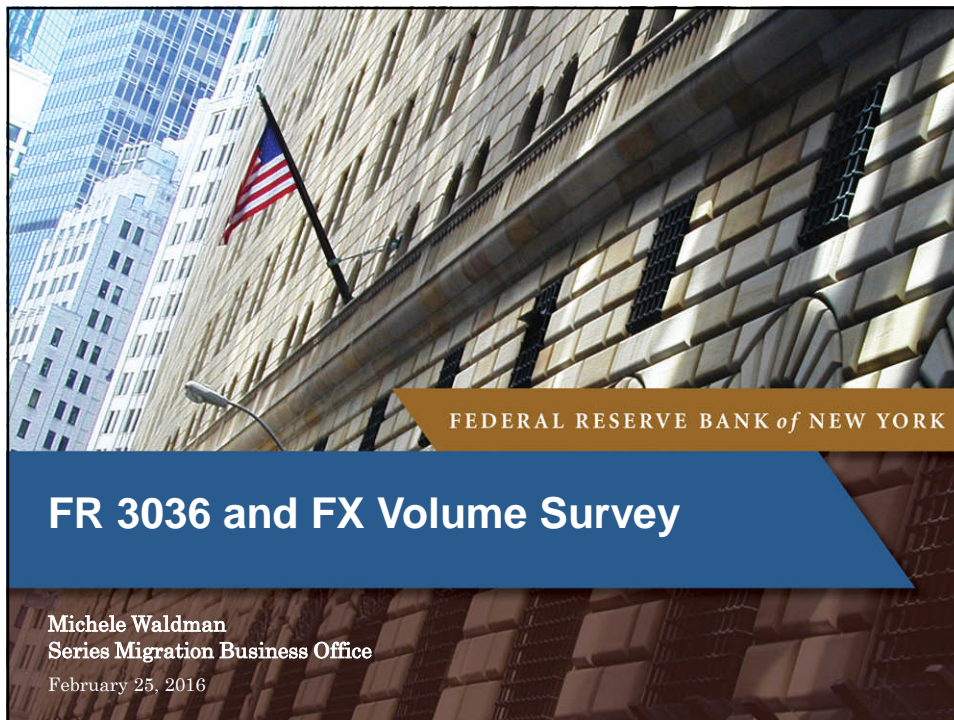


Agenda

Topic	Speaker	Approximate Time
Welcoming Remarks	Anthony Cirillo	1:00 – 1:15
Reporting Central	Michele Waldman	1:15 – 1:45
FR 3036 Overview, General Reporting Instructions, Key Reporting Concepts	Justin McAvoy	1:45 – 2:30
Reporting Turnover	Jeff Vernick	2:30 – 3:15
Break		3:15 – 3:30
Execution Method	Vince Simpson	3:30 – 4:00
FX Volume Survey Overview And New Execution Method Schedule	Justin McAvoy Vince Simpson	4:00 – 4:45
Q & A		4:45 – 5:00





Onboarding Process

- There are four steps to gaining access to Reporting Central
- Three steps are handled through the Customer Contact Center (CCC)
 - Step 1 – Official Authorization List – OAL
 - Step 2 – End User Authorization Contact – EUAC
(2 needed per entity)
 - Step 3 – Subscriber Request Form – SRF
- Step 4 – RC-1 Form - handled through the Statistics Function



Step 1 – Official Authorization List – OAL

- Individual designated to establish authority with the Federal Reserve
- Banking organizations need a Board resolution passed to entitle OAL
- Original signature is necessary, notarized by organization's secretary
- Combine with Step 2 for mailing



Step 2 – End User Authorization Contact – EUAC

- End User Authorization Contact established by OAL
- Add/delete Subscribers, perform access reviews, liaison for Customer Contact Center
- Each institution must have at least 2 EUACs
- EUAC will receive unique token to process Subscribers through EUAC Center in Access Fedline
- Authorization list (Step 1) and EUAC form are mailed together to the Customer Contact Center, P.O. Box 219416, Kansas City, MO 64121-9416



Step 3 – Subscriber Request Form – SRF

- Subscribers are managed through EUAC Center within Access Fedline
- Each Subscriber receives token to authenticate them to Reporting Central application
- 1 token per person, with drivers installed on computer to use token, expire once every three years
- EUACs can also serve as Subscribers
- **Internet Explorer must be used as a browser in order to access both the EUAC Center and Reporting Central**



Step 4 – RC-1 Form

- This form is processed by the Statistics Function at FRBNY
- Must be submitted by authorized EUAC
- Allows EUAC to request access for which RSSD IDs and all reports that Subscriber will submit
- If Subscriber needs access to more than 10 RSSD IDs, the EUAC can send a spreadsheet in the place of multiple RC-1 forms
 - One initial RC-1 must still be sent
- RC-1 Form should be sent to:
 - NY.REPORTINGCENTRALCOMMUNICATION@ny.frb.org



Emergency Credentialing

- If a Token is damaged/lost and a report is due, an emergency credential can be provided
- Subscriber must already be authorized for report series
- EUAC can call the Customer Contact Center
- A temporary soft certificate for an internet browser will be downloaded
- EUAC should follow up on FedLine if a new Token is needed
- **Emergency credentials will only be issued on a very temporary basis, e.g., one or two days**



