

CLS Trade Volume Benchmarking

08 February 2019



CLS Volumes as Multiple of Outside Reports

This report compares CLS's FX trade volumes to those published bi-annually by central banks.

- We use CLS traded¹ volumes and break these out by the different instruments (Spot, FX Swap and Outright Forward)
- Using these data, we calculate CLS's volumes as a multiple of each of the other sources for the relevant instruments
- This multiple is plotted over time and gives an indication of whether CLS's market share is declining (downward sloping line), growing (upward slope) or steady (horizontal line)

We find that:

- CLS volumes are typically several multiples of the source. An exception here is the comparison to Bank of England's (BoE) survey, which shows that CLS's volumes are only about 0.74 of those that the BoE report.
- In most cases the multiple is flat or growing in time, which suggests that CLS's market share is stable or growing.

¹We follow the market convention for reporting trading activity: (1) counting only one side of each trade i.e. half what we would normally report (2) including only the far leg of FX Swaps i.e. only a quarter of what we would normally report (3) including real trades only i.e. not including I/O Swaps (4) reporting by trade date rather than settled date



Central Bank Surveys

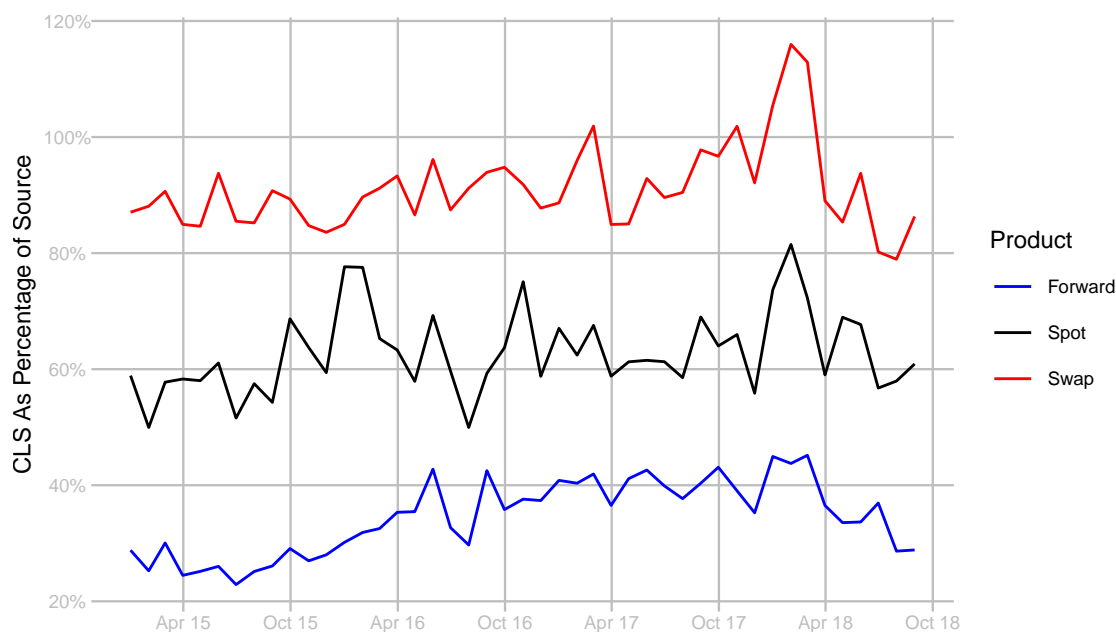
Information drawn from the published FX surveys of central banks such as the Federal Reserve or Bank of England.



