

**THE FOREIGN EXCHANGE
JOINT STANDING COMMITTEE**
Threadneedle Street
London EC2R 8AH

28 July 2008

RESULTS OF THE SEMI-ANNUAL FX TURNOVER SURVEY IN APRIL 2008

In April 2008, 33 financial institutions active in the UK foreign exchange market participated in the eighth published semi-annual turnover survey for the Foreign Exchange Joint Standing Committee (JSC). This was three more firms than in October 2007. The April 2008 survey results are based on a new extended reporting form, which is more detailed than previously. The new return provides extra detail on a number of different metrics including currency, counterparty type, maturity, modes of execution, and product. The survey results are summarised below, and more detailed tables for the April 2008 reporting period are also available separately. Revised April and October 2007¹ results can be found in Annex A and B. The results of subsequent surveys will continue to be published at six-monthly intervals.

The main findings of the survey are:

- Average daily reported ‘traditional’² UK foreign exchange turnover was \$1,683 billion in April 2008.
- Average daily reported UK turnover in other OTC foreign exchange instruments³ was \$136 billion in April 2008.
- Combined average daily turnover in April 2008 was \$1,820 billion, 31% higher than in October 2007 and 54% higher than a year earlier, in April 2007⁴.

Tables 1 to 5 below provide various summaries of the average daily data for April 2008, with comparisons to October 2007; while a new style set of results tables for April 2008 can be found at <http://www.bankofengland.co.uk/markets/forex/fxjsc/fxturndata080728.xls> Revised data for October and April 2007 have recently been received and are included as Annexes A and B.

¹ April 2007 and October 2007 data has been revised since it was published in January 2008.

² Spot, outright forwards, non-deliverable forwards, and FX swaps.

³ FX options and currency swaps.

⁴ There are 3 extra reporting firms in the April 2008 survey.

Similar semi-annual surveys were also conducted in April 2008 for the New York market by the New York Foreign Exchange Committee; for the Singapore market by the Singapore Foreign Exchange Market Committee; for the Canadian market by the Canadian Foreign Exchange Committee; and for the Australian market by the Australian Foreign Exchange Committee.

The results of these surveys can be found at: <http://www.newyorkfed.org/fxc/volumesurvey/>, <http://www.sfemc.org/statistics.asp>, http://www.cfec.ca/fx_volume.html, http://www.rba.gov.au/AFXC/Statistics/FXTurnoverReports/2008/Apr_2008/index.html respectively.

Notes for editors

1. The JSC is a market liaison group, established in 1973 by the banks and brokers of the London FX market, as a forum to discuss topical issues and matters of common interest. The Bank of England chairs the Committee, which comprises senior staff from many of the major banks operating in the London foreign exchange market and representatives from brokers, corporate users of the foreign exchange market and the FSA.
2. Whilst the data presented here is of a similar nature to that collected by the BIS triennial survey, it is more frequent and there is one difference in the reporting methodology: the basis of reporting for the FXJSC survey is the location of the price-setting dealer⁵, whereas the basis of reporting in the BIS triennial survey is the location of the sales desk.
3. Figures from the April 2007 FXJSC survey when compared to the April 2007 BIS triennial survey indicate that despite differences in definition and institutional coverage, the two surveys are broadly comparable.
4. Global and UK results for the BIS triennial survey can be found at: <http://www.bankofengland.co.uk/statistics/bis-survey/previous.htm>
5. The results of this survey are also available on the website of the FXJSC: <http://www.bankofengland.co.uk/markets/forex/fxjsc/index.htm>

Participating financial institutions

ABN AMRO	Lehman Brothers
ANZ	Lloyds TSB
Bank of America	Merrill Lynch
Bank of New York Mellon	Morgan Stanley
Bank of Scotland Treasury Services	National Australia Bank
Bank of Tokyo-Mitsubishi UFJ	Rabobank
Barclays	Royal Bank of Canada
BNP Paribas	Royal Bank of Scotland
Calyon	Skandinaviska Enskilda Banken
Citigroup	Société Générale
Commonwealth Bank of Australia	Standard Chartered
Credit Suisse	State Street
Deutsche Bank	Toronto Dominion
Goldman Sachs	UBS
HSBC	Unicredito
ING Bank	Westpac Banking Corporation
JP Morgan Chase	

⁵ The results for the FXJSC survey continue to include those for the UBS, SEB, and Standard Chartered trading desks, which have relocated.

