

The Global Foreign Exchange Committee

**Presentation to the Canadian Foreign Exchange
Committee**

June 2025

Agenda

- ➊ **Message to the Canadian Foreign Exchange Committee (CFEC)**
- ➋ **Three-year review of the FX Global Code**
- ➌ **GFXC 2025 Priorities and Agenda**

Agenda

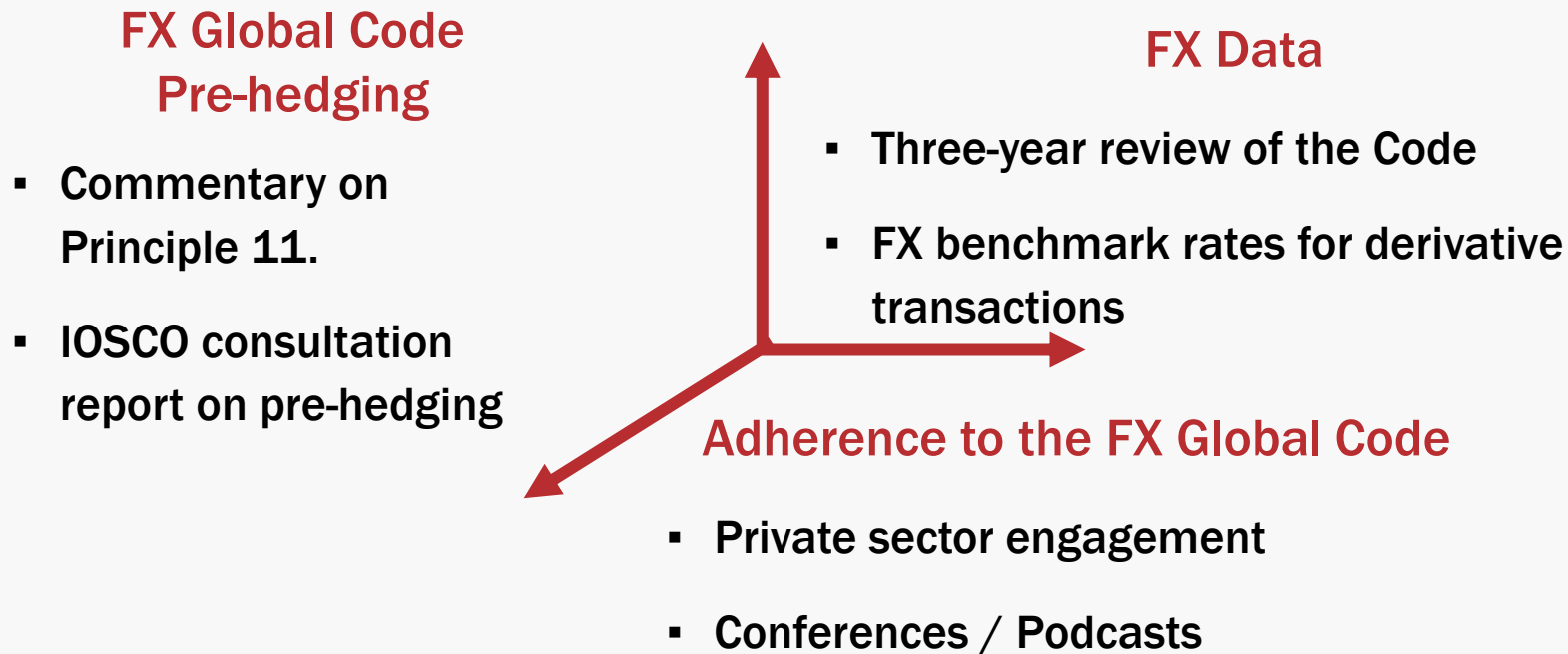
① Message to the Canadian Foreign Exchange Committee (CFEC)

② Three-year review of the FX Global Code

③ GFXC 2025 Priorities and Agenda

Message to the CFEC

The CFEC has had a significant positive impact on the work of the GFXC. It stands out because of its strong voice and –most importantly– because of its noteworthy contributions over the years.



