

January, 2008

# Annual Report

Year 2007

*Tokyo Foreign Exchange Market Committee*



January 30, 2008

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*Speech Given by Satoshi Inoue, Chairperson of the Tokyo Foreign Exchange Market Committee*

January 2008

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This is the third time we hold Annual General Meeting of the Tokyo Foreign Exchange Market Committee. It is a good opportunity for the members of the committee to comprehensively review their activities, in which they invest their times and knowledge for development of the market, from the perspectives different from their daily routines. We are very much pleased to hold the meeting this year, and we would like to express our cordial gratitude to our predecessors who supported the activities of the committee and all of you who provided the assistances to the committee.

Last year, despite some changes in its members, the committee continued to engage in the activities in such areas on which it placed importance in years. These included “Market-wide Business Continuity Plan (BCP)”, “Turnover Survey of Tokyo FX Market” which was started in the year 2006, and revision of the Code of Conduct which will be completed this year. These projects have successfully produced good results. In addition, we would like to report that the committee had active discussions on the market developments.

In contrast to the year 2006, when the market was relatively calm, the year 2007 saw, from the beginning of spring, large price fluctuations and large volume of transactions in the market. We also observed record-high market volatilities and temporarily reductions in liquidity in the forward market. Against these backgrounds, members of the committee shared their views and challenges. Meanwhile, some relevant sub-committees took the initiatives to study the results of various kinds of the surveys, and as a result, the committee was able to add to its stock of knowledge which we may utilize for our management of the market in the future.

Furthermore, 2007 was the year when we confirmed that market committees in various countries share common challenges on the back of accelerated development of cross-border activities in the market, thanks to the recent innovation and proliferation of Information Technologies and the diversification of dealing channels. We strongly perceived the need to exchange information and views frequently with members of the market committees, not only in London and New York but also in continental Europe and Asia/Pacific.

We think that growth of foreign exchange markets accompanying their structural changes will be further accelerated because of the diversification of dealing channels as well as market participants and trading currencies. This year, we will report the introduction of the BCP and the revised Code of Conduct. At the same time, we will promote the activities of the committee with your supports, in response to evolving challenges of the market. Your continued support will be greatly appreciated.

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It is my pleasure to address the General Annual Meeting of the Tokyo Foreign Exchange Market Committee (TFEMC).

Given the major changes in market dynamics, I feel as if a very long time had passed since the meeting last year, when we exchanged views on the sustainability of low volatility in the foreign exchange market. The elevated level of volatility in recent months indicates concerns about negative spillovers from financial turmoil in the United States and Europe to the global economy. At the same time, it suggests that structural changes in economies worldwide have caused the emergence of new drivers of foreign exchange rates that work through different transmission mechanisms. These drivers have been exerting influence on the foreign exchange market in an unprecedented manner.

In terms of economic fundamentals, remarkable progress in the "multi-polarization" of international trade has been observed. The total value of Chinese exports has surpassed those of Japan and major European countries. In addition, the total value of trade between oil-exporting countries and oil-consuming countries has grown considerably because of rising oil prices. Turning to Japan's exports, while the United States remains the most important destination, its share has fallen to approximately 20 percent. Meanwhile, the aggregate share of Asian countries has increased to nearly 50 percent. Furthermore, Japan's exports to the Middle East, Russia, Latin America, and Africa, which had been comparatively small until very recently, have been growing. The aggregate share of Japan's exports to those economies has exceeded 10 percent, a figure comparable to the aggregate share of exports to countries in the European Union (EU).

Significant changes have also taken place in the international flow of capital. Global investors have been actively conducting cross-border portfolio investments, revealing a stronger tendency to "search for yield." Another recent feature is that public-sector investors in emerging economies have become more active in outward investment. They are acquiring a wider range of assets with their foreign funds accumulated against the background of rising commodity prices and a growing trade surplus, and also by sometimes utilizing entities called "sovereign wealth funds." In the case of Japan, retail investors'

purchase of foreign currency denominated assets has become an underlying trend, albeit with some short-term fluctuations. The total value of such purchases and increased outward direct investment by Japanese firms has become comparable to Japan's trade surplus.

I believe that foreign exchange markets in the coming years must be able to respond flexibly to new needs resulting from the changes in global financial markets and economies. Given that foreign exchange products are highly standardized and can be traded 24 hours a day anywhere in the world, foreign exchange markets in major financial centers compete with each other ceaselessly to satisfy such needs promptly and appropriately. The Tokyo foreign exchange market should compete at the global level, and I sincerely hope that it will grow into a market that meets global demand.

