

MINUTES

DATE: Thursday, November 17th, 2025, 10:00 – 11:30 CET

LOCATION: Virtual meeting over Teams

Nordic FX Committee meeting

Attendees

Sveriges Riksbank	Anders Gänge (chair)
Sveriges Riksbank	Jens Vahlquist
Norges Bank	Alexander Flatner
Suomen Pankki	Niko Herrala
Danmarks Nationalbank	Michal Nielsen
DNB	Morten Salvesen
ATP fond	Thomas Bengtsson
Bloomberg	Paul Hopkinson
Danske Bank	Christian Tørnqvist
Islandsbanki	Arnar Sigurdsson
Jyske Bank	Jørn (Luffe) Sodborg
Nordea	Lars Henriksen
SEB	Carolina Trujilo
Svenska Handelsbanken	Andreas Åkerlund
Swedbank	Linda Byfors
KLP	John Bjørnersen
ACI FMA	Rui Correia
Norges Bank	Arne Osnes
Sveriges Riksbank	Anders Nordlander
Sveriges Riksbank	Sofie Ljungberg

1. Welcome and Agenda

The meeting commenced with a welcome to all participants. The agenda for the day was presented and approved.

2. New Committee Members

Three new members were introduced:

- Carolina Trujilo, new representative for SEB
- Linda Byfors, new representative for Swedbank
- Arnar Sigurdsson, representative for the new member Islandsbanki

3. Main points from Global FX Committee Meeting in July

The Committee received a briefing on developments from the Global FX Committee meeting in July. Key points included:

- Adherence to the FX Global Code continues to progress, with 44 new Statements of Commitment submitted.
- Renewal of Statements of Commitment is required within 12 months; the ESCB coordinated a joint renewal in October 2025.
- Working groups are focusing on settlement risk and buy-side engagement, with particular emphasis on corporates.
- Outreach remains critical, with emphasis on targeting appropriate individuals within institutions and appointing ambassadors for the Code
- Benchmark rates for swaps and FX were clarified.
- Market resilience was noted despite recent volatility and fragmentation, supported by new liquidity sources.
- A panel discussion on stablecoins was highlighted, alongside broader reflections on volatility and dollar weakness.

4. Short Updates from Working Groups

a. Motivation for Adherence Working Group

The working group reported steady progress across its three subgroups. Planning for a CFA-hosted webinar on FX and the Global Code is well underway, with the event scheduled for February or March 2026. Engagement with asset managers and hedge funds remains difficult, as many buy-side participants view the Code as burdensome due to internal compliance obligations. While some institutions have made significant internal preparations, they have hesitated to formally sign the Code. To address this, the group is preparing a joint letter from the GFXC chairs and local FX committees, which is expected to be distributed in January 2026. The working group is also finalizing its presentation for the upcoming GFXC meeting, where it will propose simplifications to the Statement of Commitment to make adherence more accessible. Outreach activities in Hong Kong and Switzerland are planned, and the group emphasized the importance of appointing buy-side ambassadors and leveraging tools such as ELAC and GAP analysis to strengthen engagement.

b. Working Group on Settlement Risk

The UK, EU, and Switzerland are preparing to move to T+1 securities settlement. A five-page discussion paper has been submitted by the working group to the GFXC for feedback from local FX Committees. It examines the impact of North America's

transition, potential challenges for Europe, key FX considerations for firms, lessons from other markets, and the possibility of even shorter cycles in the future.

