



## **Minutes of the Foreign Exchange Committee**

Meeting: March 5, 2025

Host: Federal Reserve Bank of New York

### FXC Attendees

Yudhveer Chaudhry (Blackrock) - Chair  
Maria Douvas (Morgan Stanley) – Vice Chair  
Carlos Fernandez-Aller (Bank of America)  
Chris Chattaway (Goldman Sachs)  
Sally Francis-Cole (LSEG)  
Anna Faustini (Societe Generale)  
Bimbola Fawehinmi (UBS)

Andrew Haning (Jump Trading)  
Akiko Hayata (Payden & Rygel)  
Paul Houston (CME)  
Dan Lennon (CLS)  
Chris Pizzotti (State Street)  
Yan Pu (Vanguard)  
Ankit Sahni (Element Capital)

Jodi Schenck (Citibank)  
David Silberman (JPMorgan)  
Chris Taendler (Barclays)  
Bob Tull (Fifth Third)  
Jason Vitale (Bank of NY)  
Raphael Vives (Banque de France)  
Garrett Wilson (Alphabet)

### Federal Reserve Bank of New York (New York Fed)

John Williams  
Anna Nordstrom  
Lisa Chung  
Sanja Peros  
Shawei Wang

Pertshuhi Torosyan  
Dan Reichgott  
Daniella Faura

### FRS Board of Governors

Alain Chaboud  
Bastian von Beschwitz

The Chair opened the Foreign Exchange Committee (FXC) meeting by welcoming members and acknowledging John Williams, President of the New York Fed.

### 1. Update on FXC Membership

The Chair welcomed five new FXC members, Sally Francis-Cole (LSEG), Bimbola Fawehinmi (UBS), David Silberman (JPMorgan), Raphael Vives (Banque de France) and Garrett Wilson (Alphabet). He also thanked departing member, Ben Klixbull (XTX Markets), for his longstanding contributions to the committee.

### 2. Discussion of Recent Market Developments

New York Fed President John Williams opened the discussion by expressing his appreciation and thanks to the members for their ongoing contributions to the work of both the FXC and GFXC. He acknowledged members' contributions to the recent completion of the Three-Year Review FX Global Code Review and noted the important role that New York Fed-sponsored groups, such as the FXC, play in informing the New York Fed about market developments. Such market intelligence, along with various other channels of gathering information, helps to support informed policy decisions.

The meeting then turned to a discussion of market developments since the November FXC meeting. The discussion primarily focused on members' views on the outlook for U.S. domestic growth and inflation, changes in U.S. policy expectations, and the economic outlook in foreign jurisdictions.

- Committee members discussed the perceived shift in the U.S. growth and inflation outlook since the last FXC meeting, particularly focusing on the new administration's tariff policies which were viewed as potentially weighing on growth and increasing inflationary pressures. Although many members agreed that the market does not generally view the administration's current tariff policies to be permanent and see them primarily as a tool for trade deal negotiations, it was also noted on the margin that at least some tariffs might be necessary in order to help raise revenue to help partially offset proposed tax cuts.
- With respect to the outlook for the U.S. dollar, a few members took note of the shift in the observed relationship between U.S. equities and the dollar, with the most recent sell-off in U.S. equities coinciding with broad dollar depreciation. Most members interpreted the moves to be driven by the downward revision of U.S. growth expectations relative to the rest of the world.
- With respect to global market developments, members discussed that the confluence of the newly proposed defense and infrastructure spending package in Germany and Russia-Ukraine developments have supported the euro, with tariff-related headlines seen as a tertiary driver of the currency. Members discussed the market's perception of a higher probability of a truce between Russia and Ukraine, which is seen as generally supportive of the euro.

### 3. Annual Review of FXC Charter & Anti-trust Guidelines

New York Fed staff then conducted the annual review of the FXC Charter and Antitrust Guidelines. The FXC Charter contained no revisions for the 2025 review period. New York Fed staff reminded members (i) not to share

non-public, competitively sensitive information in FXC discussions, and (ii) to raise any concerns about anti-competitive conduct to their own attorneys, directly to New York Fed staff, or through the Bank's integrity hotline (1-877-52-FRBNY or 1-877-523-7269).

#### **4. Update from the Global Foreign Exchange Committee (GFXC) Meeting**

The FXC received an update on the Global Foreign Exchange Committee's (GFXC) [December 2024 meeting](#). GFXC members completed the 2024 Three Year Review of the [FX Global Code](#) (Code) and agreed to [publish](#) the new Code and supporting materials in January 2025. In addition, the GFXC issued guidance encouraging market participants to consider re-attesting to the [Statement of Commitment](#) within a 12-month period.

Now that the Code review is complete, the GFXC's working groups (FX Settlement, FX Data and Motivation for Adherence) outlined their proposed deliverables for 2025, which include analyzing the impact of accelerated securities settlement on the FX market, examining the availability and use of reference rate data for derivative transactions and broadening education and engagement on the Code among market participants, respectively. Additionally, the Motivation for Adherence working group endorsed new co-Chairs, Lisa Dukes (Dukes & King) and Wilson Siu Chung Wong (Bank of China) who will lead alongside the public sector representative, Satish Chandra Rath (Reserve Bank of India).

Other GFXC meeting highlights included updates from the International Swaps and Derivatives Association (ISDA) on the progress of the FX and currency option definitions review, set to complete in 2027. The International Organization of Securities Commission (IOSCO) provided an update on its recently drafted Pre-hedging Consultation Report. The public comment period closed on February 21<sup>st</sup> with final recommendations anticipated toward the end of 2025. The next GFXC meeting is scheduled to take place on July 3-4, 2025.

#### **5. 2025 FXC Priorities**

The Committee then discussed the FXC's 2025 strategic priorities. Members shared views on broader topical issues and FX market themes that are of interest for further exploration. These topics included, but were not limited to, the evolution of FX market structure, the role of artificial intelligence in FX markets, and the impact of digitalization, digital assets, and innovation on FX markets.

#### **6. Other Business**

The next regularly scheduled FXC meeting will be held on April 9, 2025.