Foreign Access

- EUACs/Subscribers outside of United States need to contact Customer Contact Center
- Separate sign up process which can take **60 to 90 days or longer**
 - Customer Contact Center: 1-888-333-7010 (option 2)



Helpful Links and Phone Number

- Reporting Central main webpage
 - <https://www.frbservices.org/centralbank/reportingcentral/index.html>
- Reporting Central Application Setup
 - https://frbservices.org/centralbank/reportingcentral/application_setup.html
- Reporting Central User Guides
 - https://frbservices.org/centralbank/reportingcentral/reportingcentral_userguides.html
- Access FedLine (EUAC Center)
 - <https://frbservices.org/Electronic-Access/AccessFedLine.html>
- Customer Contact Center: 1-888-333-7010 (option 1)



FEDERAL RESERVE BANK *of* NEW YORK

2016 Triennial Survey of Foreign Exchange and Derivatives Market Activity (FR 3036) and Survey of North American Foreign Exchange Volume

February 25, 2016

Overview

- Beginning in the late 60s, informal foreign exchange surveys were begun by this Bank.
- In the 70s, these surveys began to be coordinated with a few of the major foreign central banks.
- In the 80s, the surveys expanded to include options and interest rate instruments. As more central banks joined, the surveys were coordinated through the BIS.
- 10th Triennial survey.
- In 2016 53 central banks and 1300 institutions will participate.
- **Changes to the 2016 from the turnover survey are modest by historical standards.**



Reporting Central

- Replaces IESUB for data entry and spreadsheet file transfer.
- <https://www.frbervices.org/centralbank/reportingcentral/index.html>
- Work with EUAC to obtain appropriate credentialing



Overview

The Central Bank (Triennial) Survey of Foreign Exchange and Derivative Market Activity.

- Important source of comprehensive information on the structure and volume of the foreign exchange and derivatives markets.
- Consists of two parts.



Overview

Part One: Turnover

Report the notional gross value of all new OTC transactions entered into during April 2016.

Include:

- Foreign exchange spot
- Foreign exchange derivatives
- Interest rate derivatives

Part Two: Outstanding

Report on a consolidated basis all outstanding contracts as of June 30, 2016. (FR 2436)



Overview - Publication

- U.S. – Turnover
- <http://www.newyorkfed.org/markets/foreignex.html>
- Coordinated national press releases
- Global - www.bis.org

(Data provided by individual dealers are kept confidential.)



Overview – Changes for 2016

- For the turnover part of the Triennial Survey, the BIS Markets Committee implemented four changes that will take effect in April 2016:
- refine the reporting of data on execution methods;
- add a complementary question on internalization (FRBNY will not collect on FR 3036);
- stop collecting information about algorithmic and high-frequency trading;
- delete the question about central clearing in the turnover survey.



Overview: Non Deliverable Forwards

- Limited data collection on “of which Non Deliverable Forwards” will be collected again in 2016.
- It will be collected for six emerging market currency pairs with significant non-deliverable forward (NDF) volumes: USD/CNY, USD/INR, USD/KRW, USD/BRL, USD/RUB and USD/TWD.
- Plus on totals for USD, Euro, and Yen pairs and “Residual.”
- Is also being introduced to April 2016 FXC Survey.



2016 Triennial Central Bank Survey Turnover

- General Instructions
- Reporting Guidelines
 - Data collected
 - Table breakdown
 - Risk category
 - Instrument types
 - Counterparties
 - Specific trading relationships
 - Internal and related-party trades
 - Maturities



Introduction

- The **turnover** part of the survey will be conducted on a **locational** basis
- Turnover portion only covers spot transactions and OTC foreign exchange and interest rate derivatives
- No data collected on turnover of exchange-traded derivatives
- Turnover data should be collected over the **entire** month of April 2016
- Data should reflect all transactions entered into during the month, regardless of whether delivery or settlement is made during that month



General Instructions

Notional values

- Report data based on the gross notional or nominal values of the contracts.
- The survey does not distinguish between purchases and sales.

Example: The purchase of Euros against the sale of dollars would be reported the same way as a sale of Euros versus purchased dollars.



General Instructions

Purchases and Sales

Example

USD/Yen Exchange rate ¥95.0

Purchased ¥475 million (\$5 million equivalent)

Sold ¥950 million (\$10 million equivalent)

Report \$15 million USD in gross turnover



General Instructions

Report the following as turnover:

- Transactions which involve two currencies other than the dollar should be reported in dollars by totaling the US equivalent of one side (preferably the purchase side).
- Use exchange rates prevailing on the day of the transaction.

The following applies when reporting turnover:

- Report in millions of US dollars.
- Do not use decimals.
- Do not use negative numbers.



Reporting Guidelines – Turnover data collected

- Turnover (flows)
 - Gross value of new deals entered into during April 2016
 - Measure in terms of notional amounts
 - No distinction between sales and purchases
 - Sales basis approach (locational basis)
 - Include related party trades
 - Rounded to the nearest million US Dollars
 - Deadlines
 - May 29, 2016 (reporting dealers to FRBNY)
 - July 15, 2016 (FRBNY to BIS)



Who is reporting?