Bank of England JSC reported value

CLS as percentage of Bank of England

Fig. 1



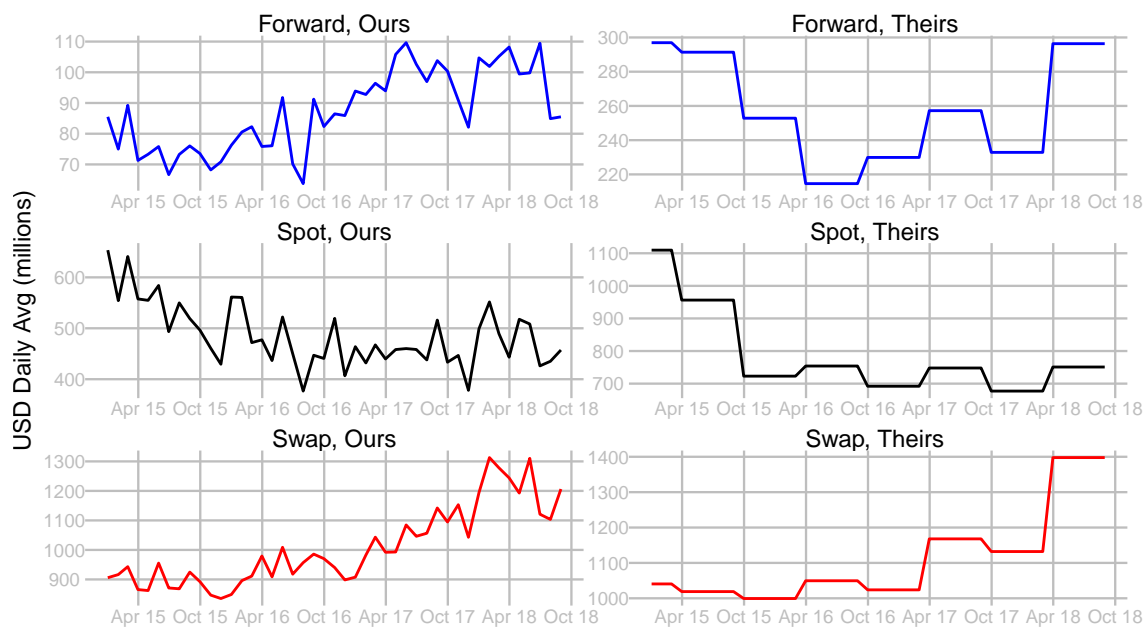
Central bank reports each April and October

