

COMMITTEE RELATIONSHIPS WITH OTHER INDUSTRY BODIES

The rapid global integration of the foreign exchange marketplace, and the corresponding expansion of linkages across financial products, have prompted the Committee to consider its relationships with other organizations that share a similar mission in promoting well-functioning financial markets. The Committee's desire to expand these relationships culminated this year in the joint meeting with the Singapore Foreign Exchange Market Committee in November.¹ The Committee hopes that the success of this meeting will provide a basis for greater communication between Singapore and New York, perhaps leading to a future joint endeavor, as well as serve as an impetus to forge closer links with similar organizations around the world. Meanwhile, the Committee will continue to consider issues, such as the growing interest to consolidate global booking arrangements, that might benefit from more active international collaboration.

Many of the issues considered by the Committee are also of interest to professional organizations representing other markets. As such, the Committee this year embarked on a joint initiative with the International Swaps and Derivatives Association and the Emerging Markets Traders Association to develop a set of FX and Currency Option Definitions that standardize trading documentation for nondeliverable forwards and related emerging market transactions. The Committee anticipates this endeavor, effectively drawing on expertise across disciplines, to serve as a model for addressing future cross-market issues as they develop. The Committee will continue to solicit the expertise of other industry bodies and to share its own resources when a collaborative effort can make an important contribution to enhancing the performance of global financial markets.

¹For a discussion of the Committee's joint meeting with the Singapore Foreign Exchange Market Committee, see the "Chairman's Report," p.1.