- Reporting dealers
 - Participate in the *interdealer* market or
 - Actively conduct *business with large customers*, such as large corporate firms, and other financial institutions
- Reporting dealers are institutions that actively buy and sell currency and enter into OTC derivatives for their own account or in order to meet customer demand
- Reporting dealers also include the U.S. branches and subsidiaries of foreign institutions that have trading desks or sales desks located in the United States
- A list of reporting dealers is available at http://www.newyorkfed.org/banking/reportingforms/FR_3036.html



What is the basis for reporting?

- The basis for reporting any trade should be the location of the **sales desk**, even if the trade was booked in another location
- Transactions conducted by offices inside the United States should be reported, even if these trades were booked at an office in another country
- When no sales desk is involved, the **trading desk** should be used to determine the location of deals



What is the basis for reporting?

- ***Related party trades between trading desks and with own internal offices, plus own branches, subsidiaries and affiliated firms should be included in reporter's turnover volume.***
- **Back-to-back internal trades conducted within a dealer entity and trades to facilitate internal bookkeeping and internal risk management within a reporting institution should be excluded from the survey.** Such trades with other dealers or other market participants that are part of the same consolidated entity should be reported.



What is the basis for reporting?

- Individual derivatives transactions are to be categorized into two risk classes: **foreign exchange and single-currency interest rate**
- Transactions should be reported in only one risk category, the category of the **predominant** risk
- The allocation of such products with multiple exposures should be determined by the underlying risk component that is most significant



How are currencies reported and converted?

- Transactions are to be reported in **US dollar equivalents**
- Non-dollar amounts should be converted into US dollars using the exchange rates prevailing on the transaction date
- However, if this is impractical, turnover data may be reported using average or end-of-period exchange rates
- Transactions which involve the direct exchange of two currencies other than the US dollar should be measured by totaling the US dollar equivalent of only one side (preferably the purchase side) of the transaction
- All data entered on the report form should be rounded to the nearest million US dollars (no decimals)



Which counterparties are reported?

- **Reporting dealers**
 - Local
 - Cross-Border

- **Other Financial Institutions**
 - Local
 - Cross-Border
 - For foreign exchange only
 - Of which non-reporting banks
 - Of which institutional investors
 - Of which hedge funds and proprietary trading firms
 - Of which official sector financial institutions
 - Of which other
 - Undistributed

- **Non-Financial Customers**



Reporting Guidelines – Counterparties

Local vs. cross border

- Whether a trade is local or cross border depends on the location of the trader on the other side of the transaction.
 - It is not determined by the nationality of the counterparty.

Originator and function	Location of originator	Location of Counterparty	Reported as	To Central Bank
1. Sales desk 1	U.S.	U.S.	Local	FRBNY
2. Sales desk 1	U.S.	U.K.	Cross border	FRBNY
3. Sales desk 2	U.K.	U.K.	Local	BoE
4. Sales desk 2	U.K.	Japan	Cross border	BoE
5. Trading desk*	U.S.	U.K.	Cross border	FRBNY
6. Trading desk*	U.S.	U.S.	Local	FRBNY
7. Trading desk*	U.S.	Japan	Cross border	FRBNY

*Examples 5-7 do not involve a sales desk in the transaction



Reporting Guidelines – Counterparties

Local vs. cross border validity error

Instruments	USD against											TOT
	AUD	BRL	JPY	KRW	MXN	NOK	NZD	PLN	RUB	SEK	Other ²	
SPOT ³												
with reporting dealers	100	100										200
local	50	50										100
cross-border	50	40										90
TOTAL SPOT	100	100	-	-	-	-	-	-	-	-	-	100



Reporting Guidelines – Counterparties

The sum of the 3 types of counterparties equals the TOTAL for a particular instrument

- Example:
 - *Spot with reporting dealers + Spot with other financial institutions + Spot with non-financial institutions = Spot TOTAL*



Reporting Guidelines – Counterparties

Instruments	USD against											TOT
	AUD	BRL	JPY	KRW	MXN	NOK	NZD	PLN	RUB	SEK	Other ²	
SPOT³												
with reporting dealers	100	100										200
local	75	50										125
cross-border	25	50										75
with other financial institutions	100	100										200
local	75	60										135
cross-border	25	40										65
non-reporting banks	16	17										33
institutional investors	17	16										33
hedge funds and proprietary trading firms	16	17										33
official sector financial institutions	17	16										33
others	17	17										34
undistributed	17	17										34
with non-financial customers	50	50										100
local	25	25										50
cross-border	25	25										50
TOTAL SPOT	250	275	-	-	-	-	-	-	-	-	-	525



What is reported?

- **Foreign Exchange Contracts** (Tables A1 through A6)
- **Single-Currency Interest Rate Derivatives** (Tables B1 through B2)
- **Complementary information for Foreign Exchange Contracts** (Table C1)
- **Execution Method for Foreign Exchange Contracts** (Table C2)



What is reported for Foreign Exchange Contracts?

