



EUROPEAN CENTRAL BANK

EUROSYSTEM

OPERATIONS MANAGERS GROUP

19 March 2010

**SUMMARY OF THE MEETING**  
**ECB OPERATIONS MANAGERS GROUP (OMG)**  
**FRANKFURT – 4 FEBRUARY 2010**

**1 Approval of the agenda**

*The new Chairman welcomed the participants. The agenda was approved.*

**2 Update on financial market developments**

*Ivan Frechard (ECB) made a presentation on recent key financial market developments. Further recovery was under way in most financial markets and perceived uncertainty remained at moderate levels. Furthermore, credit concerns in the market have eased considerably, FX volatility has come down and the number of participating banks in the ECB's main refinancing operations has remained stable.*

**3 OMG objectives, approaches and expectations - Work Program 2010**

*The Chairman made some comments on the objectives that in his view the OMG should achieve and prompted a tour-de-table with members, who expressed some ideas as to possible direction of future work. Further investigation on Best Practices was mentioned as one of the areas where the OMG would develop some work. The creation of an internal Task Force was agreed, that would investigate on this topic (headed by the OMG Chairman and comprising Dexia, Bundesbank, Banco do Portugal, Banque de France, UBS and CECA). Jeremy Hill (RBS) mentioned that an FXJSC Task Force has started investigating on SSIs and proposed that some OMG members could participate there in order to widen the scope of the investigations to the euro area. The Chairman launched the idea of a joint meeting between the operational Groups of the Fed, the BoE and the ECB, with the possibility of involving also the Chairs and Secretaries of the other FX Operational groups. Some members (RBS, HSBC, UBS, Credit Suisse) offered to make some presentations in the course of the year. All the suggestions were included in a Book of Work that would serve as reference for the work of the OMG Group; also a List of Speakers was set-up to facilitate the planning of meetings in the course of the year.*

#### **4 CLS update - teleconference**

*Liz Swanton (CLS) made an update on the CLS aggregation service and trade repository. Principles and goals of the trade repository were outlined, as were further mitigation initiatives for FX options. Furthermore, some indications about investigations in the field of FX clearing were touched upon.*

#### **5 Regulatory developments in foreign exchange derivatives markets - teleconference**

*F Planta (EU Commission) gave some indications of work currently being carried out at the EU level on regulation of the derivatives business. Reference was made to two reports published by the Commission, respectively in July and in October 2009. The important role of derivatives played in the markets but also the risks they pose were recognised. The EU Commission reiterated that greater use of central counterparties would reduce systemic risk threats posed by derivatives. Work on FX derivatives was ongoing and further cooperation with markets was expected in order to finalise work. To improve the transparency of some market segments, the possible use of trade repositories, the task that these could perform and how they should be organised would be investigated.*