The current position of the Tokyo foreign exchange market is, however, not ideal. Results of the most recent triennial survey conducted by the Bank for International Settlements (BIS) and the "Turnover Survey of Tokyo FX Market" conducted by the TFEMC indicate that, although turnover in the Tokyo market has been increasing, turnover in major financial centers such as London, New York, and Singapore has grown at a much faster pace. This rapid growth has been described as the result of both enhanced activities of institutional investors and hedge funds as well as increased inflows of funds from oil-exporting countries. In contrast, the survey results suggest that the Tokyo market could not fully benefit from the global expansion of foreign exchange transactions.

Naturally, total turnover is not the only determinant of a market's competitiveness. Nevertheless, an increase in turnover is an important element for market participants in providing highly liquid and innovative foreign exchange products to various parties in Japan's economy. In this respect, the gradual decrease in the share of the Tokyo market in the global turnover of foreign exchange merits attention and a certain level of concern.

It may not be an easy task for the Tokyo market to achieve a more prominent position among global major markets. Yet I believe that enhancing the Tokyo market's attractiveness is of great importance both in supporting Japan's economic activity and in ensuring a firm basis for its financial industries. In order to revitalize the Tokyo market, I strongly expect that the TFEMC will play a leading role in identifying key issues in relation to the market infrastructure and market practices, and in helping to determine the paths to solutions.

Among the activities of the TFEMC during 2007, I would like to highlight the introduction of the "market-wide business continuity plan (BCP)." Specifically, the TFEMC established BCP arrangements including the operation of the "BCP web site" as the result of discussions on procedures for collecting and providing information and on cooperation with relevant parties in payment and settlement systems in the event of emergency situations. The introduction of such arrangements into the market infrastructure is of great value, and will also contribute to raising the Tokyo market's competitiveness by reinforcing its resiliency against various types of disasters and other emergency situations.

I expect that the TFEMC will acquire more practical skill in managing BCPs through market-wide exercises joined by the Bank of Japan and other relevant authorities, and hope that a broader range of participants in the foreign exchange market will take part in the arrangements. I also hope that the TFEMC will contribute, in cooperation with relevant parties, to establishing BCP arrangements across the money market, securities markets, and overseas foreign exchange markets.

The TFEMC has examined and discussed the market infrastructure and market practices covering all areas of foreign exchange transactions. It has also updated its Code of Conduct in coordination with committees in major overseas markets, and made efforts to foster better understanding of the Code among market participants. On behalf of all my colleagues at the Bank of Japan, I would like to express our sincere appreciation of the efforts made by the members of the TFEMC. The Bank remains committed to providing active support for the activities of the TFEMC.

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## Activities of the Sub-Committees

### **Sub-Committee on Committee Steering**

#### I. Activities in 2007

- The Sub-Committee on Committee Steering plays a role of efficient management of the Tokyo Foreign Exchange Market Committee (“the TFEMC”, hereafter) in the following aspects.
  1. To elect the members and to approve their resignation
  2. To appoint Chairperson, deputy Chairpersons and Secretary
  3. To discuss and study prospective issues for discussions in the TFEMC meetings
  4. To discuss other issues relating to management of the TFEMC
  
- In 2007, the sub-committee conducted the following activities.
  1. Suspension of financial supports from ACI Japan
    - They agreed to the request from ACI Japan, because they judged that the TFEMC do not have any financial difficulties without such support.
  2. Self-surveillance on the revenues and expenditures of the TFEMC
    - They decided to conduct self-surveillance on the revenues and expenditures beginning with those in 2007.
  3. Collaboration with overseas foreign exchange committees
    - Mr. Inoue, Chairman of the Committee, attended the meeting of Korea Foreign Exchange Committee, giving a speech on the activities of the TFEMC.
    - Mr. Inoue, Secretary of the Committee, attended the Operation Managers Conference organized by the ECB, reporting the activities and challenges of the TFEMC. He also participated in regular conference calls among global foreign exchange committees, exchanging information and views with the secretaries of these committees.
  4. Review on growth of broader range of FX e-commerce
    - They confirmed their position to update the evolution of FX e-commerce from the viewpoint of maintaining good practices of foreign exchange markets

#### II. Action plans for 2008

- They will provide supports for organizing the Operation Managers Conference which will be hosted by the Bank of Japan in 2008.
- They will review the BCP for foreign exchange markets in normal times, by defining the mandates of the sub-committee clearly.