Tables A1 through A3

- **Spot Transactions** – Cash settlement within two business days. Should exclude overnight swaps and “tomorrow/next day” transactions

- **Outright Forwards** – includes forward foreign exchange agreement (FXA) transactions, non-deliverable forwards and other forwards for differences.

- **Foreign Exchange Swaps** – report only the forward leg of the swap. The spot leg is not reportable. Include forward/forward swaps and tomorrow /next day swaps. Report all swaps only once. The unsettled portion of a foreign exchange swap transaction should be excluded as only the long leg of the swap is reportable



What is reported for Foreign Exchange Contracts?

- Outright FX Forwards and FX Swaps should also be broken down by the following maturity buckets:
 - **Seven calendar days or less**
 - **Over seven calendar days and up to one year**
 - **Over one year**

- Dealers should also identify how much of their total turnover is:
 - **Prime brokered**
 - **Retail-driven**
 - **Non-deliverable forwards** for six emerging market currency pairs
 - **USD/BRL, USD/CNY, USD/INR, USD/KRW, USD/RUB, USD/TWD**



What is reported for Foreign Exchange Contracts?

Tables A4 through A6

- **Currency Swaps**

- **Currency Options Bought and Sold**
 - *Currency Swaptions*
 - *Currency Warrants*

- Dealers should also identify how much of their total turnover is:
 - **Other Products** (*Total for Table A5 only*)
 - **Prime brokered**
 - **Retail-driven**
 - **Related Party Trades** (*Grand Total for Table A5 only*)

- Use "Other Products" for turnover where decomposition into a plain vanilla product is impractical such as swaps with underlying notional principal in one currency and fixed or floating interest rate payments based on interest rates in currencies other than the notional – e.g., differential swaps)



What is reported for Single-currency Interest Rate Derivatives?

Tables B1 through B2

- **Forward Rate Agreements**

- **Interest Rate Swaps**

- **Interest Rate Options**
 - *Including Caps, Floors, Collars, Corridors, Swaptions, and Warrants*

- Dealers should also identify how much of their total turnover is:
 - **Other Products** (*Total for Table B2 only*)
 - **Related Party Trades** (*Total for Table B2 only*)



What is reported for Table C1?

- Dealers should report data on turnover of forward contracts where only the difference between the contracted forward outright rate and the prevailing spot rate is settled at maturity. Examples of these contracts are non-deliverable forwards
- The data are required with the following breakdown by currency groups:
 - **G-10 currencies only**: Contracts that involve G-10 currencies (USD, Euro, Japanese yen, Pound sterling, Swiss franc, Canadian dollar or Swedish krona) in both sides of the transaction
 - **Non-G10 currencies**: Contracts that involve non-G10 currencies in only one or both sides of the transaction. In this category a further breakdown by regional area is required as follows:
 - Africa & Middle East, Asia & Pacific, Europe, Latin America & Caribbean. Notional amounts of transactions involving non-G10 currencies from different regional areas should be split evenly between the two relevant columns in the form



Reporting Guidelines – Specific trading relationships

- Foreign exchange contracts - **specific trading relationships**
 - FX prime brokerage
 - Institutions facilitating trades for their clients; clients conduct trades in the PB's name; the trade is "given up" to the PB
 - The "of which PB's " only reported by RD acting as FX PB
 - Retail-driven transactions
 - Transactions generated by retail investors who trade FX for investment/speculation purposes
 - ❖ RD transactions with "wholesale" financial counterparties that cater to retail investors
 - ❖ RD direct transactions with private individuals investors
 - "Related party" transactions



Reporting Guidelines – Specific trading relationships

- Of which {
1. Prime brokered (tables A1-A6)
 2. Retail-driven (tables A1-A6)
 3. Non-deliverable forwards (tables A1-A3)

Instruments	USD against											TOT
	AUD	BRL	JPY	KRW	MXN	NOK	NZD	PLN	RUB	SEK	Other ²	
OUTRIGHT FORWARDS⁴												
with reporting dealers												-
local												-
cross-border												-
with other financial institutions												-
local												-
cross-border												-
non-reporting banks												-
institutional investors												-
hedge funds and proprietary trading firms												-
official sector financial institutions												-
others												-
undistributed												-
with non-financial customers												-
local												-
cross-border												-
TOTAL OUTRIGHT FORWARDS	500	1000										1500
<i>o/v prime brokered</i>	250	500										750
<i>o/v retail-driven</i>	250	300										550
<i>o/v non-deliverable forwards⁵</i>		100										100

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Reporting Guidelines – Specific trading relationships

- Of which {
1. Prime brokered (tables A1-A6)
 2. Retail-driven (tables A1-A6)
 3. Non-deliverable forwards (tables A1-A3)

Rules for the reporting form:

- The sum of prime brokered and retail driven is less-than-or-equal-to the Total for the given instrument
 - $Prime\ brokered + retail\ driven \leq Total\ instrument$
- Non-deliverable forwards alone must be less-than-or-equal-to the Total for the given instrument
 - $Non-deliverable\ forwards \leq Total\ instrument$

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Reporting Guidelines – Specific trading relationships

Transactions to report under “o/w retail-driven”

	The reporting dealer transacts with a retail investor as its immediate counterparty (typically wealthy clients).	The reporting dealer’s immediate counterparty is not the retail investor, but an entity that specialises in providing FX trading services to retail investors (e.g. retail broker or retail aggregator)
Total	X	X
with reporting dealers		X (if retail broker/aggregator is reporting dealer)
with other financial institutions non-reporting banks institutional investors hedge funds and proprietary trading firms official sector financial institutions others		X (if retail broker/aggregator is not reporting dealer) + in the relevant sub-category
with non-financial customers	X	
o/w retail-driven	X	X



Reporting Guidelines – Internal and related party trades

For the Turnover Survey, include trades with branches and affiliates in aggregates.

