



EUROPEAN CENTRAL BANK

EUROSYSTEM

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International Operations

Overview of the activities of the Bond Markets and International Operations Division

ECB Central Banking Seminar,
Frankfurt, 13 July 2018

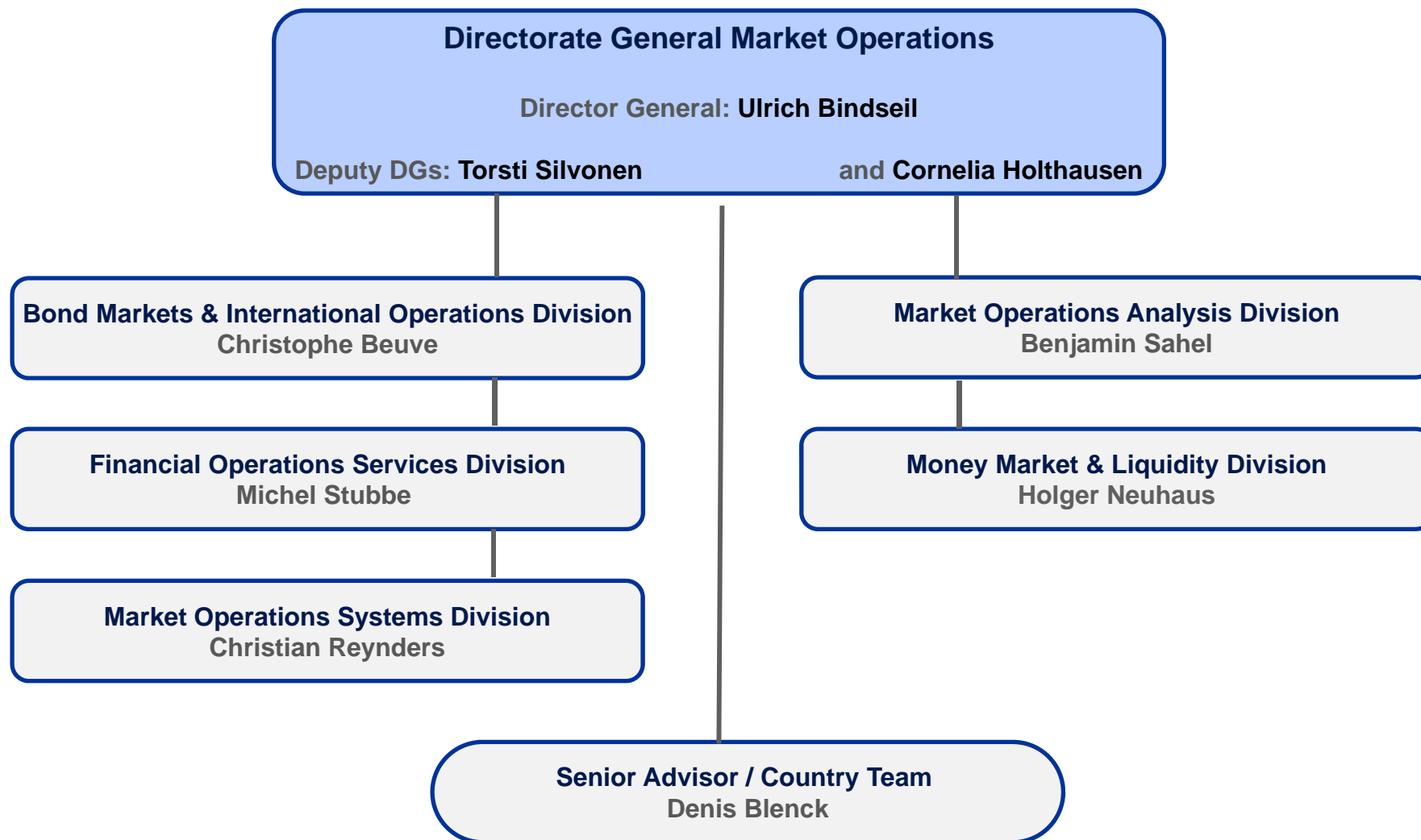
Overview

1 BMI Organisation

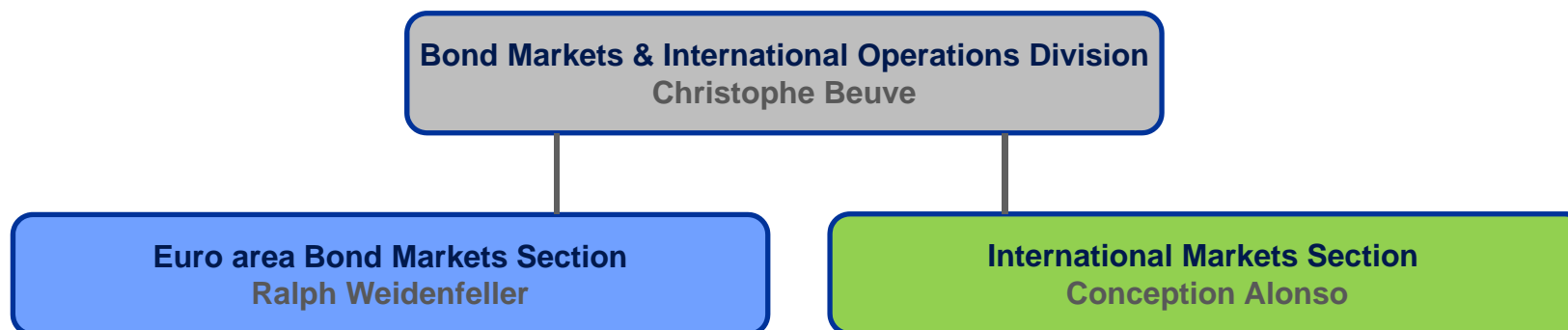
2 BMI Tasks

3 BMI Team

BMI within DG-Market Operations Structure



Organisation of BMI division



- Conduct market intelligence and market analysis of euro area bond market
- Design, coordinate and implement Asset Purchase Programmes
- Manage ECB's own funds
- Advise on ECB's pension funds

- Conduct market intelligence and market analysis of international markets
- Manage the ECB's foreign reserves
- Involve in FX matters (reference rates, FX Global Code, interventions)