Agenda

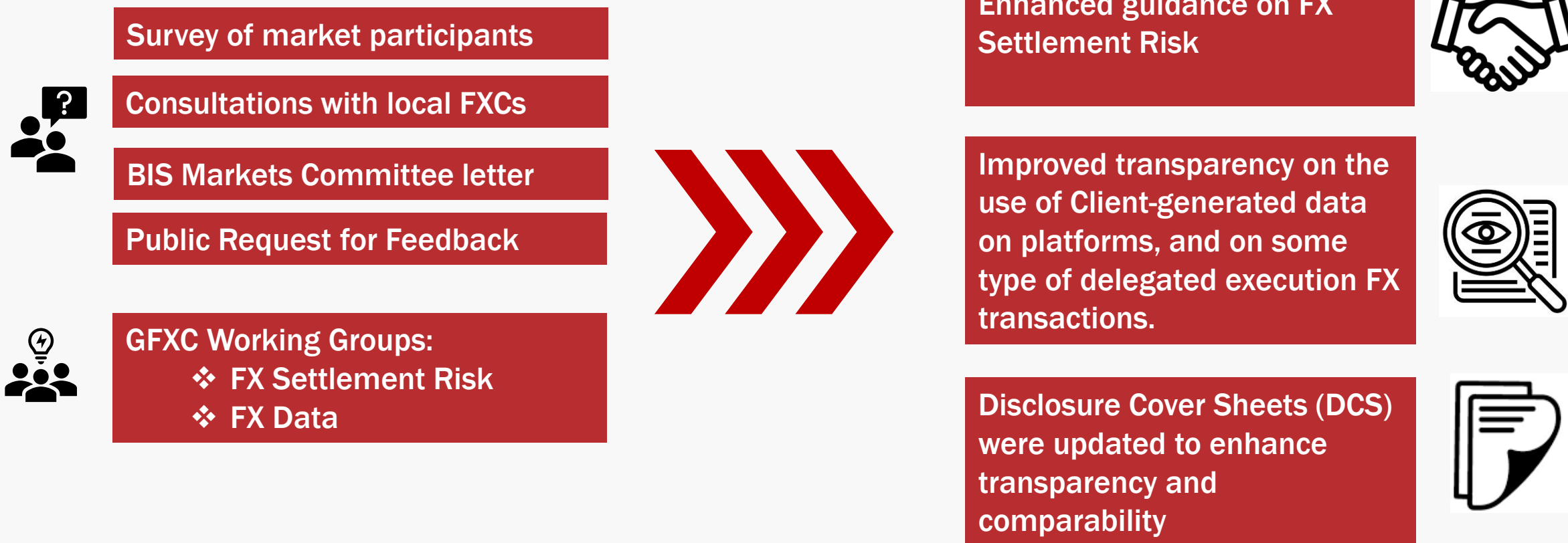
① Message to the Canadian Foreign Exchange Committee (CFEC)

② Three-year review of the FX Global Code

③ GFXC 2025 Priorities and Agenda

Three Year Review of the Code

The Three Year review followed an industry-wide call for feedback on the Code. The majority of market participants agreed that the Code was still fit-for-purpose. As a result, a targeted review was conducted on five of the fifty five principles of the Code.



FX Global Code Review – FX Data

Principle 9

- Provide greater transparency and disclosures around how interaction data generated by clients on FX E-trading platforms—which is non aggregated or anonymised—are shared with third parties.

Disclosures Cover Sheets Examples of appropriate disclosure

- Add:
 - New questions in the DCS for platforms and liquidity providers.
 - Examples of appropriate disclosure by FX platforms that share FX transaction data.

FX Global Code Review – Delegated execution

Principle 10

- Enhance transparency obligations around certain types of delegated execution activity. For instance, when FX transactions have been delegated to a service provider that acts as a Principal to the trade from a counterparty perspective (e.g., custodian, primer broker, futures clearer, hedging service provider).
- Calls for greater visibility of order handling, of fees/costs, and the ability to conduct post-trade assessments on the quality of execution.

Examples

- Add:
 - Examples of how market participants should set out the terms and conditions of their execution relationship when they act as Principal under a delegated transaction.

FX Global Code Review – Settlement Risk

Principle 35 Settlement Risk

- Introduce a risk waterfall approach, whereby market participants should consider a specified hierarchy of settlement methods. This to reduce settlement risk (payment versus payment, bilateral or multilateral netting etc.).
- Encourage participants to conduct regular reviews of their FX settlement practices and make it clearer that **all** Market Participants have a responsibility for reducing FX Settlement Risk.

Principle 50 Measuring, Monitoring, and Controlling Settlement Risk

- Simplify/clarify language around measuring, monitoring, and controlling FX Settlement Risk.

FX Global Code Review – Settlement Risk

Principle 51 Standard Settlement Instructions

- Strengthen language around discouraging the use of multiple settlement instructions for the same counterparty.
- Clarify the difference between standard settlement instructions (SSIs) and settlement instructions (it is only possible to have one SSI in place).
- Clarify that the term “SSIs” refers to “**Standard Settlement Instruction**”.