Table 1

Reported UK foreign exchange and OTC foreign exchange derivatives market turnover¹

Daily averages in billions of US dollars

Instrument	October 2007	April 2008²
Spot transactions	408	560
Outright forwards	111	174
Non-deliverable forwards ³	-	25
Foreign exchange swaps	755	925
Total 'traditional' foreign exchange turnover	1275	1683
Currency swaps	14	24
Foreign exchange options	100	112
Total OTC foreign exchange derivatives turnover	115	136

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 23 working days in October 2007 and 22 working days in April 2008.

² April 2008 data includes turnover for Bank of New York Mellon, Commonwealth Bank of Australia, and National Australia Bank.³ Non-deliverable forward deals before the April 2008 reporting period were included in the outright forwards category.

Table 2

Reported UK foreign exchange market turnover by instrument and counterparty¹

Daily averages in billions of US dollars

Instrument/counterparty	October 2007	April 2008 ²
Spot transactions	408	560
with UK banks	142	124
with non-resident banks	174	300
<i>of which with EU banks</i>	<i>60</i>	-
with UK non-banks	19	35
with non-resident non-banks	74	101
<i>of which with EU non-banks</i>	<i>17</i>	-
Outright forwards	111	174
with UK banks	22	15
with non-resident banks	27	57
<i>of which with EU banks</i>	<i>10</i>	-
with UK non-banks	21	40
with non-resident non-banks	41	62
<i>of which with EU non-banks</i>	<i>17</i>	-
Non-deliverable forwards³	-	25
with UK banks	-	4
with non-resident banks	-	12
<i>of which with EU banks</i>	-	-
with UK non-banks	-	2
with non-resident non-banks	-	7
<i>of which with EU non-banks</i>	-	-
Foreign exchange swaps	755	925
with UK banks	261	192
with non-resident banks	331	507
<i>of which with EU banks</i>	<i>165</i>	-
with UK non-banks	63	91
with non-resident non-banks	101	135
<i>of which with EU non-banks</i>	<i>40</i>	-

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 23 working days in October 2007 and 22 working days in April 2008.

² April 2008 data includes turnover for Bank of New York Mellon, Commonwealth Bank of Australia, and National Australia Bank.³ Non-deliverable forward deals before the April 2008 reporting period were included in the outright forwards category.

Table 3

Reported UK OTC foreign exchange derivatives market turnover by instrument and counterparty¹

Daily averages in billions of US dollars

Instrument/counterparty	October 2007	April 2008²
Currency swaps	14	24
With UK banks	6	6
With non-resident banks	6	15
<i>of which with EU banks</i>	3	-
With UK non-banks	0	1
With non-resident non-banks	2	3
<i>of which with EU non-banks</i>	0	-
Foreign exchange options	100	112
With UK banks	45	31
With non-resident banks	31	45
<i>of which with EU banks</i>	11	-
With UK non-banks	4	10
With non-resident non-banks	21	26
<i>of which with EU non-banks</i>	2	-

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 23 working days in October 2007 and 22 working days in April 2008.

² April 2008 data includes turnover for Bank of New York Mellon, Commonwealth Bank of Australia, and National Australia Bank.

Table 4

Currency distribution of reported UK foreign exchange and OTC foreign exchange derivatives market turnover¹

Percentage shares of average daily turnover

Currency	October 2007	April 2008 ²
US dollar	84	79
Euro	45	41
Pound sterling	20	18
Japanese yen	16	15
Swiss franc	-	7
Canadian dollar	-	3
Australian dollar	-	5
Swedish krona	-	2
Norwegian krone	-	2
New Zealand dollar	-	2
Brazilian real	-	0
Chinese yuan	-	0
Indian rupee	-	0
South Korean won	-	0
Mexican peso	-	1
Polish zloty	-	1
Russian ruble	-	1
Singapore dollar	-	1
Turkish lira	-	1
South African rand	-	1
Other currencies	35	21
All currencies	200	200

¹ As two currencies are involved in each transaction, the sum of the percentage shares of individual currencies total 200 per cent instead of 100 per cent. The figures are adjusted for double-counting of deals between survey contributors. Totals may not sum due to rounding.

