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# The Finance Hive: Global FX, London

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4<sup>th</sup> December

## Roundtable Takeaways

## Efficiencies in FX Clearing

- The buy side need certainty and clarity from regulators regarding when and who will be captured
- Deadline is fast approaching, 50bn fee 2020 but calculation in April 2020, huge legal workload
- A lot of education is needed for the market - clearing 101 needed
- Central bank policy needs to play a role
- Not high on the agenda yet but companies need to be prepared
- For things to change towards clearing, buy side needs to work towards market infrastructure change

## Future of FX

- OTC clearing solutions for non standardised futures aim to get more LP's encouragement from banks for buy side to clear is significant to attract IM
- Futures market is becoming more popular as clearing gives banks incentive for competitive pricing
- The drive to futures will be driven by cost reductions
- FX markets are evolving into other segments on futures and options
- Central clearing of OTC trades is a positive development but it must end up being very cost efficient
- Useful to understand the direction of travel for FX futures under the new UMR regime