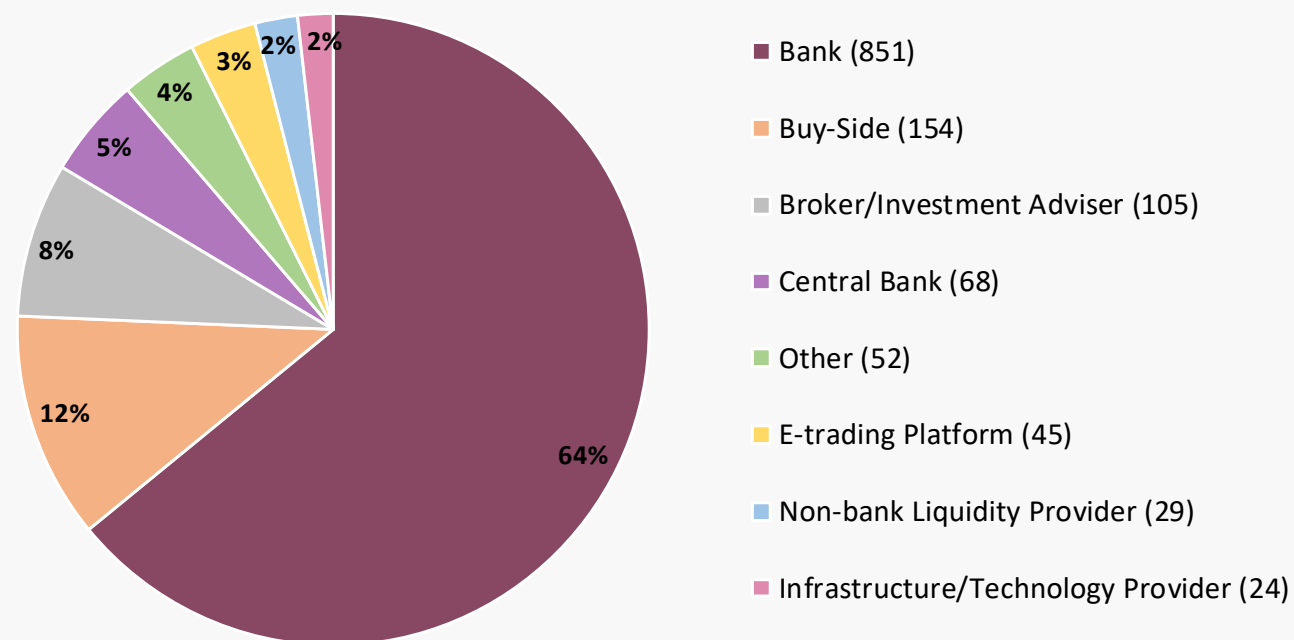
Glossary

- Add:
 - **Standard Settlement Instruction (SSIs)**
 - **Value Date**

FX Global Code Review – Renewing the SoC

- As of December 2024, 1328 entities had signaled their adherence to the Code's principles by signing a statement of commitment (SoC).
- The GFXC is encouraging all market participants to review the amendments and to renew their SoC.
- The GFXC expects that a timeframe of up to 12 months to be reasonable for those affected by the changes to align their practices with the Code and renew their SoC.
- A similar timeframe is envisaged for the uptake of the Disclosure Cover Sheets (DCS).

Statements of Commitment in the Global Index of Public Registers
Distribution by type of market participant



Agenda

- ① Message to the Canadian Foreign Exchange Committee (CFEC)
- ② Three-year review of the FX Global Code
- ③ GFXC 2025 Priorities and Agenda

GFXC Working Groups 2025 Agenda



Motivation for Adherence Working Group

Promote greater knowledge sharing and increased visibility of the FX Global Code. The areas of focus are:

1. Form partnerships with industry groups and rating agencies.
2. Enhance Code education and training.
3. Promote the Proportionality Self-Assessment Tool.



FX Settlement Risk Working Group

Reduce FX settlement risk by encouraging the use of payment-versus-payment mechanisms. The areas of focus are:

1. Analyse the results of the LFXCs' FX Settlement Survey.
2. Analyse the results of the BIS Triennial Survey to assess the amount of FX Settlement Risk in the market and consider ways to mitigate it.
3. Analyse the impact of accelerated securities settlement on the FX Market.



FX Data Working Group

Analyse how the use of FX data can be made more transparent and evenly accessible to all market participants. This would improve market transparency and level the playing field. The areas of focus are:

1. Discuss the availability and use of reference data for derivatives transactions, with an emphasis on swaps.
2. Analyse the adoption of the updated Disclosure Cover Sheets for Liquidity Providers and Platforms.

