX market, replacing guidelines that were originally published in 1997, however in 2004 the CFEC requested that the Canadian Committee for Professionalism (CCFP) undertake a review of standards and practices in the local marketplace to see if there were any areas where improvements could be made.

Following the results of the survey, "It was thought that while the front office staff of dealers and brokers are aware of the ACI Model Code, it is less certain how familiar others, such as those responsible for risk management, are with these specific guidelines," the report states. "Accordingly, the CFEC, the CCFP and the Financial Markets Association of Canada, have distributed the ACI Model Code to the compliance and risk management departments of financial institutions in Canada."

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ACI-UK Stages Dealing Simulation Course; ACI South Africa to Follow



place between the banks and through a broking desk that is built to help the smooth functioning of the market. A scrolling news service provides hints and market data to help delegates in their decision making process and a chart, tracking the market movements during the course, is updated after each dealing session. The object of the course is to build understanding of the basics of trading at the same time as building delegates' knowledge of the latest tools and products in use.

There are no preset conditions on market movements. The banks themselves are responsible for price action and where the market goes, helped occasionally by orders and trades with corporates, real

money managers and hedge fund managers as well as the central bank, if deemed necessary. The role of the buy side was played by the managers of the course, Chris Howlett from ACI Australia, Mike Eastaway from National Australia Bank, Sydney, Colin Lambert from *Profit & Loss* and Sue Attwood from ACI-UK.

The core objective of the course is to create authentic market conditions, using representative news scenarios (which change for every course) to build a delegate's knowledge of how a market reacts in certain circumstances. Given the brief period of time available to the organisers, these circumstances typically become more stressful as the week progresses. Indeed as more than one delegate pointed out, the opportunity is there to learn about more than the basics of trading. One can learn a lot about oneself as well.

During the London course, a record 14 dealing sessions took place, including two night sessions that taught the very basics of price discovery, and an unusual session wherein all delegates were called in the middle of the night to be told they had to man their dealing rooms to cover for an overseas office as part of their bank's disaster recovery plan. All of this was carried off by a superb group that threw themselves heart and soul into the course, just as their predecessors around the world have over the past years.

At the end of the course, employers of delegates are provided with an appraisal of their employee's participation in the course. This, alongside the examination, provides the formal aspect of the course. However, five awards are also presented by the organisers of the course.

The *Profit & Loss* Award for Most Profitable Bank speaks for itself and was won by Hyena Bank which consisted of John Henderson from the Bank of England, Patricia Gunesch from *Profit & Loss* and Claire Gaynor from Reuters.

The Most Competent Bank Award is given to the team that the organisers consider conducted themselves in a very professional manner, were excellent liquidity providers to the market and maintained very high standards of risk management and record keeping. The award went to Jaguar Bank, consisting of Sean Davis

from the Royal Bank of Canada, Denise Locke from Reuters and Alan Samuel from EBS.

The Best Broker award went to Paul Fawdry from Westpac Banking and the Best Examination award was shared by Angel Iles and Sean Davis, both from the Royal Bank of Canada.

The final award is the Dealers' Dealer prize, which is decided by the course delegates. This award went to John Henderson from the Bank of England.

The awards, along with delegates' certificates recording the successful completion of the course, were presented at the ACI-UK Annual Charity Dinner at the Tower Hotel, London.

During the course, delegates heard lectures on the following topics from the following people. The organisers and delegates would all like to extend their thanks to the following for their participation and time.

ACI's Education Programme

Ann McGoff, ACI

Method & Psychology of Trading

Roger Hawes, Royal Bank of Scotland

Economics of the FX Market

Bill Allen, Brevan Howard

Technical Analysis

Martin Scott, Royal Bank of Scotland

FX Swaps

Robin Sumner, WestLB

Currency Options

Darren Smith, HSBC

Eric Popelin, HSBC

Short Term Interest Rate Market

David Croy, Westpac

How a Hedge Fund Operates

James Trott, PaR Asset Management

The Impact of E-Commerce

Vince O'Sullivan, Barclays Capital

Risk Management

Thomas Reeves, Citigroup

The Role of the Central Bank

Martin Mallett, Bank of England

Regulation and Compliance

David Clark, ACI

ACI-UK recently hosted the ACI Australia Dealing Simulation Course for the third time, putting a further 27 delegates through their paces in what proved to be one of the most intensive courses yet staged. The course, which is sponsored globally by BT Syntegra and *Profit & Loss*, and was further supported in the UK by Reuters and EBS, is a residential course consisting of a mix of hands-on FX trading sessions and technical lectures.