Main tasks

1. Conduct market intelligence and market analysis

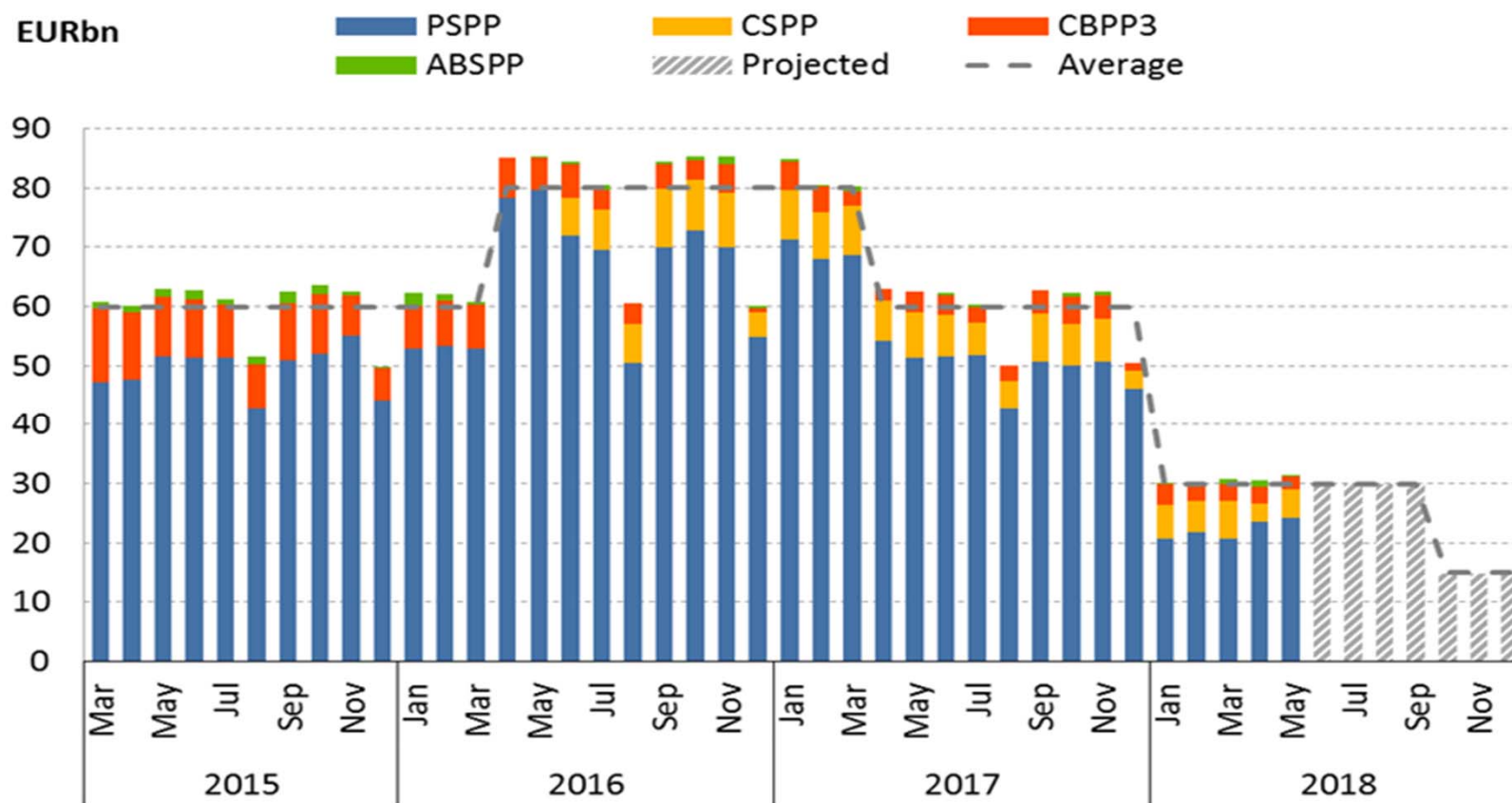
Main purposes

- Policy relevant, timely briefings to ECB decision making bodies
- Ensure a smooth implementation of APP
- Achieve out-performance of ECB's foreign reserve portfolios