## **Sub-Committee on Public Relation**

### **I. Activities in 2007**

- The Sub-Committee on Public Relation plays a role of addressing information relating to on the activities of the TFEMC, not only to participants of foreign exchange market, but the economic society as a whole. In conducting its mandate, they posted and updated the following contents on the website of the TFEMC as its main platform for communication.
  - 1 . Minutes of the meeting of the TFEMC (in Japanese and English)
  - 2 . Information on the activities of the TFEMC (such as recruitment of its new members or the Forex Seminar)
  - 3 . Code of Conducts
  - 4 . List of the members of the TFEMC and chart of its organization

They put stress on efficient maintenance of its website as well as satisfaction of the needs of its users through replacing its internet service provider and revising the design of the web-pages.

- In 2007, the sub-committee conducted the following activities.
  1. Editing the Annual Report for 2006 and announcing it on the website
    - They compiled the reports on the activities of respective sub-committees for the Annual General Meeting into the Annual Report for 2006, and announced it through the website of the Committee.
  2. Announcing the result of the Foreign Exchange Turnover Survey for Tokyo Market
    - They announced the result of such survey covering transactions in April 2007 through the website of the committee.

### **II. Action plans for 2008**

- They will enhance understandings of the detailed needs of addressing information of the TFEMC, and manage their website in appropriate and efficient manner.

## **Sub-Committee on Education**

### **I. Activities in 2007**

- The Sub-Committee on Education plays a role of educating people in Tokyo foreign exchange market and enhancing their expertise by ways of organizing seminars and other measures.
- In 2007, they conducted the following “Forex Seminars” in collaboration with ACI Japan.

1. Date: Monday, February 19<sup>th</sup>, 18 : 30~20 : 30

Place: Nomura Securities (Urbannet Otemachi Building)

Titles and Speakers:

Part 1: “Outlook of foreign exchange market and its focal factors” by Mr. Masaki Fukui, Senior Market Economist, International Treasury Department, Mizuho Corporate Bank

Part 2: “Evolution of activities of Hedge Funds and its impacts on financial markets” by Ms. Tokiko Shimizu, Head of Foreign Exchange Operation Section, Financial Markets Department, Bank of Japan

Number of attendants: 113 (Number of applicants 119)

2. Date: Monday, August 28<sup>th</sup>, 18 : 30~20 : 30

Place: Nomura Securities (Urbannet Otemachi Building)

Titles and Speakers:

Part 1: “Foreign exchange rates: Medium-term outlook” by Mr. Daisuke Uno, Strategist, Department of Sales Promotion for Market Products, Mitsui-Sumitomo Bank

Part 2: “Japanese Economy – from domestic and global perspective” by Mr. Richard Koo, Chief Economist, Nomura Research Institute

Number of attendants: 112 (Number of applicants: 115)

### **II. Action plans for 2008**

- They will maintain the quality of Forex Seminars in order to satisfy the needs by participants of Tokyo foreign exchange markets, and organize these seminars in efficient manners.

## **Sub-Committee on Legal Matters**

### **I. Activities in 2007**

- The Sub-Committee on Legal Matters plays the following roles relating to the purposes of the TFEMC
  1. To discuss and to exchange views on legal issues relating to market practices and code of conducts in foreign exchange market and other related international financial markets.
  2. To make proposals on such issues as in 1. above to the TFEMC or its sub-committees concerned.
  
- In 2007, they conducted the following actions in concerning CLS BANK FX PROTOCOL.
  - On May 24<sup>th</sup>, Chairman of the sub-committee had the meeting with Mr. Tsuchiya, CLS Tokyo who updated the recent development for introduction of CLS BANK FX PROTOCOL. Specifically, Mr. Tsuchiya explained that a) CLS completed the draft FX PROTOCOL on June 1<sup>st</sup> in reply to requests from the third parties in the Europe and the US, b) matching the payments on CLS would be eligible on condition that respective third parties submit adherence letters to CLS, and c) in drafting FX PROTOCOL, CLS collaborated with Financial Markets Lawyers Group which is an associated body with Foreign Exchange Committee in New York. Mr. Tsuchiya also asked the Committee to include FX PROTOCOL in the revised version of Code of Conduct of Tokyo foreign exchange market as a good practice.
  - The sub-committee had made its principle to take any action in regard to CLS only if overseas foreign exchange committees in London or New York would formally place any proposals. As the sub-committee had not received such proposals, the sub-committee reported the above correspondences to the Committee on June 20<sup>th</sup> without any proposal.