² April 2008 data includes turnover for Bank of New York Mellon, Commonwealth Bank of Australia, and National Australia Bank.

Table 5

**Reported UK foreign exchange and OTC foreign exchange derivatives market turnover
by currency pair¹**

Daily averages in billions of US dollars and percentage shares

Currency pair	October 2007		April 2008 ²	
	Amount	Proportion of total (%)	Amount	Proportion of total (%)
USD/EUR	449	32	533	29
USD/GBP	193	14	225	12
USD/JPY	155	11	197	11
USD/CHF	64	5	67	4
USD/AUD	54	4	72	4
USD/CAD	48	4	45	2
USD/NOK	-	-	28	2
USD/SEK	-	-	27	2
USD/NZD	-	-	22	1
USD/ZAR	-	-	19	1
USD/MXN	-	-	16	1
USD/PLN	-	-	14	1
USD/SGD	-	-	14	1
USD/RUB	-	-	9	0
USD/TRL	-	-	9	0
USD/BRL	-	-	6	0
USD/KRW	-	-	7	0
EUR/GBP	57	4	76	4
EUR/JPY	37	3	47	3
EUR/CHF	32	2	45	2
GBP/JPY	14	1	12	1
Other currency pairs	287	21	330	18
All currency pairs	1390	100	1820	100

¹ Adjusted for double counting of deals between survey contributors.

Totals may not sum due to rounding.

Daily averages are calculated assuming 23 working days in October 2007 and 22 working days in April 2008.

² April 2008 data includes turnover for Bank of New York Mellon, Commonwealth Bank of Australia, and National Australia Bank.

ANNEX A – AGGREGATE REPORTED TURNOVER IN OCTOBER 2007 (Revised)

All figures are monthly totals in millions of US dollars and have been adjusted for double counting of deals between survey contributors.

Product	EUR/USD	GBP/USD	USD/JPY	USD/CHF	AUD/USD	USD/CAD	EUR/GBP	EUR/JPY	EUR/CHF	GBP/JPY	All other currency pairs	TOTAL
Spot	2922519	1231548	1005278	429214	382289	372241	506097	523105	400572	173781	1447761	9394401
Outright Forwards	679024	302813	184818	119843	73747	65074	138400	66335	79436	34832	818939	2563259
FX Swaps	6046075	2713293	1836341	841230	701007	607894	605365	178827	173185	38594	3624051	17365859
Currency Swaps	87338	70685	59576	4378	5555	4470	9717	10142	2395	16176	57703	328133
FX Options	601269	126814	469146	78910	76449	44057	52322	81049	75545	56646	646129	2308333
TOTAL	10336223	4445151	3555158	1473574	1239046	1093735	1311900	859457	731132	320029	6594582	31959984

All figures are monthly totals in millions of US dollars and have been adjusted for double counting of deals between survey contributors.

Type of Counterparty	EUR/USD	GBP/USD	USD/JPY	USD/CHF	AUD/USD	USD/CAD	EUR/GBP	EUR/JPY	EUR/CHF	GBP/JPY	All other currency pairs	TOTAL
With other UK banks	3377322	1896901	1244682	527361	555796	435406	384499	257954	192961	75404	1998235	10946517
With non-resident banks	4697316	1548302	1415238	593624	451281	486704	389399	347299	278613	110957	2767724	13086457
<i>of which EU banks</i>	2539210	639507	335684	189191	111532	102492	243186	157944	132154	29627	1254556	5735083
With UK non-banks	591899	463727	154561	79544	42483	38963	241495	38675	33489	66415	687240	2438491
With non-resident non-banks	1669674	536225	740683	273048	189489	132654	296498	215527	226066	67254	1141382	5488500
<i>of which EU non-banks</i>	622988	128972	90496	68594	36940	40928	177236	84841	69416	8603	427117	1756131
TOTAL	10336211	4445155	3555164	1473577	1239049	1093727	1311891	859455	731129	320030	6594581	31959965

All figures are monthly totals in millions of US dollars and have been adjusted for double counting of deals between survey contributors.