Main tasks

2. Design, coordinate and implement APP

APP monthly net purchases by programme

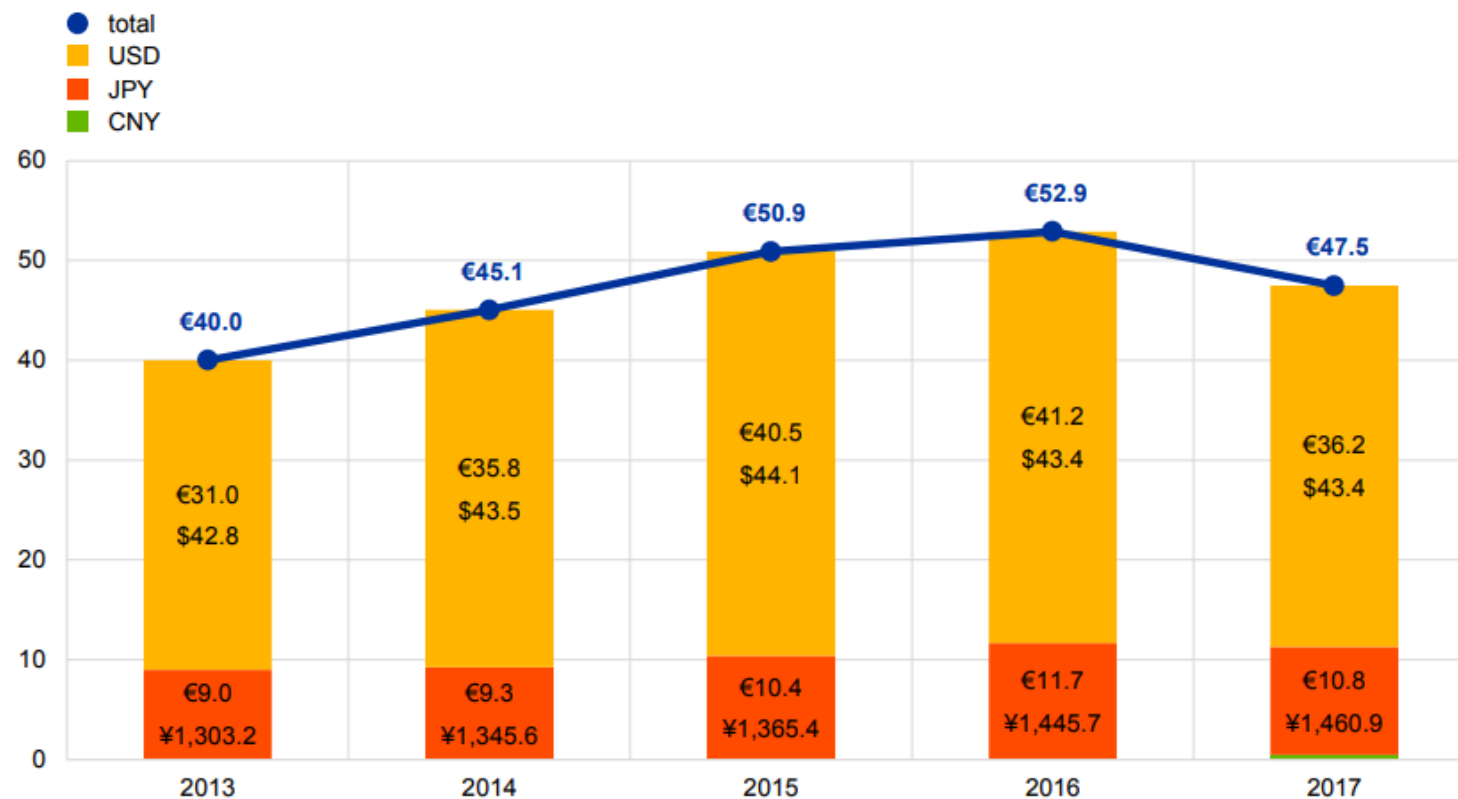


Source: ECB.

3. Manage the ECB's foreign reserves

Foreign currency holdings

(EUR billions)



+ EUR 17.6 bn in gold and gold receivables

Source: ECB 2017 Annual report

Main tasks

Foreign Reserve Management Decentralised Framework

**ECB/GovC/Risk
Management**

**Strategic
Benchmark**



**ECB
Investment
Committee
BMI**

**Tactical
Benchmark**











**National
Central
Banks**

**Actual
Portfolios**

4. Involve in FX matters

- **FX Reference Rates**

- 32 currencies published on the [ECB website](#) every working day around 16:00

Currency		Spot	Chart
 USD US dollar	↓	1.1754	
 JPY Japanese yen	↓	128.64	
 BGN Bulgarian lev	=	1.9558	
 CZK Czech koruna	↑	25.795	