Interest in the course has grown globally in recent years, with courses also being hosted by ACI associations in Bahrain, Denmark, Kuwait, Lebanon and Malaysia and continues to grow. ACI South Africa is the latest association to announce plans to host the course, from August 1-5 at the Park Hyatt Hotel in Johannesburg. Spaces are on a first come/first served basis. Further details can be obtained by contacting admin@aciforex.co.za. Participation is not limited to ACI South Africa members. The Association welcomes applications from overseas. ACI Denmark is also to hold the course, from September 12-16, details can be found on the Association's website.

ACI South Africa is confident of repeating the success of the recent London course, from which feedback from both delegates and those speakers that kindly gave up their time for the delegates, has been extremely positive – the latter noting the high level of interaction involved in the course. Several speakers also stayed on to observe and, on occasions, to help during the 'live' dealing sessions.

At the start of the week, delegates are placed in 'banks' for the duration of the course. From this moment on, the delegates 'live' in their banks, taking in lectures from a host of senior market personnel (see end of article) and then sharing the duties in the dealing room. Each bank consists of three members, one of whom plays the part of chief dealer, one of an electronic FX dealer and position keeper and the third as broker. Each member of the team rotates through each role to ensure the fullest possible exposure to all aspects of the dealing process.

Dealing sessions use a mix of electronic, face-to-face and telephone trading – the latter taking

ACI LEBANON DONATES TO THE ACI FOUNDATION

It was announced at the recent Council meeting in Stockholm, that ACI Lebanon had kindly donated \$10,000 to the ACI Foundation which, amongst other initiatives, provides financial support to candidates – typically in emerging market countries – looking to sit ACI examinations. The money was part of the profit recorded by ACI Lebanon from its hosting of the ACI World Congress in September 2003. David Clark, non-executive member of ACI's Board of Education and an ACI Foundation Trustee, thanked ACI Lebanon for its generous donation and its continuing support for ACI's education programme.

CFP CONSULTS ON E-IMPACT

At the Stockholm Congress, ACI's Committee for Professionalism (CFP) met with a group of industry professionals to discuss the use and growing impact of electronic platforms in the foreign exchange markets. The meeting was held off the record, but the CFP issued the following statement.

"The CFP held a productive and interesting panel comprised of banks, vendors, central banks and other interested parties on electronic foreign exchange trading. It became very clear from our discussions that the proper allocation of the burden of due diligence, including the creditworthiness checks, KYC (Know Your Customer), enforceability analysis, regulatory compliance etc. is key. With the autonomy of some e-trading systems, KYC becomes even more important, not just to know your direct client, but also whom this client acts for as an intermediary. Vigilance of this kind is paramount to protect the integrity of the FX and other financial markets.

"The CFP will continue with its work over the coming months, independently and with the cooperation of market participants, to identify any areas of concern where it believes that market best practice, as recommended in ACI's The Model Code, is not being followed. The aim is to then review the text of the Model Code to ensure that any e-trading-specific issues are adequately covered."

At the ACI Council meeting in Stockholm, three new members of the CFP were appointed; Manfred Wiebogen from Austria, Yannick Rayer from France and Marc Burgheim from Germany. Council also approved a proposed amendment to the Statutes that the CFP be able to co-opt an extra member onto the committee, irrespective of the 10 man limit, should the CFP deem it necessary.

Looking ahead, Mark Rollmann, standing in for CFP Chairman Teruo Tanaka, reported that work is underway on updates to the Market Terminology section of The Model Code. The CFP is also looking closely at Islamic Banking. Rollmann noted that this is a fast-growing market sector and suggested that the CFP continues to monitor market developments and participate fully in any discussions on market practices in Islamic Banking.

Euribor ACI EU Commission Working Group meets CESR

At the initiative of its Chairman, Enrique Prados del Amo, the Euribor ACI EU Commission Working Group met with Fabrice Demarigny, Secretary General of the Committee of European Securities Regulators (CESR), in Paris on May 18th. Godfried De Vidts, President of ACI; Thierry Cazaux, President of Euribor ACI; and Thierry Roland, Chairman of the ACI STEP Task Force, attended the meeting, which followed an inaugural event in February 2005.

