

Foreign Exchange Contact Group
Frankfurt, Tuesday 10 March 2009

SUMMARY OF THE DISCUSSION

1. Review of market developments

The Group reviewed and discussed the latest trends in financial markets, particularly in FX markets, following the presentation made by Bilal Hafeez, head of FX strategy at Deutsche Bank.

2. Outlook for Nordic and Baltic currencies

Steinar Juel, chief economist at Nordea, made a presentation on the macro-economic development and outlook in the Nordic and Baltic countries. Regarding the Nordic countries, he highlighted some of the country specific issues (housing market in Denmark, oil prices in Norway and banks' exposure in Sweden), and elaborated on the policy responses, in particular the large fiscal stimuli underway. Mr. Juel then made a review of the strength and weakness of the Baltic economies, as well as the challenges ahead.

Aku Hentilä, head of trading at Nordea in Riga, made a market update and shared his experience on Baltic currencies. He described in particular the various currency regimes in place.

3. OMG Report: operational lessons learned from the demise of Lehman Brothers

Following the request made by the FXCG at its last meeting to the Operations Managers' Group (OMG), René Steenhart (Global Head of Operations at Rabobank), chairman of the OMG, presented the report prepared by the OMG on this topic. This report can be accessed on the OMG web pages under:

http://www.ecb.europa.eu/paym/groups/pdf/omg/20090329_LehmanReport.pdf?ccabc50b0ca447ed4802a71f7e17e620.

Orazio Mastroeni (ECB), secretary of the OMG, then debriefed the FXCG on the OMG discussion on CLS at the last OMG meeting.

4. Other business

The next meeting will take place on 10 June 2009 from 13:00 to 16:00 at the ECB premises.

List of participants

Foreign Exchange Contact Group Meeting

On 10/03/2009, in CII, 36th floor, from 13:00 to 16:00

Bank of Tokyo Mitsubishi UFJ	Mr Shunichiro Totsuka
BBVA	Mr Laurence George Watkins
BHF Bank AG	Mr Jörg Isselmann
BNP Paribas BFI	Mr Patrick Mauberque
CECA	Mr Luis Soutullo
Citigroup	Mr Holger Achnitz
Credit Suisse	Mr Martin Wiedmann
Deutsche Bank AG	Mr Stefan Bender
Dexia BIL	Mr Louis Macalli
ICAP	Mr Steve Toland
Morgan Stanley	Mr Steve Jennions
Nordea	Mr Morten Tysnes
Nova Scotia Capital	Mr Barry Wainstein
Royal Bank of Scotland	Mr Roger Hawes
Royal Bank of Canada	Mr Ed Monaghan
State Street	Chris Freeman
UBS AG	Mr Reto Stadelmann
European Central Bank	Mr Francesco Papadia, Chairman
European Central Bank	Mr Werner Studener
European Central Bank	Mr Ivan Fréchar, Secretary

Guest Speakers

Rabobank	Mr René Steenhart, OMG chairman
Deutsche Bank	Mr Bilal Hafeez
Nordea	Mr Steinar Juel
Nordea	Mr. Aku Hentilä

National Central Banks

Deutsche Bundesbank	Ms Christine Glockmann	
Banco de España	Mr Emilio Rodriguez	
Banque de France	Ms Marie Prouille	TC
Banque Nationale de Belgique	Mr Francois Biquet	TC
Bank of Greece	Mr Efthymios Gatzonas	TC
Banca d'Italia	Ms Maria Lucia Marras	
Banco de Portugal	Mt Jorge Alves	
Banque centrale de Luxembourg	Mr Francois Zenner	TC
Central Bank of Ireland	Mr Michael Maher	TC
Central Bank of Malta	Mr Saviour Briffa	TC
Central Bank of Cyprus	Mr Costas Papadopoulos	TC
De Nederlandsche Bank	Mr Ewout van Ommen	
Oesterreichische Nationalbank	Mr Walter Benesch	TC
Banka Slovenije	Mr Peter Premrl	TC
Suomen Pankki	Mr Harri Lahdenperä	TC