These trades are also separately identified in an “Of which” memorandum item on **Table A5 in the Grand Total** column and **Table B2 in the Total** column.



Reporting Guidelines – Internal and related party trades

Table A5

Instruments	EUR against								JPY against						RESIDUAL ¹	GRAND TOTAL ⁴	
	AUD	CNY	DKK	GBP	HUF	JPY	NOK	Other ²	TOT	AUD	CAD	NZD	TRY	ZAR			Other ²
TOTAL FX CONTRACTS																	
<i>o/w prime brokered</i>																	
<i>o/w retail-driven</i>																	
<i>o/w related party trades⁴</i>																	

Table B2

Central Bank Survey of Foreign Exchange and Derivatives Market Activity
SINGLE-CURRENCY INTEREST RATE DERIVATIVES¹
Turnover in nominal or notional principal amounts in April 2013
(in millions of USD)

Instruments	ARS	CNY	COP	CZK	DKK	EUR	GBP	HKD	HUF	IDR	ILS	INR	JPY	KRW	LTL	TWD	USD	ZAR	Other	TOT	
<i>o/w related party trades⁴</i>																					

⁴ Trades between desks and offices, and trades with own branches and subsidiaries and between affiliated firms (regardless of whether the counterparty is resident in the same country as the reporting dealer or in another country). Back-to-back deals and trades to facilitate internal bookkeeping and internal risk management within a given institution are not to be reported in the context of the triennial survey.

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Reporting Guidelines – Maturities

Transactions in outright forwards and foreign exchange swaps are reported according to the following maturities:

- Seven days or less
- Over seven days and up to one year
- Over one year

Instruments	USD against											TOT
	AUD	BRL	JPY	KRW	MXN	NOK	NZD	PLN	RUB	SEK	Other ²	
TOTAL FOREIGN EXCHANGE SWAPS	200	200	–	–	–	–	–	–	–	–	–	400
<i>o/w prime brokered</i>	100	50										150
<i>o/w retail-driven</i>	100	150										250
MATURITIES FOREIGN EXCHANGE SWAPS												
seven days or less	50	100										150
over seven days and up to one year	50	25										75
over one year	100	75										175

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Reporting Guidelines – Currencies

- Foreign exchange contracts **by currency**
 - Report all transactions involving USD
 - Report all transactions involving these 24 currencies

AUD	EUR	KRW	SEK
BRL	GBP	MXN	SGD
CAD	HKD	NOK	TRY
CHF	HUF	NZD	TWD
CNY ¹	INR	PLN	USD
DKK	JPY	RUB	ZAR

¹ Includes also offshore transactions commonly denoted by CNH.

Table 2



Reporting Guidelines – Currencies

- Foreign exchange contracts **by currency pair**
 - Identify separately selected currency pairs

	USD against (table A1&A4)	EUR against (table A2&A5)	JPY against (table A2&A5)	Residual ¹ (table A2&A5)
G8 currencies	AUD, CAD, CHF, EUR, GBP, JPY, SEK,	AUD, CAD, CHF, GBP, JPY, SEK	AUD, CAD	
Non G8 currencies	BRL, CNY, HKD, INR, KRW, MXN, NOK, NZD, PLN, RUB, SGD, TRY, TWD, ZAR	CNY, DKK, HUF, NOK, PLN, TRY	BRL, NZD, TRY, ZAR	
Other	Other ²	Other ²	Other ²	

¹ All transactions that do not involve the domestic currency, USD, EUR, JPY in one leg. ² Other denotes the remaining currencies traded that are not explicitly listed in each column of this table.

Table 3

- On Tables A1 and A4, the “Other” column captures the sum of all trades against the US dollar other than the transactions against the twenty one specified currencies.



Reporting Guidelines – Currencies

- Foreign exchange contracts **by currency pair**
 - Give details on currency breakdown of “other” & “residual” (table A3 & A6)

ARS	CZK	LVL	SAR
AUD	DKK	MXN	SEK
BGN	GBP	MYR	SGD
BHD	HKD	NOK	THB
BRL	HUF	NZD	TRY
CAD	IDR	PEN	TWD
CHF	ILS	PHP	ZAR
CLP	INR	PLN	Other
CNY	KRW	RON	
COP	LTL	RUB	

Table 4



Reporting Guidelines – Currencies

- Tables A3 and A6 capture trades included in the columns "**other**" and "**residual**" in Tables A1 and A2 (A3) and Tables A4 and A5 (A6).
- Trades between two currencies listed in this table should be reported in each currency's column.