CESR is deeply involved in the process of drafting new European legislation, on the basis of the Lamfalussy approach. The meeting had the objective of presenting both ACI and Euribor ACI activities to CESR and to try to find opportunities of cooperation. Prados highlighted that the EU Commission Working Group, like ACI generally, is composed of active market practitioners and is therefore in a position to provide legislators with a useful direct insight into the financial markets. He offered the commitment of the group to comment and give feedback on any new legislation initiative affecting ACI's field of activities.

As a concrete case, Roland briefly presented the STEP initiative and explained how it will be affected by the new UCITS directive, currently being refined through a CESR public consultation.

Demarigny expressed his appreciation and stressed the open and transparent approach of the CESR, remarking that input on several stages of the legislative process is welcome. Carlo Comporti, Deputy to the Secretary General, and Jarkko Syyrila, Senior Officer and Rapporteur of CESR Expert Group on Investment Management also attended the meeting, together with other EU Commission Working Group members: Dominique Corombelle, Jörg Isselman, Etienne Jardel, Aly Kohll, Pier Mario Satta and Rainer Thüer.

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ACI Education Goes Fishing

Twenty-two Education Officers and interested persons attended the inaugural Education Officers' Workshop during the Stockholm Congress. It was a two-hour session held on Thursday afternoon, kindly hosted by SEB. The purpose of the workshop was to encourage more involvement by the officers, provide them with an update on current Board of Education (BoE) initiatives, and to distribute CD ROMs with all of the current marketing materials and information for them to share with their constituents.

After introductions, BoE Chair, Carlene Crnkovich, showed a motivational film entitled, *Fish! Catch the Energy. Release the Potential.* The film is based on a fish market in Seattle that decided it wanted to be world famous. The fishmongers are shown in action demonstrating the Fish! Philosophy. It illustrates a workplace where everyone chooses to bring energy, passion, and a positive attitude with him or her each day. The Fish! Philosophy is composed of four simple concepts: Play, Make Their Day, Be There, and Choose your Attitude.

Then the audience broke into four groups led by BoE members to brainstorm how these concepts can be applied to ACI Education. Here is a breakdown of the findings.

PLAY

- Alleviate the fear factor that goes with taking an exam
- Incorporate seminars and professional speakers in a fun environment
- Recruit a junior board with a social program
- Hold Quiz Nights like ACI Ireland
- Hold a Gala dinner for successful candidates
- Organise a Barbecue or other casual event to distribute information

MAKE THEIR DAY

- Show them "what's in it for them"
- Specialisation vs. what others are doing
- Enhance the feeling that there is something else to do
- Celebrate! Make them feel great
- Publish successful candidates on National Association websites
- Ask them their opinions on the experience and how others might benefit

BE THERE

- Share value of increased knowledge by studying for and taking exams
- Traders teaching traders
- Pair traders who have already passed exams with new candidates as a study buddy
- Call candidates the day before they are scheduled to take their exam to answer any last minute questions and provide support
- Interview candidates after the exams to gather feedback

CHOOSE YOUR ATTITUDE

- Positive attitudes
- Confidence in product
- Certainty in quality of the product
- Transparent
- Inspiring
- Interested
- Professional
- Interactive
- Leadership. Be a role model for participation
- Evangelical. Spread the good news

After the brainstorming the teams presented their findings to the whole group for discussion. "We could have used another hour for this part of the workshop as participants were bubbling with enthusiastic

ideas," says Crnkovich. Ann McGoff wrapped up the session by talking about the current initiatives of the BoE, including republishing of the Dealing Certificate and the Diploma. She also informed attendees of the progress of the Operations Group who are currently developing an enhanced Settlements Certificate, which will be labelled the ACI Operations Certificate. All participants were given the informational CD ROMs to take back to their countries.

The group determined that it is important to hold more of these workshops on a regional level to increase participation. They also agreed to be the central core for an expanding network that will hopefully include all National Associations. There is a need for a website or a newsletter to improve communications and to have a vehicle for sharing ideas and successes. The workshop was defined by energy, passion, and great ideas just as the Fish! Philosophy promises.