Product	With other UK banks	With non-resident banks	<i>of which EU banks</i>	With UK non-banks	With non-resident non-banks	<i>of which EU non-banks</i>	TOTAL
Spot	3261560	4007402	1373114	428583	1696865	390055	9394410
Outright Forwards	508700	630864	228156	480554	943133	393174	2563251
FX Swaps	5997796	7613514	3798141	1437760	2316787	910261	17365857
Currency Swaps	145756	131705	75658	8602	42068	10938	328131
FX Options	1032728	702968	260002	82998	489642	51706	2308336
TOTAL	10946540	13086453	5735071	2438497	5488495	1756134	31959985

ANNEX B – AGGREGATE REPORTED TURNOVER IN APRIL 2007 (Revised)

All figures are monthly totals in millions of US dollars and have been adjusted for double counting of deals between survey contributors.

Product	EUR/USD	GBP/USD	USD/JPY	USD/CHF	AUD/USD	USD/CAD	EUR/GBP	EUR/JPY	EUR/CHF	GBP/JPY	All other currency pairs	TOTAL
Spot	1884258	963866	743833	268277	192322	190227	309313	271997	316338	84660	914122	6139211
Outright Forwards	651900	269669	184780	71717	45846	48441	98662	52342	47189	23994	552828	2047366
FX Swaps	4897797	2745438	1674664	611190	511146	333516	329252	113347	150431	45973	2878345	14291097
Currency Swaps	63307	30842	21393	2595	2153	390	9575	4898	1263	138	39693	176244
FX Options	374185	160754	358392	51318	59602	39493	40520	78329	96274	74771	849080	2182716
TOTAL	7871447	4170567	2983062	1005096	811068	612066	787321	520912	611494	229535	5234067	24836633

All figures are monthly totals in millions of US dollars and have been adjusted for double counting of deals between survey contributors.

Type of Counterparty	EUR/USD	GBP/USD	USD/JPY	USD/CHF	AUD/USD	USD/CAD	EUR/GBP	EUR/JPY	EUR/CHF	GBP/JPY	All other currency pairs	TOTAL
With other UK banks	2622910	2069480	842841	343996	359196	209419	233359	134146	167753	54925	1494838	8532860
With non-resident banks	3543531	1290152	1374430	448548	332965	274600	227452	235464	258262	88161	2084639	10158204
<i>of which EU banks</i>	1947469	518863	272354	197190	81736	57240	137723	96232	109132	14961	1025060	4457960
With UK non-banks	489656	334260	109664	39508	26113	33812	137395	22744	14920	42722	507277	1758071
With non-resident non-banks	1215351	476676	656129	173049	92801	94232	189115	128555	170555	43715	1147305	4387483
<i>of which EU non-banks</i>	425322	75678	35244	13182	15677	15801	106501	48881	29767	2814	216533	985400
TOTAL	7871448	4170568	2983064	1005101	811075	612063	787321	520909	611490	229523	5234059	24836618

All figures are monthly totals in millions of US dollars and have been adjusted for double counting of deals between survey contributors.

Product	With other UK banks	With non-resident banks	<i>of which EU banks</i>	With UK non-banks	With non-resident non-banks	<i>of which EU non-banks</i>	TOTAL
Spot	2086429	2707451	925034	296328	1049013	190654	6139221
Outright Forwards	441571	632349	238755	335258	638196	227632	2047374
FX Swaps	5248302	6066185	3059733	1040470	1936146	503574	14291103
Currency Swaps	84253	53937	24819	11514	26539	11454	176243
FX Options	672314	698290	209634	74517	737600	52086	2182721
TOTAL	8532868	10158212	4457975	1758087	4387494	985400	24836661