### **II. Action plans for 2008**

- They will discuss possible legal issues relating to the revision of Code of Conduct, and make necessary proposals for the sub-committee of Code of Conduct.

## **Sub-Committee on Market Research**

### **I. Activities in 2007**

- The Sub-Committee on Market Research was organized in November 2002, in order to play a role of conducting research and discussion for sound growth of Tokyo foreign exchange market. They conducted its activities in the following aspects.
  1. In years 2003 and 2004, the sub-committee discussed the potential impacts of FX prime brokerage through electric platform on practices in inter-bank market. Then, they compiled the results of such discussion into “Study of derivative scheme of FX e-commerce”, releasing it to market participants in global foreign exchange markets.
  2. In years 2005 and 2006, the sub-committee conducted preliminary discussions on the Business Continuity Plan (BCP) for Tokyo foreign exchange market. Having completed such task, they proposed to organize the sub-committee on BCP (consisting of several members of the sub-committee on Market Research) and its working group, in order to enhance efficiency of the discussion.
  3. In October 2007, the sub-committee took up the new task of reviewing the presence of Tokyo foreign exchange market from global perspective.
  
- On the point 3. above, the sub-committee achieved the following.
  1. The sub-committee collected views from members of the TFEMC about recent development of Tokyo foreign exchange market and prospective measures for its revitalization. They started to discuss the backgrounds for slower growth of Tokyo foreign exchange market, utilizing such collected views along with statistical evidences such as the most recent results of the BIS triennial survey and the Committee’s Tokyo FX survey.
  2. The sub-committee studied such collected views according in terms of their areas of focus and their backgrounds.

### **II. Action plans for 2008**

- They will continue to discuss the backgrounds for slower growth of Tokyo foreign exchange market, and discuss prospective measures for its revitalization.
- They will conduct Tokyo FX survey (annual since 2006) covering transactions in April 2008.
- They will conduct comparative study of the results of Tokyo FX survey and the regional surveys in global markets.

## **Sub-Committee on Code of Conduct**

### **I. Activities in 2007**

- The Sub-Committee on Code of Conduct plays a role of facilitating efficient execution of transactions in foreign exchange market in Tokyo. In contributing to sound growth of the market, the sub-committee is active in the following aspects.
  - 1 . To monitor the maintenance of good practices compiled as “Code of Conduct” in foreign exchange market
  - 2 . To identify the recent developments of market in relation to market practices
  - 3 . To keep best market practices updated to the evolutions of the market
- In 2007, the sub-committee started its discussion for the revision of “Code of Conduct”. Focus of such discussion was the features of its revised version, including 1) its prospective users, 2) area of its coverage in terms of players and transactions, 3) efficient way of its revision, and 4) recent evolutions of the market that deserves covering.

### **II. Action plans for 2008**

- The sub-committee will release the revised version of “Code of Conduct” by the middle of 2008.
- They will stop publishing the Code in hard copies.
- They will keep the Code updated, facilitating the exchanges of information with overseas foreign exchange market committees.

## **Sub-Committee on Settlements**

### **I. Activities in 2007**

- The Sub-Committee on Settlements plays a role of facilitating safe and sound settlements of transactions in Tokyo foreign exchange and foreign funds markets, by dealing with relevant issues. And they make proposals of issues for discussion in the Committee meeting or other sub-committee meeting when necessary.
- In 2007, the sub-committee conducted discussion on the settlement of Japanese Yen funds in foreign exchange market in the event of market disruption, joined by the Bank of Japan, settlement systems and market experts. And they made following proposals to the sub-committee on BCP.
  1. Extension of operation hours of settlement systems should be as late as from 8:00pm to 8:30pm.
  2. Regarding the unsettled transaction with the status of “settlement matured” in CLS, recommendation should be to settle them through CLS on the next business day in compliance with best practice for CLS.

### **II. Action plan for 2008**

- The sub-committee will collaborate with the sub-committee on Code of Conduct for the revision of the Code, by dealing with such the issues as relating to settlements of foreign exchange transactions.

