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PRESS RELEASE

BIS confirms sharp volume increase (+71%) in daily Currency trading

Last week, the BIS (Bank for International Settlements) published their eagerly awaited report on the development of the international Foreign Exchange Markets. Figures and statistics from central banks and monetary authorities are put together every three years to watch the development in the world largest unregulated markets.

Estimations on the turnover from ACI The Financial Markets Association earlier that year were even exceeded.

The **daily traded FX volume** (mainly interbank trading) increased from \$ 1.880 billion (April 2004) to **\$ 3.210 billion** in April 2007!!

The reviewed data comprise the traditional Foreign Exchange business: FX-Spot, Outright Forwards, Foreign Exchange Swaps as well as OTC-Derivatives.

Over the past years BIS has resumed low volatility and risk aversion in the markets. The following factors most probably have accounted for this development:

- expansion in the activity of investor groups (including hedge funds)
- expansion of retail investors
- a trend for institutional investors with a longer-term investment horizon
- "technical trading" (in particular "algorithmic trading")

Growth was reported across the entire all instruments but it was particularly impressive in the FX swap markets.

The U.K. and the U.S. are still the worlds largest Foreign Exchange Markets. The BIS exhibits the following breakdown:

	Market share 4/2007 *)	+/- versus 2004
UK	34,1%	+2,8 %
USA	16,6%	-2,6%
Switzerland	6,1%	+3,3%
Japan	6,0%	-2,3%
Singapore	5,8%	+0,6%
Hong Kong	4,4%	+0,2%
Australia	4,2%	+0,8%

*) daily traded volume \$ 3.210 billion (or \$ 3,210.000.000.000) by BIS

UK and Switzerland gained significant market share. One possible reason for Switzerland could be that a local major bank (one of the biggest market participants) moved its business from London to Zurich.

Furthermore I would like to stress the share of India, which reaches 0,9% of the daily world turnover (\$ 7 billion in 4/2004 increases to \$ 34 billion in 4/2007).

In line with the theme of "know your customer" (net-working), "electronic trading", "Emerging markets" but also "education", ACI plays a significant role in the daily business. ACI The Financial Markets Association represents 63 membership countries with some 13.000 registered members. Those members are obliged to adhere to the Mission Statement and Charter, the Model Code for market ethic and market competence of the association.

For many years ACI has certified Foreign Exchange traders and others, via ACI Dealing Certificate, ACI Diploma or ACI Settlement Certificate. These traders commit to the principles of the ACI association and accept the daily challenges of the Financial Markets.

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Source: www.aciforex.com
www.bis.org/statistics