ICMA/ACI REPO MARKET COURSE

The successful ICMA/ACI professional repo market course will seek to educate traders, back office and support staff in this valuable tool that will continue to gain importance in light of the reforms under Basle 2. Two seminars are scheduled this year, a first Asean course scheduled in Hong Kong for October 13 and 14 in co-operation with HKMA/TMF/TBMA/ICMA/ACI and the fourth annual seminar in Europe hosted by IntesaBCI on behalf of ICMA/ACI in Milan on November 15 and 16. Details for registration will be posted on ACI's and the other supporting association's websites shortly.

ACI to Celebrate 50 Years with Paris Meeting

ACI – The Financial Markets Association will culminate the celebrations of its 50th year with a high-profile academic session in the city where the Association began, Paris. The gathering, which will provide the centrepiece for ACI's Autumn Council meeting, will include keynote addresses by Fabrice Demarigny, Secretary General of the Committee of European Securities Regulators (CESR), and Jean-Claude Trichet, President of the European Central Bank. The session will be held on Friday October 28 at the Palais Brongniart, Place de la Bourse, with sponsorship from Clearstream, Euronext, Eurex, Euroclear, LCH Clearnet, MTS Group and Reuters.

During the session, a presentation will be made about the various ACI working groups and committees on their respective work, and a

copy of ACI's 50th anniversary book, "Once a Dealer...50 Years of ACI", will be presented to Mr Trichet. In keeping with the Association's global reach, ACI will be inviting the Governors of all central banks where ACI has a National Association to attend the event. The Banque de France is also expected to host a luncheon for those central bank Governors that attend.

In addition to the Governors, two people from each ACI National Association, members of Excom and ACI's Working Groups and Committees, as well as Honorary Presidents are invited to attend. Further tables are available to purchase by institutions at EUR 5,000 for a table of eight people, ACI members may purchase tickets at a reduced price of EUR 300 by contacting the ACI Secretariat or their National Association.

ACI TO RAISE AWARENESS OF BASEL II

ACI – The Financial Markets Association is to hold a series of seminars aimed at raising awareness in the financial markets of the requirements and conditions of the new Basel II capital adequacy accord.

The planned dates for the seminars are:

Hong Kong	September 27
Singapore	September 29
Sydney	October 4
Brussels	October 7

Further details will be announced when confirmed on ACI's website, www.aciforex.com.

Mozambique Plans for Association

On July 8 the first ever meeting was held between senior treasury representatives and dealers from the nine commercial banks in Maputo, with the main aim to mobilise the local banks to form a formal Association that can represent the collective views within the OTC market in Mozambique.

Since January 2005, Mozambique has experienced dramatic changes through Regulatory Directives, under the guidance of the World Bank. In an attempt to transform and reform the local foreign exchange market to adopt active two-way interbank quotations in Mozambican Meticaís thus achieving transparency in price discovery.

The commercial banks discussed what trading rules will apply, and also the principles for Professional Conduct; they also adopted a Code of Conduct.

In the local money market, equal adjustments have been seen with regards to the MAIBOR (Maputo Interbank Offered Rate) price fixings under the guidance of the Banco de Mozambique.

The focus of this meeting was education and training that will ultimately lead to accreditation of treasury dealers.

The keynote speaker for the evening was Dr. Adriano Maleiane, Governor of Banco de Mozambique (also a first for Maputo) and accompanied by his senior deputies, including the Head of Banking Supervision, Dr. Joana

David, and Head of Forex and Money Markets, Silvina de Abreu. The Central Bank lent its full support to these initiatives.

To emphasise and demonstrate the importance of training and education in Mozambique, Roy Daniels, President of ACI: The Financial Markets Association South Africa, also addressed the meeting with focus on the ACI Dealing Certificate and the Dealing Simulation Course, which is scheduled for August.

Daniels indicated the key role that ACI- South Africa can/will play in the training and development of all the emergent financial markets in Sub-Sahara Africa.

George van der Westhuisen who represented Peter Skerritt & Associates, a training company from South Africa with training experience in Africa, also addressed the meeting, encouraging all dealers to sit the ACI Dealing Certificate, sooner rather than later, despite the potential language problem.

The meeting appointed five people from the floor who will act as a Steering Committee to pave and plan the way to the next stages in establishing a formal Association.

The target date was set for November 2005 when all legal and regulatory requirements should be completed.