Findings show a global trend toward faster settlement. North America's move was smooth from an FX perspective, but Europe may face added complexity due to regional fragmentation. Preparation and risk reduction are essential, and firms should adapt business practices for shorter cycles. Further shortening of FX settlement cycles would require overcoming major hurdles

c. Working Group on FX Data

The working group confirmed that reference rates for FX swaps are widely available, calculated using robust methodologies, but rarely used as fixing rates. It reviewed adoption of updated Disclosure Cover Sheets, noting that most firms include data-sharing policies, while some do not. The group also considered FXPA's proposal on internalization practices and concluded that these should not be added to disclosure sheets without corresponding guidance in the Global Code.

d. ESCB FX Expert Group

Finally, the newly established expert group reported on its coordination of joint Statements of Commitment. Over the summer and autumn, central banks conducted GAP analyses and reviewed adherence among their counterparties. This culminated in a joint Statement of Commitment published in October 2025, accompanied by a coordinated press release confirming adherence to the Code. The group emphasized the importance of both central banks signing the Code themselves and encouraging their counterparties to follow suit.

5. Status outreach activities

a. National Central Bank Updates

Sveriges Riksbank reported one outreach to a governmental institution and informed about the FX Global Code. The initial meeting was positive, no further meetings have been held yet

Norges Bank described ongoing follow-up with buy-side institutions. One institution has reactivated its process to sign the Code, and Norges Bank will support them in that process. Another institution has started the process and aims to sign before year-end. Norges Bank has also resigned the FX Global Code and encouraged market participants to do the same, noting that no institutions have yet resigned. Follow-up work will continue.

Danmarks Nationalbank presented the Code to the Financial Markets Contact Group. While the principles were well received, internal audit and compliance requirements remain obstacles. The central bank intends to take a more proactive

approach toward buy-side institutions in the new year, with hopes of engaging a commercial hedge fund.

Suomen Pankki reported that pension funds have agreed to meet with them, and materials from Norges Bank have been used successfully to support outreach.

During the discussion, it was noted by a member of the committee that pension funds often argue that since banks have already signed the Code, they do not see the need to sign themselves. The Committee reflected on possible counter arguments to this position.

b. Bank Outreach

Danske Bank reported that smaller institutions are increasingly asking about the Global Code. They explained that their institution is revising its FX policy internally and using this process to promote the Code. SEB raised the question of whether outreach materials could be shared more broadly, for example via email, and emphasized that sales teams need to feel confident with the Code to promote it effectively.

6. Market Conditions in Nordic countries FX Markets

SEK: Analysts highlighted strong investment from global funds and growth prospects. Expansionary policies in Sweden are expected to keep the krona stable against the dollar. Volatility has declined significantly. Sveriges Riksbank added that market functionality has remained stable over the past six months, with more participants and lower volatility despite geopolitical turmoil.

DKK: EUR/DKK trading has fallen after peaking in October, with spot and forward activity declining. Foreign banks are more active, and liquidity has been affected by flows related to Copenhagen airports. Danish exports remain strong, and overall liquidity is stable.

NOK: The currency remains highly sensitive to global risk sentiment. Oil price rallies have provided temporary support, while equity market turmoil has led to weakening. Market debt and liquidity can be challenging given the size of the NOK market, though functioning has been good recently. Global events continue to define Norwegian performance.

ISK: The FX market has doubled in size since 2018, supported by new legislation allowing forward contracts and increased interest from abroad following inclusion in FTSE Russell indices. Liquidity is rising, and the market is maturing. The central bank is now a regular buyer, though interbank activity has not grown significantly since the pandemic.

7. Other issues

a. Reflections on the results from BIS triennial survey

FX trading volumes have increased further since 2022, driven by growth in spot and forward transactions. Around 50% of turnover is now in these segments, while the share of swaps has decreased. The US dollar has strengthened its dominance, being involved in 89% of trades, while the euro's share has declined.

b. Reflections of the UK move to T+1 securities settlement

The move to T+1 securities settlement has so far involved less friction and cost than expected. The UK transition is anticipated to proceed smoothly.

c. Ideas for future topics

- T+1 settlement and stablecoins
- Pre-hedging following the IOSCO report
- SEPA instant payments, with Sweden and Norway expected to join in the coming year

8. Conclusions and Future Work

The next meeting will be held in May 2026 in Stockholm. The Secretariat will come back with a suggestion on how to share documents and material for the buy-side outreach activities.