



Minutes

May 29, 2018

Third meeting of the Mexican Foreign Exchange Committee

Mexico City, Tuesday, May 29, 2018, 5:00 p.m.

Location: JPMorgan, Paseo de las Palmas número 405, Colonia Lomas de Chapultepec, Z.C. 11000, Delegación Miguel Hidalgo, Mexico City.

Host: JPMorgan.

Attendees:

Members

Jaime Cortina Morfín – President, Bank of Mexico.

Juan García Padilla, Bank of Mexico.

Juan Pablo Newman Aguilar, Secretaría de Hacienda y Crédito Público

Adrian Owen, Thomson Reuters de México, S.A. de C.V.

Alejandro Aguilar Ceballos, Operadora de Fondos Banorte, S.A de C.V. SOFI., Grupo Financiero Banorte

Alejandro Faesi Puente, Grupo Financiero Banorte, S.A.B. de C.V.

Alfredo Sordo Janeiro, SAM Asset Management S.A. de C.V. S.O.F.I.

Antonio Sibaja Luna, Profuturo AFORE, S.A. de C.V.

Diego Gaxiola Cuevas, Grupo Bimbo

Fidel Martínez San Martín, Grupo Financiero Citibanamex, S.A de C.V.

Gilberto Romero Galindo, Banco Ve por Más, S.A., Institución de Banca Múltiple, Grupo Financiero Ve Por Más.

Guillermo Camou Hernández, Asociación Mexicana de Instituciones Bursátiles, A.C. (AMIB).

Javier Alvarado Chapa, Banco Monex, S.A., Institución de Banca Múltiple, Monex Grupo Financiero.

Javier Orvañanos Márquez, Afore Citibanamex (Afore Banamex, S.A. de C.V., Integrante del Grupo Financiero Banamex)

Juan José Hicks Pedrón, Scotiabank Inverlat, S.A.

Joaquín Caicedo Russi, Banco J.P. Morgan, S.A., Institución de Banca Múltiple, J.P. Morgan Grupo Financiero.



Luis Alvarado Mejía, Asociación de Bancos de México (ABM)

Luis Betancourt Barrios, Banco Santander (México), S.A., Institución de Banca Múltiple, Grupo Financiero Santander México.

Luis de la Cerda Quiñones, Afore SURA, S.A. de C.V.

Rodrigo Guzmán Perera, Mexichem, S.A.B. de C.V.

Sergio Méndez Centeno, Afore XXI Banorte, S.A. de C.V.

Secretariat

Mayte Rico Fernández – Secretary, Bank of Mexico

Guests

Neill Penney, Thomson Reuters

Juan Carlos Escalera Amigo, Thomson Reuters de México, S.A. de C.V.

Erick Caballero Martínez, Thomson Reuters de México, S.A. de C.V.

Gerardo Vargas Pérez, Banco J.P. Morgan, S.A., Institución de Banca Múltiple, J.P. Morgan Grupo Financiero.

Pilar Figueredo Díaz, Bank of Mexico

Lautaro Silva Ibarguren, Bank of Mexico

AGENDA

1. Welcome

The President of the Committee welcomed all assistants to the third meeting of the Mexican Foreign Exchange Committee (MFXC) and thanked Neill Penney, Managing Director and Co-Head of Trading at Thomson Reuters, member of the Foreign Exchange Joint Standing Committee and the New York Foreign Exchange Committee, and private sector representative of the United Kingdom in the Global Foreign Exchange Committee (GFXC) for his attendance as a guest to this meeting.

2. FX Global Code

In relation to the FX Global Code that was published by the GFXC in May 2017, the members of the MFXC updated their perspectives on the adherence and implementation process of said Code by the local FX market.



Also, it was mentioned that in previous weeks the documents created by the working group established to propose minimal compliance standards of the Code in order to promote its adherence, compliance, and implementation by the largest number of market participants possible, were published.

Furthermore, members also discussed the answers to some questions related to the Code one year after its publication. These questions related to the extension on how the market has adopted and embedded the Code, if any industry-wide challenges to the practical implementation of the Code had been discovered, and if the Code had gotten anything inaccurate and if there were any principles that the GFXC should re-consider.

3. Global Foreign Exchange Committee (GFXC)

In regard to the GFXC, the most recent developments related to this committee were presented to members and they were notified that the next GFXC meeting is to be held in Johannesburg, South Africa on 27 June 2018.

Also, the Committee was informed that the voting and election of the next Chair and Co-Vice Chairs would be carried out in this meeting. Moreover, members were informed on the working groups currently established at the GFXC.

The Mexican Foreign Exchange Committee was also informed that a Global Index for Public Registers was launched that same date and that the MFXC is one of its participants. In that sense, the members of the Committee approved the text of the press release to be issued announcing the participation of the MFXC in this Global Index.

4. Committee projects

In connection with other projects, the members of the Committee were updated on the analysis done in relation to FX trading on electronic platforms in Mexico and the execution of trades that involve the Mexican peso in these type of platforms. Members approved this progress.

5. Participation: Neill Penney



Neill Penney, of Thomson Reuters, commented with members his opinions and perspective regarding the implementation and adoption of the Code in other global markets and the use of electronic trading platforms internationally.

6. USD/MXN market

The members expressed their opinions and perspectives regarding the Mexican peso trading conditions at local and foreign markets in relation to the FX market structure, its main trading channels, its trading hours, foreign exchange instruments related to the peso, among others.

7. Any other business

Members were briefed with the proposals to include one new market participant to the Committee as made by other existing members. This proposal was analyzed and discussed and was further voted and approved.

The next meeting is scheduled for November 6, 2018. Still, this will be analyzed since some members requested the date to be changed.