Source: CLS Analytics

Real trends

Fig. 2

Underlying dollar values of CLS and external data



Daily average values in millions of USD

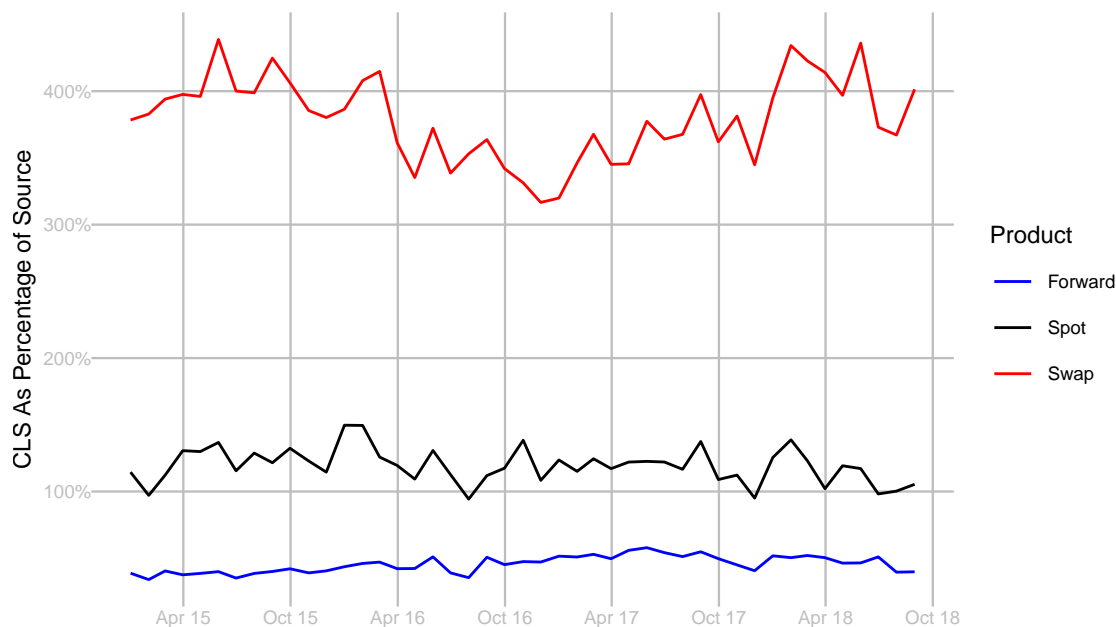
Source: CLS Analytics



Federal Reserve FXC reported value

CLS as percentage of Federal Reserve

Fig. 3



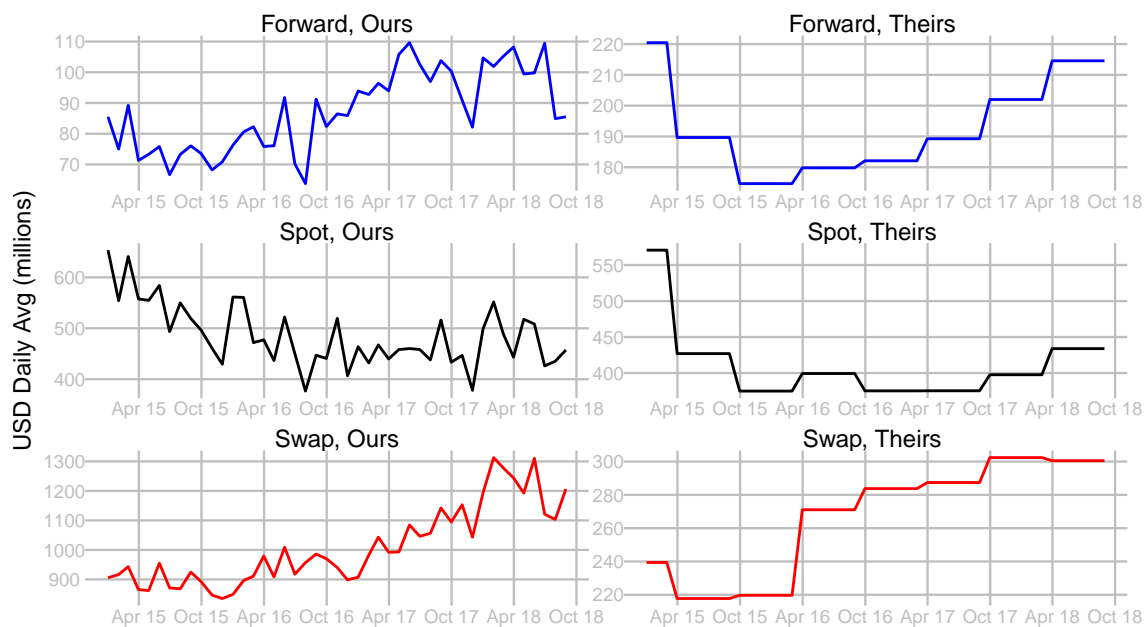
Central bank reports each April and October