The meeting was hosted by one of the local banks, Banco Austral.

BOARD OF EDUCATION SEEKS TO BUILD NUMBERS

ACI's Board of Education held their meeting at the ACI World Congress in Stockholm. Examination numbers for 2004 were reported; ACI Dealing Certificate registrations continue to increase, as do ACI Settlements Certificate. Exam numbers in 2004 for ACI Diploma were lower than expected.

BoE Chair, Carlene Crnkovich, reported that the January to April 2005 exam numbers showed continued progress. To date, 225 candidates had taken the ACI Dealing Certificate, 16 candidates had taken the ACI Settlements Certificate and 25 the ACI Diploma.

During the Council meeting, Carlene Crnkovich reported that the following mandates were renewed:

- Regional Executive Middle East and Africa – **Saad Jamaluddin**
- Board Member – **Roberto Schiavi**
- Council approved mandate renewal of the Non Executive Director – **David Clark**

The Board is currently seeking a Regional Executive to represent Central and Eastern Europe. In addition a new representative will be recruited to support Saad Jamaluddin, the Regional Executive for the Middle East and Africa.

The Board is also seeking to recruit six experienced market professionals to work for the ACI Examination Review Team; potential candidates should be experienced in one or two of the product areas of the ACI syllabi, have a strong interest in education and the future

development of the ACI examination portfolio. Interested candidates should contact education@aciforex.com.

The Board welcomed to the meeting the Co-ordinator of the ACI Operations Working Group, Andreas Gaus. Gaus reported on the work of the Operations Working Group and outlined the presentations made to various market bodies, including European Central Bank OMG, Swiss Payment Council, ACI Swiss Operations Event, Global Payments Conference and the Bank of England FXJSC Operations Group.

The Operations Working Group is developing a draft syllabus and this should be available by late summer for the core Operations examination. A feedback process for this draft syllabus will be arranged; operations market experts and the training community will be asked to provide advice ahead of finalising the syllabus and the various market bodies mentioned above will also receive a copy for their input. Work on this project should be completed by the end of this year and a new Operations Certificate examination (which will replace the existing Settlements Certificate) is expected to be launched in the first quarter of 2006.

Gaus also reported that the ACI Operations Working Group continues to maintain contact with the relevant international operations groups and would welcome feedback at any stage in the project.

WHAT DO YOU THINK OF ACI BRIEFING?

As part of its regular communication with the financial markets, ACI – The Financial Markets Association would like to poll participants' views on *ACI Briefing*. Readers are invited to respond to the questions below by email to editor@profit-loss.com. ACI will offer a €300 voucher to three respondents drawn from all responses received by August 31, 2005.

How often do you read ACI Briefing?

What type of coverage do you like to read in ACI Briefing?

(tick as appropriate)

- ACI business
- Regulatory issues
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ACI – 50 Years Academic Session

Friday October 28th 2005

Palais Brongniart, Place de la Bourse, 75002 Paris

PROGRAMME

Registration fee:

ACI members Euro 300.00

Non-members Euro 500.00

Corporate tables
for 8 persons
Euro 5,000.00

To register please contact:

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ACI - The Financial Markets Association was founded in France in 1955 following an agreement between foreign exchange dealers in Paris and London. In the years that followed, other national associations were formed and there are now affiliated financial markets associations in 64 countries and individual members in another 10 countries. ACI, with over 13,000 individual members, is the largest international trade association in the wholesale financial markets.

- 15.30 Opening film:**
50 Years of Financial Markets (sponsored by Reuters)
- 15.35 Opening address ACI President:**
Presentation of ACI & Euribor ACI working groups
- 16.00 Mr Guido Ravoet, Secretary General of the European Banking Federation:**
"Market Initiatives towards the Euro Zone Integration"
- 16.20 Musical intermezzo**
- 16.30 Mr Fabrice Demarigny, Secretary General of the Committee of European Securities Regulators:**
"The place of CESR in the World Regulatory Environment"
- 17.00 Break**
- 17.15 Presentation of ACI's 50th Anniversary book by Mr Colin Lambert**
- 17.30 Musical intermezzo**
- 17.40 Mr Jean-Claude Trichet, President of the European Central Bank:**
"The place of the Euro in the World Financial Markets"
- 18.15 Closing followed by cocktails and dinner**

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