



# Foreign Exchange Surveys

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The materials may not be used or relied upon in any way.

# Euromoney FX Survey

- Largest private sector survey
- Internet based poll, conducted over approx 8 week period
- Participation from individual traders, Corporates, Institutional Investors, State agencies, Financial Institutions
- Surveys available in multiple languages

# Methodology

Questionnaires sent out as online survey

Ranking by market share

- based on total volume of fx business
- clients asked to rank top 10
- total business with each service provider across all questionnaires received was then divided by total business questionnaires to arrive at market share figure

Other results based on a scoring system of 4:3:2 for 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup>

place respectively. Results are not volume weighted.

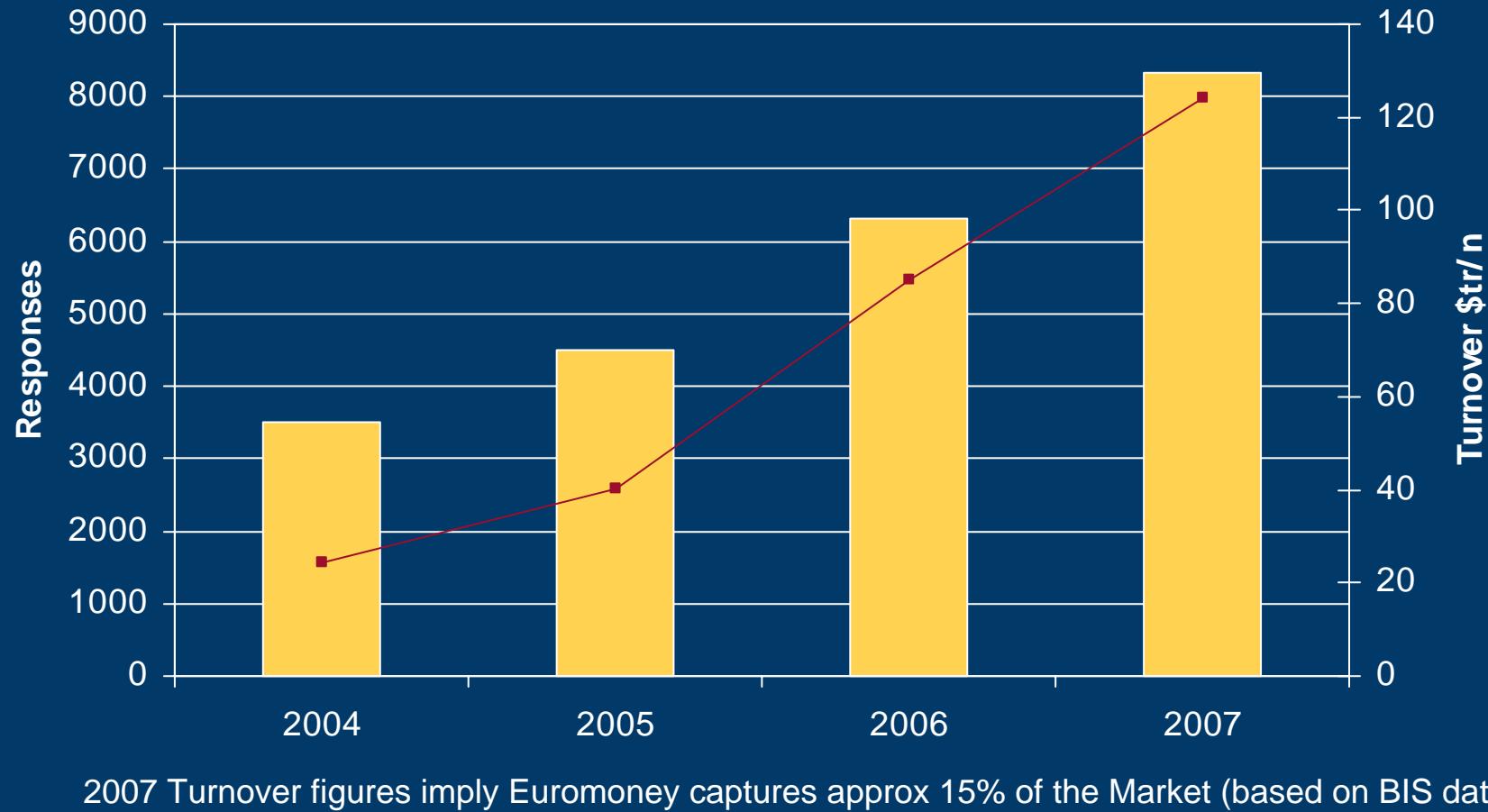
# Pros

- Provides broad snapshot of the marketplace
- Promoted by banks, helping insure large number of responses
- Efforts made to validate all responses
- Extensive history – survey running for 30 years

# Cons

- Importance as a marketing tool, creates issues
  - Leads to inducements offered to clients
  - Increasing evidence of 'inflated' turnover and duplicate entries.
- Over 50% of votes from corporates
- Hard to reconcile market share data
- Influenced by 'look and feel' over substance
- Can be influenced by votes from 3-4 large customers

# Summary of Results



# Trends Highlighted

| <b><u>Turnover by a/c type</u></b> | <b><u>2004</u></b> |    | <b><u>2007</u></b> |
|------------------------------------|--------------------|----|--------------------|
| Leveraged funds                    | 21.1%              | -> | 35.7%              |
| Banks                              | 20.1%              | -> | 29.21%             |
| Non-financial Corporates           | 20.94%             | -> | 11.01%             |
| Electronic trading platforms       | <1%                | -> | 7.28%              |

Regional balance has changed little

# Market Share Results

## 2007

|          |        |
|----------|--------|
| Deutsche | 19.30% |
| UBS      | 14.85% |
| Citibank | 9.00%  |
| RBS      | 8.90%  |
| Barclays | 8.80%  |

## 2006

|                  |        |
|------------------|--------|
| Deutsche         | 19.26% |
| UBS              | 11.86% |
| Citigroup        | 10.39% |
| Barclays Capital | 6.61%  |
| RBS              | 6.43%  |

From 8,337 valid votes

- Top 2 dominance driven by e-trading
- Top 5 account for >60% market
- Saxobank break into the top 25

# 2008 Survey

- Breakdown of volume into spot/swap
- Inclusion of question on correlation/hybrid products
- Additional questions on electronic trading

# Other Surveys

- Consolidation amongst trade periodicals leaves few alternative fx surveys in the public domain
- Survey fatigue amongst clients limits scale of other surveys
- Central Banks surveys in general form part of BIS Survey

# FX Week Survey

More qualitative than Euromoney

- not market share focussed

Overall results similar to Euromoney

## FX Week

1. Citibank
2. UBS
3. Deutsche
4. HSBC
5. Barclays

(4,861 votes)

Saxobank voted as No1 for Investors

## Euromoney

1. Deutsche
2. UBS
3. Citibank
4. RBS
5. Barclays

(8,337 votes)

# Summary

- Euromoney by far the largest bank specific survey
- Gets the broad picture right
- Volume data open to many inaccuracies
- Influenced by 'look and feel' over substance
- A marketing tool not a management tool