Source: CLS Analytics

Real trends

Underlying dollar values of CLS and external data

Fig. 4



Daily average values in millions of USD

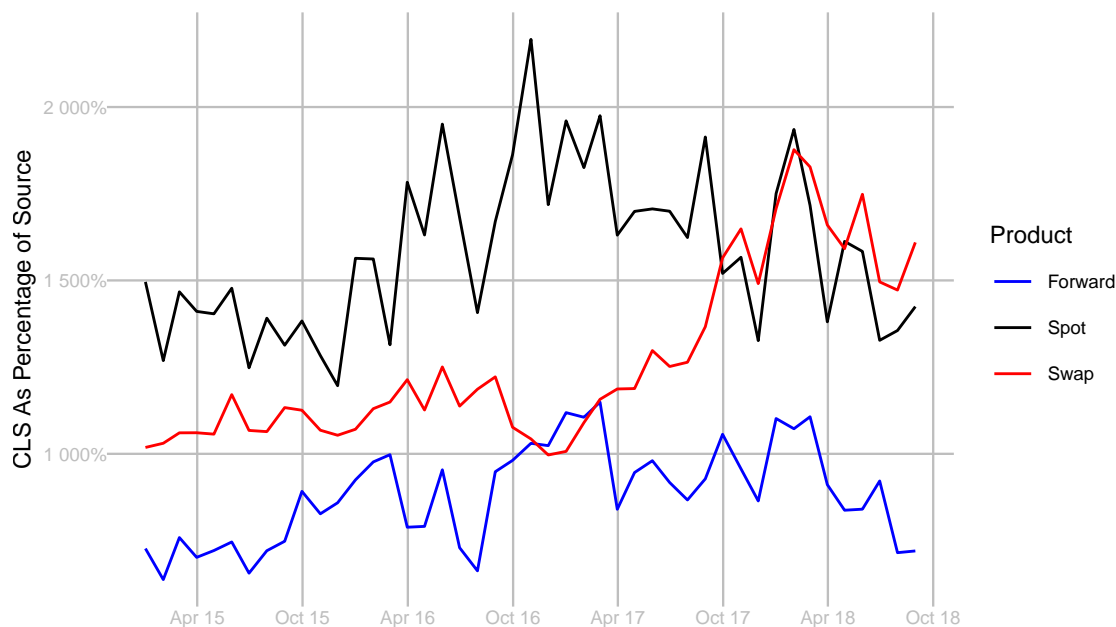
Source: CLS Analytics



Reserve Bank of Australia FXC reported value

CLS as percentage of Reserve Bank of Australia

Fig. 5



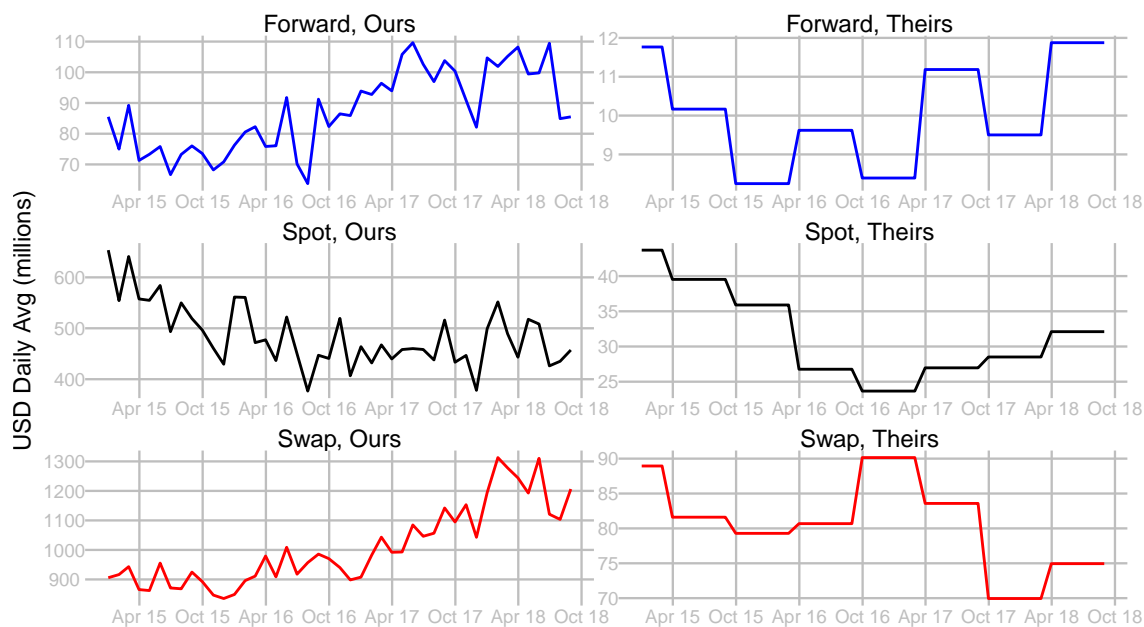
Central bank reports each April and October

