

## **FICC Markets Standards Board finalises Information & Confidentiality Statement of Good Practice**

3 October 2019 – The FICC Markets Standards Board (“FMSB”) has today published the final version a Statement of Good Practice on the issue of Information & Confidentiality.

This Statement of Good Practice seeks to bring clarity to the complex issue of sharing information in FICC markets and dealing with confidential information within a firm.

Recent events have highlighted the risks associated with the sharing of information; and have suggested that there is uncertainty amongst market participants as to the type, and nature, of information that can be shared (whether internally or otherwise).

This Statement of Good Practice seeks to provide examples of the types of information that cannot be shared. As well as the circumstances in which certain aggregated information (i.e. market colour) may be shared and how the potential impact of this should be managed and notified to clients of firms.

There are nine Good Practice Statements which firms should look to when considering their own practice and cover issues including:

- the management of data integrity;
- how and in what circumstances client confidential information may be shared with third parties; and,
- what can and cannot be discussed when providing “Market Colour”; in particular, the document makes clear that *“the timely and appropriate exchange of Market Colour between market participants can contribute to an efficient, open, and transparent market through the exchange of information on the general state of the market, views and anonymised and aggregated flow information”* and discusses how this may be achieved.

This document is being published as part of FMSB’s remit to improve conduct and raise standards in the wholesale Fixed Income, Currencies and Commodities markets. It was issued previously as a Transparency Draft and the final version takes account of comments received from market participants.

All materials published by FMSB are available at [www.fmsb.com](http://www.fmsb.com).

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## Notes to Editors

1) The Fixed Income, Currencies and Commodities (“FICC”) Markets Standards Board (“FMSB”) is an independent body set up by market practitioners to improve standards of conduct in wholesale FICC markets. It aims to bring transparency to grey areas in the wholesale FICC markets by identifying emerging vulnerabilities, clarifying and documenting practice and agreeing standards to improve conduct and market behaviour. Ensuring that wholesale FICC markets are transparent, fair and effective is at the heart of the FMSB’s mission.

2) Setting up the FMSB was one of the main recommendations to emerge from the Fair and Effective Markets Review, which was conducted by HM Treasury, the Bank of England and the Financial Conduct Authority.

3) The FMSB has a Standards Board drawn from senior executives from across wholesale markets, from corporate clients, asset managers, sell side participants and intermediaries and infrastructure providers such as exchanges and custodians. Reporting to the Standards Board are standing sub-committees addressing Market Practices, Codes & Standards Convergence, Conduct & Ethics and Electronic Trading and Technology. The Market Practices sub-committees are split into 4 asset-class specific committees. There is also an Advisory Council representing the interests of Member firms.

4) The FMSB’s Members bring together sell side investment banks, buy side asset managers, market infrastructure providers and exchanges, custodians and users of the market such as corporates. This constitution is unique. The Member firms are:

- Australia and New Zealand Banking Group
- BAE Systems
- Bank of America Merrill Lynch
- Barclays
- BHP
- BlackRock
- Bloomberg
- BNP Paribas
- BNY Mellon
- BP
- Citadel Securities
- Citigroup Global Markets Limited
- Crédit Agricole CIB
- Credit Suisse
- Deutsche Bank
- Euronext FX Inc.
- Goldman Sachs
- HSBC
- Invesco
- J.P. Morgan
- Legal & General Investment Management
- Linklaters (Legal Advisor)
- Lloyds Banking Group
- London Stock Exchange Group
- M&G Investment Management Limited
- MarketAxess
- Morgan Stanley & Co. International plc

- National Australia Bank
- Nomura
- RBS
- Refinitiv
- Rio Tinto
- Royal Bank of Canada
- Royal Dutch Shell
- Royal Mail Group
- Société Générale
- Standard Chartered
- Standard Life Aberdeen
- TP ICAP
- Tradeweb
- Tradition
- UBS
- Vodafone
- XTX Markets