

Minutes of the 157th Meeting
of the Tokyo Foreign Exchange Market Committee
(TFEMC)

Time and date of the meeting:	13:00-14:30 November 27 th , 2012
Venue:	Bank of Japan
Chairperson:	Mr. Akira Hoshino
Vice-Chairperson:	Mr. Hokuto Nakano
Vice-Chairperson:	Mr. Tadahiko Nashimoto
Secretary:	Mr. Yoshihito Saito
Attending committee members:	20

I. Activities of Sub-Committees

1. Sub-Committee on Committee Steering

Mr. Tsukada, Chairperson of the Sub-Committee, reported the summary of discussions in several Sub-Committees, which had met after the last Committee. He also reported that the Sub-Committee had discussed how to treat the opening and closing hours in the Tokyo market during the Christmas holidays and how to review the relationship between the TFEMC and ACI Japan.

2. Sub-Committee on BCP

Mr. Hoshino, Chairperson of the Committee, reported that on November 21 the Sub-Committee had confirmed the work schedule for the next BCP exercise which would be held in February 2013. He also explained that in addition to the annual BCP exercise, the Sub-Committee was planning to ask financial institutions to formulate a BCP assuming a specific scenario in which financial institutions were unable to disclose their fixing rates. For the specific time schedule, he mentioned that the Sub-Committee would send a questionnaire to financial institutions by early December and ask them to respond by early April 2013.

3. Sub-Committee on Code of Conduct

Mr. Yoshikawa, Chairperson of the Sub-Committee, reported that the Sub-Committee made progress in revising the Code of Conduct on November 8. He explained that the revision covered by the Sub-Committee on E-Commerce and Operation had been almost completed. Regarding the revision covered by the Sub-Committee on Code of Conduct, he mentioned that a quarter of the work had been done and that the Sub-Committee was planning to continue with the rest at the next meeting.

In addition, Mr. Yoshikawa explained that he would resign as Chairperson of the Sub-Committee and that Mr. Onishi would succeed to his post.

4. Sub-Committee on Operation

Mr. Fukushima, Chairperson of the Sub-Committee, reported that the Sub-Committee had exchanged views with the executives of CLS Bank about its service and future business strategy at the meeting on October 17. He reported that CLS Bank was planning to introduce a new program with the latest technology with a view to making the system more stable and efficient. He also reported that CLS Bank considered expanding the number of currencies eligible for settlement in CLS in its future business strategy and that the Chilean peso, the Thai baht, and the Russian ruble are leading candidates.

5. Sub-Committee on NDF

Mr. Hoshino, Chairperson of the Committee, mentioned that since the Sub-Committee had finished making the recommendation for the calculation of the fixing rate of NDF transactions against the yen, the necessity of the Sub-Committee should be reconsidered. In response, Mr. Hirota, Chairperson of the Sub-Committee, stated that he would discuss the significance of its existence at the Sub-Committee meeting.

II. Schedule for the Annual General Meeting

Mr. Saito, Secretary of the Committee, mentioned that the Annual General Meeting and the annual informal social gathering with relevant members of the TFEMC hosted by the Bank of Japan would be held on January 30, 2013.

III. Others

1. Opening and Closing Hours in the Tokyo Market during the Christmas Holidays

Mr. Hoshino, Chairperson of the Committee, mentioned that in his opinion there would be no need for the Committee to take some actions regarding the opening and closing hours in the Tokyo market during the Christmas holidays but wanted to hear views of the Committee members. Based on the discussion, the Committee members shared the view that each institution should consider its opening and closing hours by its own.

2. Strengthening of the Relationship with ACI Japan

Mr. Tsukada, Chairperson of the Sub-Committee on Committee Steering, mentioned that, to strengthen the relationship with ACI Japan, he wanted to consider inviting Mr. Kano from ACI Japan and asking him to give a presentation about its activities.

3. Formulation of Global Common Principles regarding Foreign Exchange Transactions

Mr. Saito, Secretary of the Committee, reported that discussion on formulating global common principles regarding foreign exchange transactions was ongoing among foreign exchange market committees in the world.

List of Tokyo Foreign Exchange Market Committee Members

(November 27th, 2012)

Members

Chairperson:

Mr. Akira Hoshino* (Bank of Tokyo-Mitsubishi UFJ)

Vice-Chairperson and Chairperson of the Sub-Committee on Market Research:

Mr. Hokuto Nakano* (Mizuho Corporate Bank)

Vice-Chairperson:

Mr. Tadahiko Nashimoto* (Barclays Bank)

Secretary:

Mr. Yoshihito Saito* (Bank of Japan)

Chairperson of the Sub-Committee on Committee Steering:

Mr. Tsunemasa Tsukada* (Mitsubishi UFJ Trust and Banking Corp.)

Chairperson of the Sub-Committee on Public Relations:

Mr. Kazuhiro Ooki* (EBS Dealing Resources Japan)

Chairperson of the Sub-Committee on Education and Code of Conduct:

Mr. Koichi Yoshikawa* (Credit Suisse Securities)

Chairperson of the Sub-Committee on Legal Matters:

Mr. Shinji Imanishi (Sumitomo Mitsui Trust Bank)

Chairperson of the Sub-Committee on Operation:

Mr. Ryoichi Fukushima* (Mizuho Bank)

Chairperson of the Sub-Committee on E-Commerce:

Mr. Haruhisa Takagi* (Sumitomo Mitsui Banking Corp.)

Chairperson of the Sub-Committee on NDF:

Mr. Taiji Hirota* (JPMorgan Chase Bank)

Mr. Yuji Sokawa (Thomson Reuters Japan)

Mr. Masanobu Ishikawa* (Tokyo Forex Ueda Harlow)

Mr. Tomoo Onishi* (Deutsche Securities)

Mr. Tomohiro Iwata (Goldman Sachs Japan Co.)

Mr. Atsuo Ogaki* (Nomura Securities)

Mr. Kosuke Hanao* (HSBC)

Mr. Joseph A. Kraft Jr.* (Bank of America)

Associate Members

Mr. Yusuke Ito* (Money Brokers Association)

Mr. Sinichi Tsutsui* (Mizuho Corporate Bank)

Mr. Naoki Mori* (Bank of Tokyo-Mitsubishi UFJ)

Mr. Joji Ide* (Bank of Japan)

Observer

Mr. Masaaki Iizuka* (Ministry of Finance)

*Attended the meeting.