Source: CLS Analytics

Real trends

Underlying dollar values of CLS and external data

Fig. 6



Daily average values in millions of USD

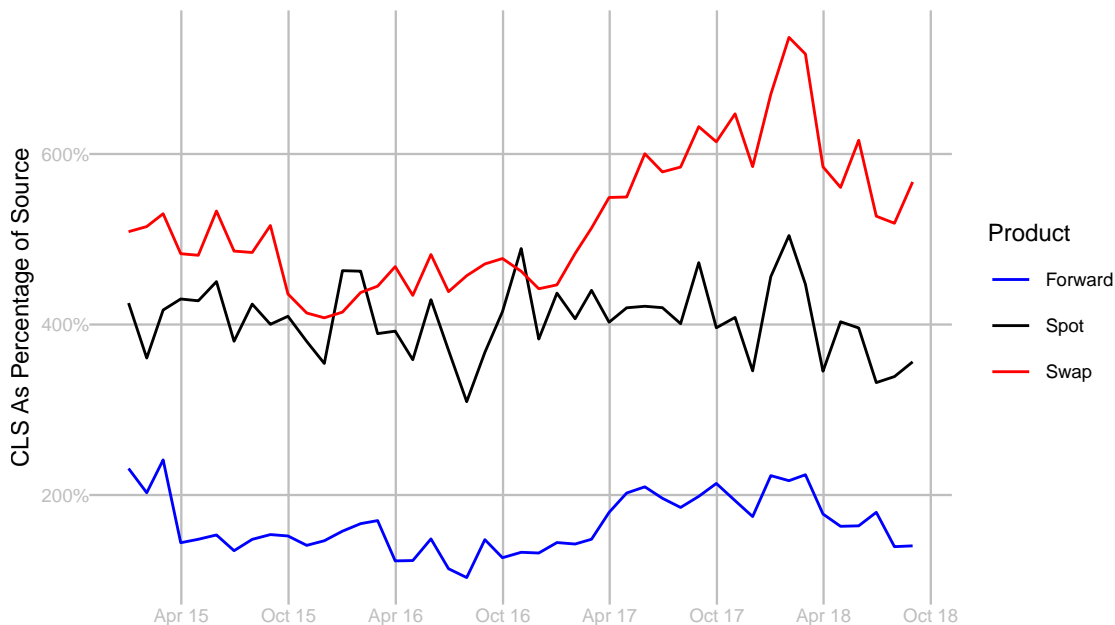
Source: CLS Analytics



Japan FXC reported value

CLS as percentage of TFXC

Fig. 7



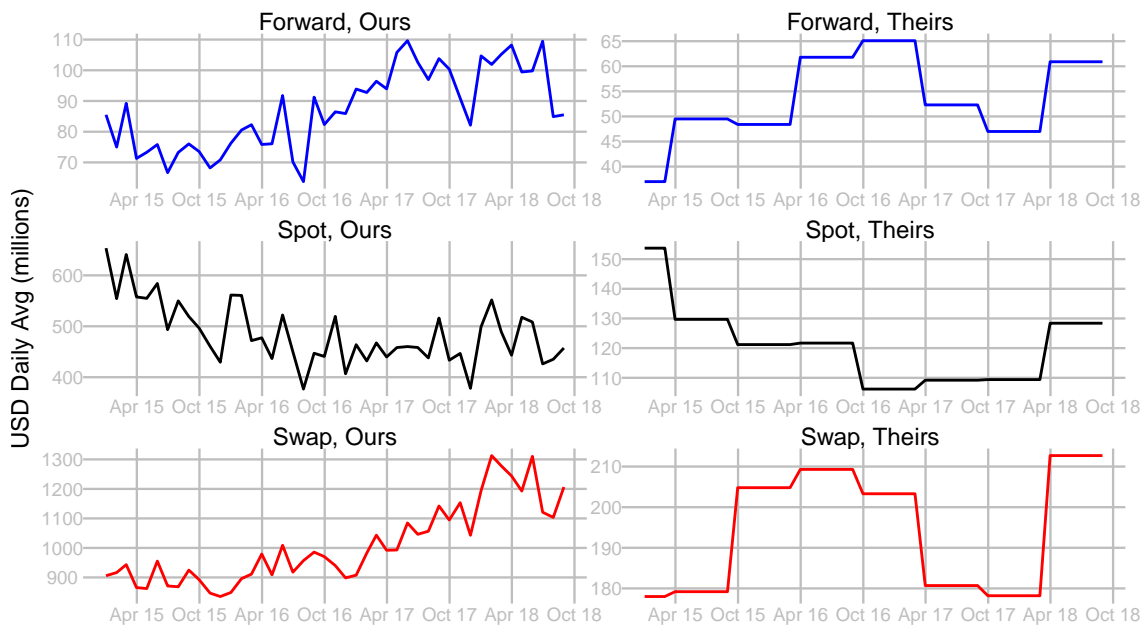
Central bank reports each April and October

