



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref.: B1/15C

28 May 2025

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Global Code of Conduct Standards and Practices for the Wholesale Foreign Exchange Market (the “FX Global Code”)

I am writing to provide guidance on steps for Authorized Institutions (“AIs”) to follow the latest version of the FX Global Code published by the Global Foreign Exchange Committee (“GFXC”)¹ on 24 January 2025.

The FX Global Code², first published in May 2017 and reviewed every three years, represents a single set of global principles of good practices for the wholesale FX market. Since my letter to all AIs on the same subject in 2021³, most in-scope AIs or the banking groups they belong to have issued or renewed their Statement of Commitment to the FX Global Code⁴.

¹ The GFXC was established in May 2017 as a forum bringing together central banks and private sector participants with the aim to promote a robust, liquid, open, and appropriately transparent FX market. Hong Kong is a member of the GFXC, with the Hong Kong Monetary Authority and the Treasury Markets Association as the representatives.

² www.globalfx.org/fx_global_code.htm

³ <https://brdr.hkma.gov.hk/eng/doc-ldg/docId/20211217-6-EN>

⁴ The list of AIs which have provided a Statement of Commitment to the Treasury Markets Association can be found on the Association’s website (<https://www.tma.org.hk/information/public-register-fx-global-code>).

After a targeted review⁵ and an extensive public consultation last year, the GFXC has updated the FX Global Code by refining five⁶ of its fifty-five principles to strengthen the guidance on FX Settlement Risk mitigation practices and to enhance transparency around certain types of execution activity as well as utilisation of FX data. The GFXC is encouraging market participants to align their practices with these updates and renew their Statement of Commitment. The Treasury Markets Association (“TMA”) fully supports the renewal of the Statement of Commitment.

In accordance with HKMA Supervisory Policy Manual module CG-6 “Competence and Ethical Behaviour”, AIs should, among other things, maintain adequate systems of control to ensure that their staff members observe any codes of conduct or standards issued by professional bodies of which they are members or associates, including the TMA Code of Conduct and Practice (the “TMA Code”). Since the FX Global Code (including its latest update) has been part of the TMA Code since 2017, we expect all AIs to take appropriate steps to:

- (i) review their practices in light of the updated FX Global Code and ensure that they maintain adequate systems of control to support their observance of the FX Global Code; and
- (ii) demonstrate such status by issuing or renewing the Statement of Commitment as provided in Annex 3 of the FX Global Code, having regard to the relevance of the latest updates to their FX market activities, and providing it to the TMA⁷ at fxglobalcode@tma.org.hk on or before 24 January 2026.

⁵ The GFXC leveraged several channels to assist in determining the scope of the Three-Year Review of the Code. Based on the feedbacks received from the Market Participants, the Bank for International Settlements Markets Committee and the local FX Committees in 2023-2024, the GFXC agreed that a targeted review was adequate as the Code is largely considered to be fit for purpose.

⁶ The five refined principles are #9, #10, #35, #50 and #51. For details, please refer to page 6-15 of [GFXC’s “Outcomes of the Three-Year Review of the FX Global Code”](#) published in January 2025.

⁷ The TMA serves as a local register for financial institutions in Hong Kong that have issued and provided the TMA with the Statement of Commitment.

I also encourage your institution to promote the updated FX Global Code to counterparties and customers to which the FX Global Code should apply. Should you have any questions about this circular, you may contact Ms Jessica Szeto at jwkszeto@hkma.gov.hk or Mr Argus Leung at acmleung@hkma.gov.hk.

Yours faithfully,

c.c. The Chairperson, The Hong Kong Association of Banks
The Chairperson, The DTC Association
FSTB (Attn: Mr. Timothy Wong)