Reporting Guidelines – Currencies

- On Tables B1 and B2, the “Other” column captures the sum of all single currency interest rate derivatives in currencies that are not listed.
- The Total column is the sum of the previous columns on each spreadsheet.



Reporting Guidelines

Table A1 & A4

																	USD against					
AUD	BRL	CAD	CHF	CNY	EUR	GBP	HKD	INR	JPY	KRW	MXN	NOK	NZD	PLN	RUB	SEK	SGD	TRY	TWD	ZAR	Other ²	TOT

- On Tables A1 and A4, the “Other” column captures the sum of all trades against the US dollar other than the transactions against the specified currencies.



Reporting Guidelines

- On Tables A1 and A4, the “Total” column captures all trades against the US dollar, the sum of the previous 22 columns.

Table A1 & A4

USD against																						
AUD	BRL	CAD	CHF	CNY	EUR	GBP	HKD	INR	JPY	KRW	MXN	NOK	NZD	PLN	RUB	SEK	SGD	TRY	TWD	ZAR	Other ²	TOT

$AUD + BRL + CAD + \dots + TWD + ZAR + Other = TOT$



Reporting Forms Guidelines

Table A2& A5

EUR against													JPY against						RESIDUAL ³	GRAND TOTAL ⁴				
AUD	CAD	CHF	CNY	DKK	GBP	HKD	INR	JPY	NOK	PLN	SEK	TRY	Other²	TOT	AUD	BRL	CAD	NZD	TRY	ZAR	Other²	TOT		

- On Tables A2 and A5, the “Other” columns captures all trades against the Euro and Yen other than trades against the specified currencies and the dollar.



Reporting Forms Guidelines

- The “Total” column captures all trades against the Euro and Yen other than those against the dollar

Table A2& A5

EUR against													JPY against							RESIDUAL ³	GRAND TOTAL ⁴		
AUD	CAD	CHF	CNY	DKK	GBP	HUF	JPY	NOK	PLN	SEK	TRY	Other ¹	TOT	AUD	BRL	CAD	NZD	TRY	ZAR	Other ²	TOT	RESIDUAL ³	GRAND TOTAL ⁴
$AUD + CAD + \dots + TRY + Other = TOT$													$AUD + BRL + \dots + ZAR + Other = TOT$										



Reporting Forms Guidelines

- On Table A2 and A5, the “Residual” column captures all trades that do not involve either the dollar, Yen, or the Euro.

Table A2& A5

EUR against													JPY against							RESIDUAL ³	GRAND TOTAL ⁴		
AUD	CAD	CHF	CNY	DKK	GBP	HUF	JPY	NOK	PLN	SEK	TRY	Other ¹	TOT	AUD	BRL	CAD	NZD	TRY	ZAR	Other ²	TOT	RESIDUAL ³	GRAND TOTAL ⁴
																				$RESIDUAL \neq USD, YEN, \text{ or } EUR \text{ trades}$			



Reporting Forms Guidelines

- Residual plus the Total columns for the Euro, Yen, and the Total column for USD against FX Contracts equals the Grand Total.

Table A2								
JPY against							RESIDUAL ³	GRAND TOTAL ⁴
BRL	CAD	NZD	TRY	ZAR	Other ²	TOT		
EUR against								
HUF	JPY	NOK	PLN	SEK	TRY	Other ²	TOT	

Table A1												
USD against												
✓	MXN	NOK	NZD	PLN	RUB	SEK	SGD	TRY	TWD	ZAR	Other ²	TOT

$$TOT\ JPY\ against + Residual + TOT\ EUR\ against + TOT\ USD\ against = GRAND\ TOTAL$$

$$TOT\ JPY\ against + Residual + TOT\ EUR\ against + TOT\ USD\ against = GRAND\ TOTAL$$

Table A5								
JPY against							RESIDUAL ³	GRAND TOTAL ⁴
BRL	CAD	NZD	TRY	ZAR	Other ²	TOT		
EUR against								
HUF	JPY	NOK	PLN	SEK	TRY	Other ²	TOT	

Table A4												
USD against												
✓	MXN	NOK	NZD	PLN	RUB	SEK	SGD	TRY	TWD	ZAR	Other ²	TOT

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Reporting Forms Guidelines

- Table A3 captures trades included in the columns "other" and "residual" in Tables A1&A2.
- Table A6 captures trades included in the columns "other" and "residual" in Tables A4&A5.
- Trades between two currencies listed in these tables should be reported in each currency's column.