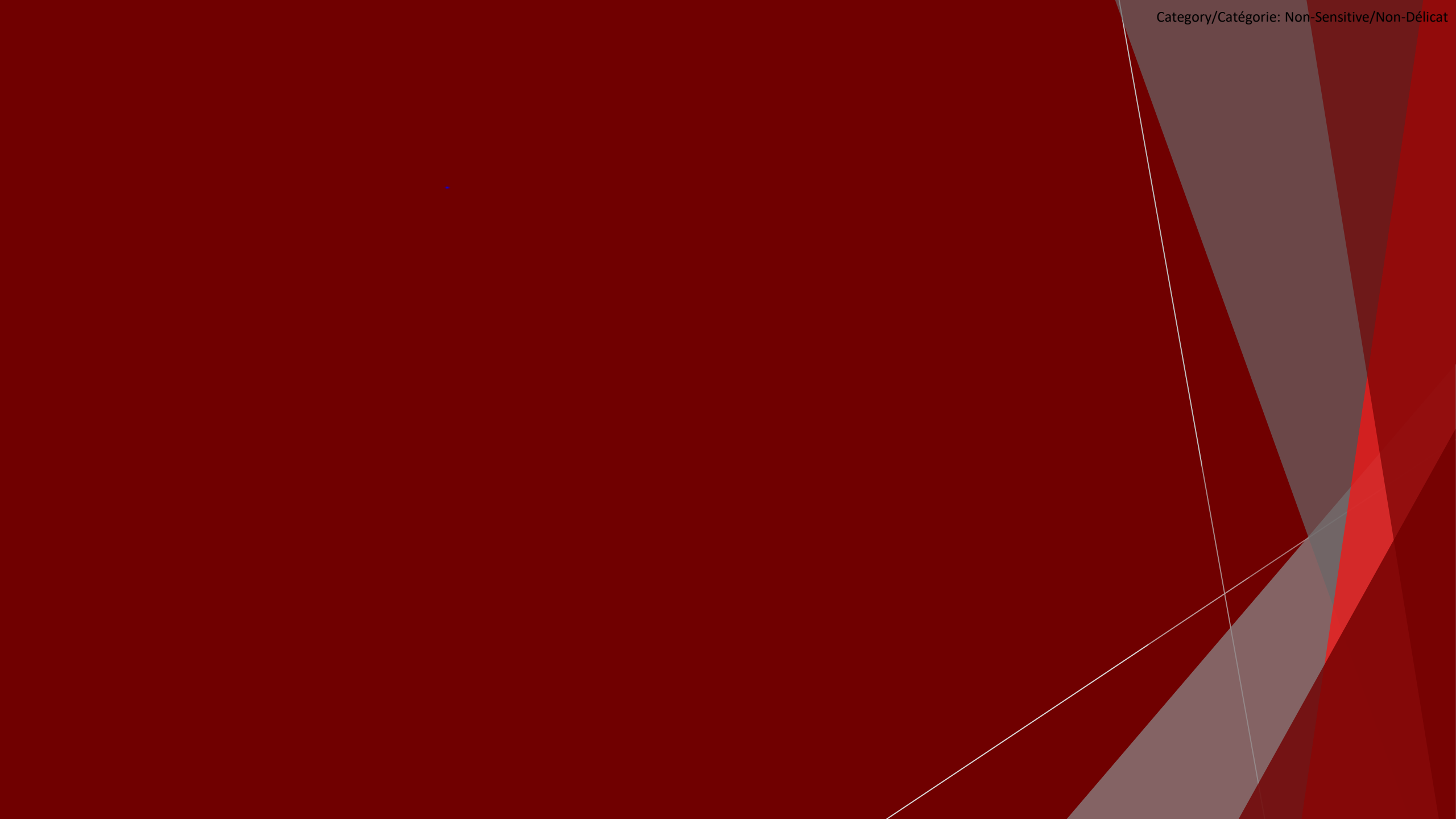
Preview of the July GFXC hybrid meeting in Singapore

GFXC Update

- Update on FX Global Code adherence
- Update from GFXC's Working Groups
- Panel on strategies to create awareness of the FX Global Code
- Leadership and terms of reference

Recent developments in FX market

- Local FXCs. What is the impact of trade tensions in FX markets?
- Panel on assessing FX liquidity.
- Panel on FX derivative benchmark rates.
- IOSCO's consultation report on pre-hedging.
- Panel on stablecoins and their impact on FX markets.



Appendix. Contact Information

- For additional details on the GFXC and the FX Global Code, please visit the [GFXC website](#)
- For general information about the Global Foreign Exchange Committee: email@globalfxc.org
- For media enquiries: media@globalfxc.org