- **FX Interventions**

- 2000 EUR/USD; 2011 EUR/JPY
- Regular test within the Eurosystem/ESCB

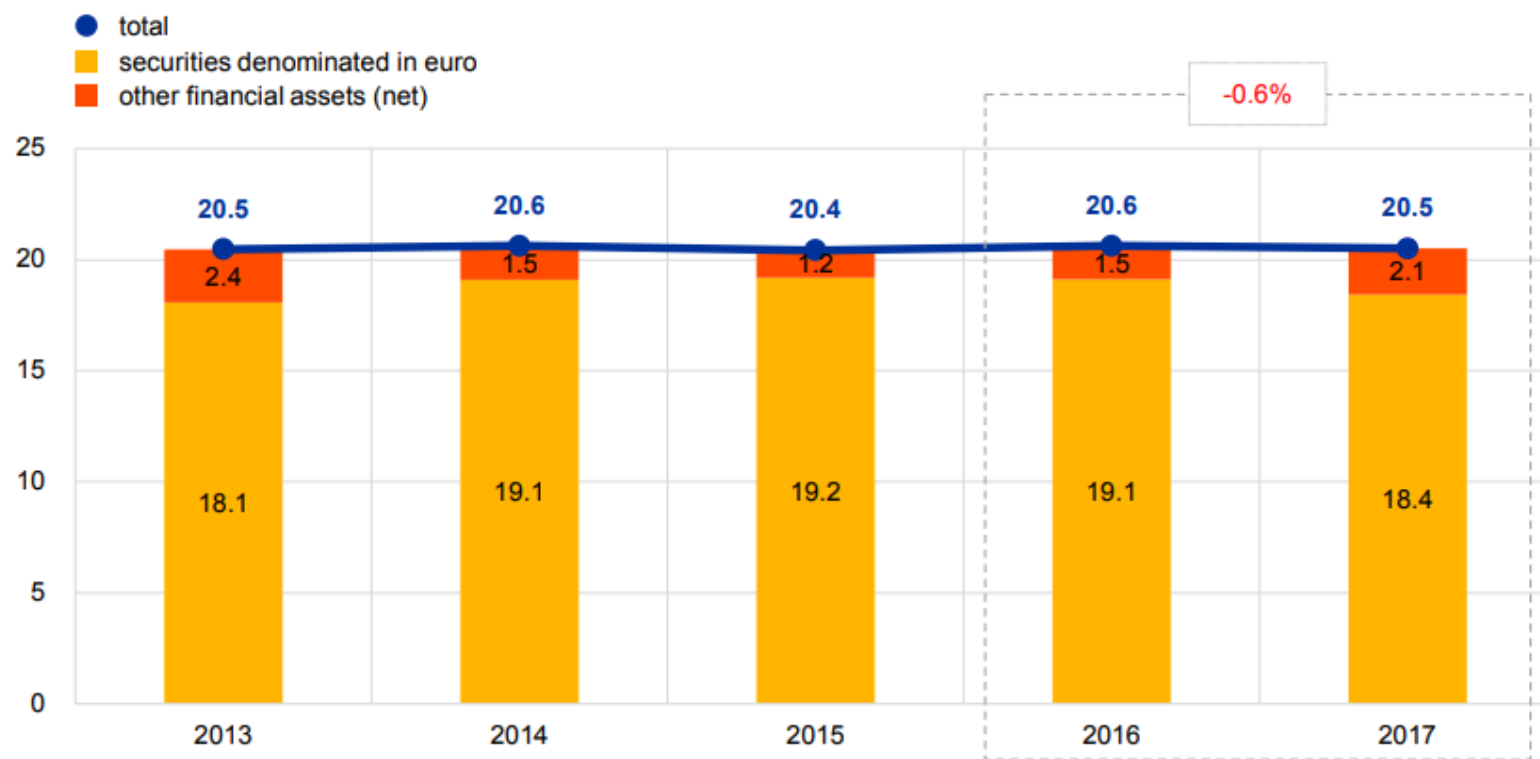
- **FX Global Code and its adherence**

- Set of global principles of good practice in the FX market
- [ECB's Statement of Commitment to the FX Global Code](#)
- Adherence of FX Contact Group members and FX counterparties ([July 2017 ECB press release](#))

5. Manage ECB's own funds

The ECB's own funds portfolio

(EUR billions)



Source: ECB 2017 Annual report

6. Advise on ECB's pension funds

- Mandatory & voluntary contributions
- External asset managers
- Regular procurements
- Mandate defined by the ECB

Our team believes in diversity...

- 43 colleagues
- 18 nationalities
- Various experiences
- Balanced gender diversity

... and is driven by strong values

- Teamwork
- Adaptability
- Initiative
- Achieving objectives



Questions ?

Thank you for your attention