Table A5								
JPY against							RESIDUAL ³	GRAND TOTAL ⁴
BRL	CAD	NZD	TRY	ZAR	Other ²	TOT		
EUR against								
HUF	JPY	NOK	PLN	SEK	TRY	Other ²	TOT	

Table A4												
USD against												
✓	MXN	NOK	NZD	PLN	RUB	SEK	SGD	TRY	TWD	ZAR	Other ²	TOT

Table A6																					
Total turnover in listed currencies against all other currencies ²																					
GBP	HKD	HUF	IDR	ILS	INR	KRW	LTL	LVL	MXN	MYR	NOK	NZD	PEN	PHP	PLN	RON	RUB	SAR	SEK	Other	

If the pair applies to Table A6

If the currency is not listed place in "other"

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Overview: Execution Methodology Refinement

Clarification of execution methods – Reported for Foreign Exchange turnover only

- I. Voice
 - Voice Direct
 - Voice Indirect
- II. Direct Electronic Trading
 - Single bank trading platform
 - “Other” direct electronic platform
- III. Indirect Electronic Trading
 - Reuters Matching/EBS
 - Dark Pools**
 - Other ECNs
- IV. Unallocated



Reporting Forms Guidelines Execution Method

Table C2 Central Bank Survey of Foreign Exchange and Derivatives Market Activity
EXECUTION METHOD FOR FOREIGN EXCHANGE CONTRACTS
Turnover in nominal or notional principal amounts in April 2016
(in millions of USD)

Draft

Instruments	Voice		Electronic					Unallocated	Total ¹
	Direct	Indirect	Direct		Indirect				
			Single-bank proprietary trading system	Other	Reuters Matching / EBS	Dark Pools	Other electronic communication networks		
SPOT									
with reporting dealers									-
local									-
cross-border									-
with other financial institutions									-
with non-financial customers									-
TOTAL SPOT	-	-	-	-	-	-	-	-	-
OUTRIGHT FORWARDS									
with reporting dealers									-
local									-
cross-border									-
with other financial institutions									-
with non-financial customers									-
TOTAL OUTRIGHT FORWARDS	-	-	-	-	-	-	-	-	-
FOREIGN EXCHANGE SWAPS									
with reporting dealers									-
local									-
cross-border									-
with other financial institutions									-
with non-financial customers									-
TOTAL FOREIGN EXCHANGE SWAPS	-	-	-	-	-	-	-	-	-
CURRENCY SWAPS									
with reporting dealers									-
local									-
cross-border									-
with other financial institutions									-
with non-financial customers									-
TOTAL CURRENCY SWAPS	-	-	-	-	-	-	-	-	-
OTC OPTIONS									
with reporting dealers									-
local									-
cross-border									-
with other financial institutions									-
with non-financial customers									-
TOTAL OTC OPTIONS	-	-	-	-	-	-	-	-	-
TOTAL FX CONTRACTS	-	-	-	-	-	-	-	-	-

¹Total Spot, Ought forwards, and FX swaps should be consistent with amounts reported in A2, currency swaps and OTC options should be consistent with the amounts reported in table A5



Reporting Forms Guidelines Execution Method

- **Dark Pools** – Private platforms for trading securities and derivatives where access is restricted and quotes are not revealed. They are used for especially large trade orders. Operated by some of the larger FX dealing banks.
 - E.g., BGC, Hotspot QT, etc.



Reporting Forms Guidelines

Data Review

Data are reviewed by FRBNY staff. They consider:

- Market trends,
- Mergers and acquisitions,
- Outstanding contract information,
- Previous survey data, and
- FX Volume Survey data



Reporting Forms Guidelines

Common Reporting Errors

- Omitting Residual from Grand Total
- Not Reporting Volume Trends and other qualitative questions (Table C1)
- Sending Reports with Validity Edits
- Including Tables B.1 and B.2 on Execution Method schedule

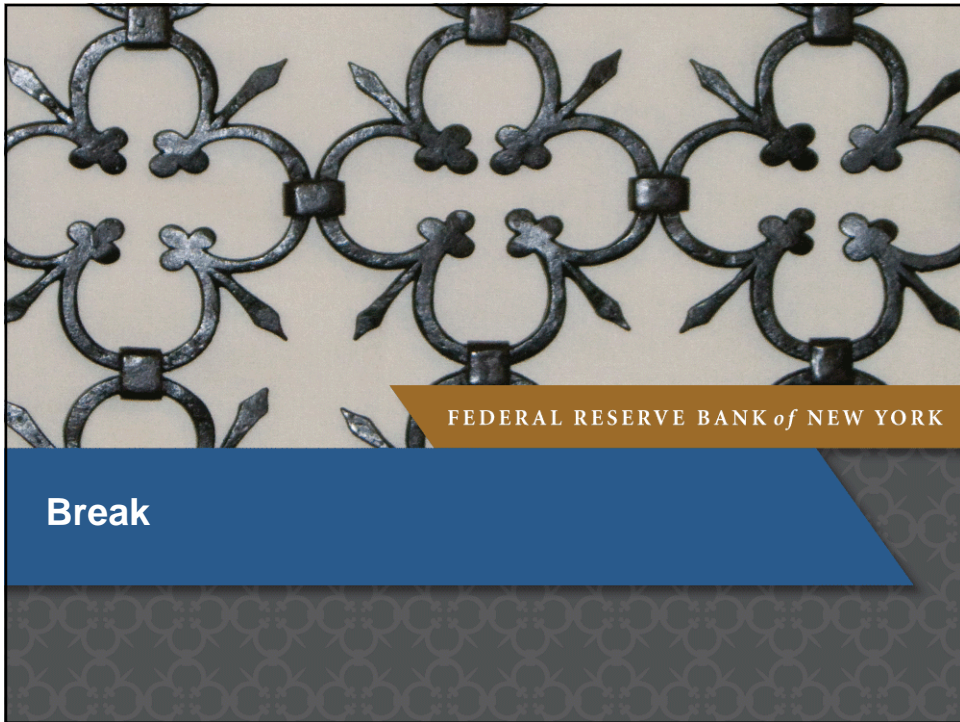


Reporting Forms Guidelines

Common Reporting Errors

- Using Formulas instead of Data Entries
- Not Summing Maturities to Instruments
- Omitting Contracts from Residual on Tables A3 and A6