Source: CLS Analytics

Real trends

Underlying dollar values of CLS and external data

Fig. 8



Daily average values in millions of USD

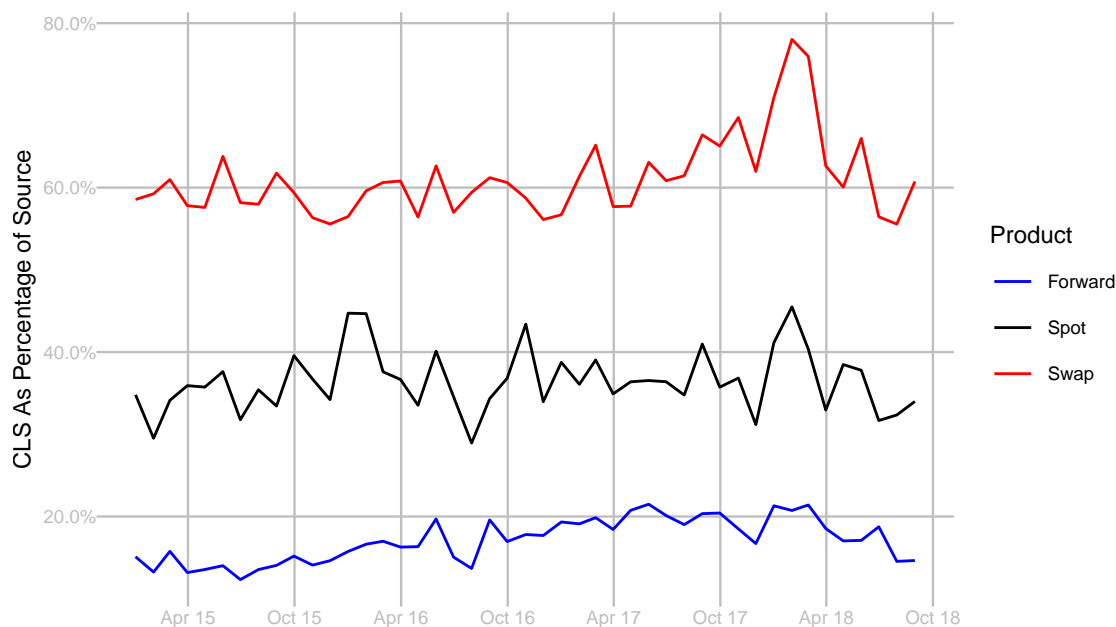
Source: CLS Analytics



Combined Central Bank reported value

CLS as percentage of total across central bank reports

Fig. 9



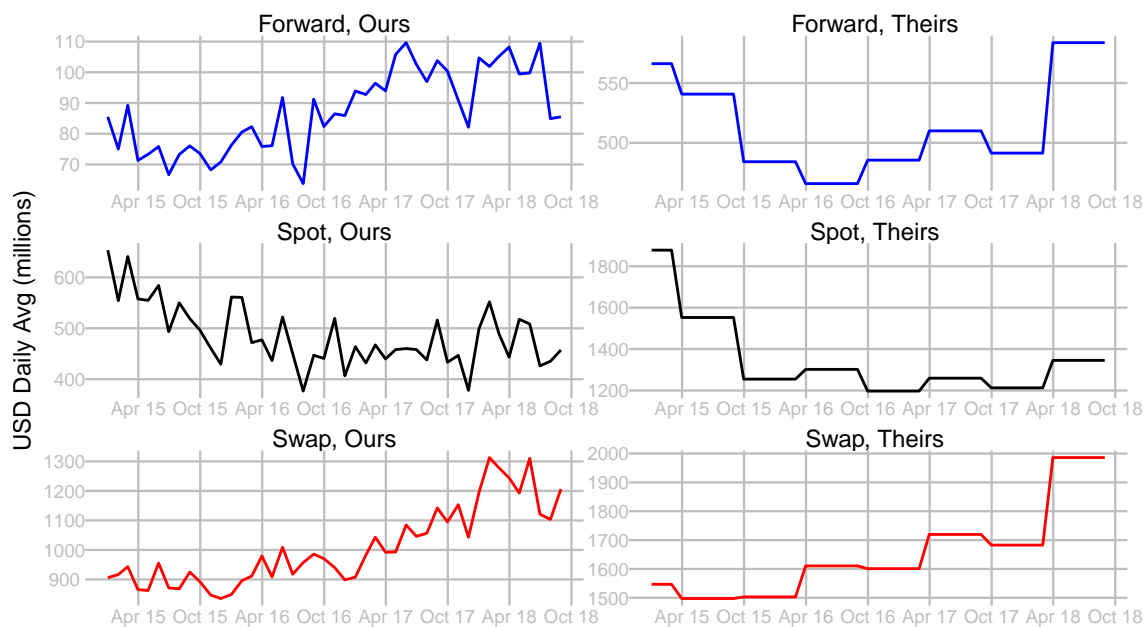
Central bank reports each April and October

Source: CLS Analytics

Real trends

Underlying dollar values of CLS and external data

Fig. 10



Daily average values in millions of USD

Source: CLS Analytics