FXC Survey Overview: Summary of Changes Effective April 2016:

- Expanded Currency Coverage
- Of which Non Deliverable Forwards
- Of Which Prime Brokerage data
- Of Which Retail data
- Execution Methodology Revisions

FXC Survey Overview: Background

Differences between FR 3036 and FXC Volume Survey

Major differences between the two surveys include:

- FX Risk only-no interest rate or currency swaps
- Reporting Basis-price location vs. sales desk location
- Reporting Panel-global BIS panel vs. New York Foreign Exchange panel
- Trades with Related Parties



FXC Survey Overview: Background

Differences between FR 3036 and FXC Volume Survey have been reduced with 2016 changes to the FXC Volume Survey.

- Counterparties
- U.S. vs. North American
- Maturities modified
- Increase in number of Currency Pairs
- NDFs and Retail coverage



Overview: Prime Brokerage and Retail Driven

“of which prime-brokered”

- Reported only by reporting dealers who have transacted in capacity as FX prime brokers
- Includes only transactions *brokered by* the reporting dealer under FX PB relationships

“of which retail-driven”

- Targets FX trades by private *individuals* for *investment/ speculation* purpose
- Includes reporting dealers' transactions with
 - (i) retail investor
 - (ii) specialised entities that provide FX trading services to retail investors (e.g. retail brokerages, retail aggregators)

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Overview: “Of Which” Prime Brokerage

- Follow approach used in the U.K.'s FXJSC Survey (“of which”)
- Reported under Instrument Totals by Currency Pair
- Will be reported by firms serving as Prime Brokers
- Required on all four instrument tables of the survey.



Overview: “of which Retail Driven”

- Reported as an “of which retail-driven” under Instrument Totals by Currency Pair
- To include: (1) transactions with “wholesale” financial counterparties that cater to retail investors (i.e. electronic retail trading platforms and retail margin brokerage firms), and (2) direct transactions with “non-wholesale” investors (i.e. private individuals) executed online or by other means, if applicable.



Clarification of execution methods

- More in line with current markets practice and Triennial Survey
- Distinguishes counterparty from execution methods
- New organising principle in two dimensions:
 - (i) “voice” vs. “electronic” and
 - (ii) “direct” vs. “indirect”
- Continuity with past surveys: the two “electronic” categories are further broken down to different subcategories/types of electronic trading platforms



Reporting Guidelines - Turnover Execution Method Schedule

- Change in 2013 Triennial disentangled counterparty from execution methods whereas linked in prior surveys
- Organized along two dimensions:
 - (i) “voice” vs “electronic” and
 - (ii) “direct” vs “indirect”
- Yields four distinct categories
 - Voice-Direct
 - Voice-Indirect
 - Electronic-Direct
 - Electronic-Indirect
- Continuity with past surveys: the two “electronic” categories are further broken down to different types of electronic trading platforms



FXC Survey Old Versus New Execution Methods

OLD CATEGORIES

- Inter-dealer direct
- Customer direct
- Electronic broking systems
- Electronic trading systems
 - Multi-bank dealing systems
 - Single-bank proprietary platforms
- Voice broker

NEW CATEGORIES

- Voice-direct
- Voice-indirect
- Electronic-direct
 - Single-bank proprietary trading system
 - Other
- Electronic-indirect
 - Reuters Matching / EBS
 - Other electronic communication networks
 - Other



Execution Method

- New FXC Survey Execution Method Schedule

Semiannual Foreign Exchange Volume Survey—FXVSURVEY
Table E—Execution Method for Foreign Exchange Contracts
U.S. Dollar Amounts in Millions

Currency Pair	Voice		Electronic					Undistributed	Total	Total Number of Trades
	Direct	Indirect	Direct	Indirect						
			Single-bank proprietary trading systems	Other	Router Matching / ES	Other electronic communication network	Other			
USD versus										
EUR										
JPY										
GBP										
CAD										
CHF										
AUD										
ARS										
BRL										
CLP										
MXN										
COP										
RUB										
INR										
TRY										
HKD										
SGD										
THB										
PHP										
MYR										
SEA										
ISK										
NOK										
Other										
EUR versus										
JPY										
GBP										
CHF										
SEK										
AUD										
DKK										
CAD										
Other										
FX versus										
EUR										
GBP										
CHF										
Other										
Other Currency Pairs										
Total										
Market Participants:										
Financial										
Nonfinancial										
Market Participants:										
Executing Dealers										
Benefit Other Dealers										
Other Financial Customers										
Nonfinancial Customers										



Questions and Answers

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