## **Sub-Committee on BCP (Business Continuity Plan)**

### **I. Activities in 2007**

- The sub-committee on BCP plays a role of introduction and management of the market-wide BCP in Tokyo foreign exchange market, with a view to support the prompt recovery and to maintain the market functions in the event of disruption, thereby minimizing the troubles in the market.
- In 2007, the sub-committee conducted the following activities.
  1. They conducted preliminary tests of the functions of the infrastructure (the “BCP website”) for exchange of information and discussion on measures in the event of disruption (in July).
  2. They concluded the Rule for implementation of BCP in Tokyo foreign exchange market and the BCP manual (in September).
  3. They requested CLS Tokyo, Tokyo Bankers Association and Tokyo Financial Exchange to participate the market-wide BCP in Tokyo foreign exchange market as observers. They also explained the framework of the BCP to the Ministry of Finance and the Financial Stability Authority.
  4. They launched the BCP website (in December), started its operation among members of the TFEMC (in January).

### **II. Action plans for 2008**

- They will conduct exercises of the BCP.
- They will invite other market participants than members of the TFEMC to the market-wide BCP in Tokyo foreign exchange market, as early as in April 2008.
- They will delegate the management of the BCP in normal times to the sub-committee on the committee steering.



## **Sub-Committee on E-Commerce**

### **I. Activities in 2006**

- The Sub-Committee on E-Commerce was introduced in 2001 at the occasion of overall review of the sub-committees of the TFEMC. As a project sub-committee with special focus on the targeted area, it plays a role of discussing the following issues relating to the expansion of e-commerce in both inter-bank and customer transactions of foreign exchange.
  1. To update the knowledge of evolution of e-commerce in foreign exchange markets
  2. To understand the implications of FX e-commerce in the following aspects;
    - a) effects on market liquidity
    - b) effects on market practices
    - c) effects on code of conducts etc
  
- In 2007, the sub-committee conducted the following activities
  1. They exchanged views on the impacts of growing participation of unconventional players to inter-bank markets through FX prime brokerage, utilizing recent development of FX e-commerce.
  2. They discussed the possible issues of such participation in relation to the maintenance of market practices.

### **II. Action plans for 2008**

- They will compile a note or a study on the potential risks that could be triggered by participation of broader range of players by way of FX e-commerce. Such note or study would be included in the revised “Code of Conduct”.
- They will exchange views on the expansion of FX e-commerce in order to keep up with its recent developments.

## List of Participants to the TFEMC (as of December 31<sup>st</sup>, 2007)

### < Members >

Member	Title	Institute
Mr. Satoshi Inoue	Chairperson	Bank of Tokyo-Mitsubishi UFJ
Mr. Tadahiko Nashimoto	Vice Chairperson	Barclays Bank
Mr. Koichi Kubo	Vice Chairperson	Mizuho Corporate Bank
Mr. Tetsuya Inoue	Secretary	Bank of Japan
Mr. Atsushi Komatsu	Member	Mizuho Bank
Mr. Masamichi Koike	Member	Sumitomo Mitsui Banking Corp.
Mr. Masayoshi Takegawa	Member	Merrill Lynch Japan Securities
Mr. Shogo Nagaya	Member	Nomura Securities
Mr. Katsunori Kitakura	Member	Chuo Mitsui Trust and Banking
Mr. Yuji Sokawa	Member	Reuters Japan
Mr. Kazuhiro Ooki	Member	EBS Dealing Resources Japan
Mr. Motonari Ogawa	Member	Morgan Stanley Japan Securities
Mr. Masashi Kobayashi	Member	Sumitomo Trust and Banking Corp
Mr. Masaru Matsuo	Member	Mitsubishi UFJ Trust and Banking Corporation
Mr. Koichi Yoshikawa	Member	BNP PARIBAS
Mr. Yoshihiro Wanikawa	Member	JP Morgan Chase Bank
Mr. Masanobu Ishikawa	Member	Tokyo Forex Ueda Harlow
Mr. Ryuichi Atsuta	Member	Bank of America

### < Associate Members >

Mr. Yoshihiko Noguchi	Associate Member	Money Brokers Association
Mr. Masafumi Miya	Associate Member	Bank of Japan
Mr. Toshihiro Okabayashi	Associate Member	Bank of Tokyo-Mitsubishi UFJ
Mr. Kazuyoshi Uchiyama	Associate Member	Mizuho Corporate Bank

### < Observer >

Mr. Hideaki Imamura	Observer	Ministry of Finance
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< Sub -Committee >

Standing Sub -Committee	Member		Institute	
Committee Steering	Chairperson	Mr. Masaru Matsuo	Mitsubishi UFJ Trust & Banking Corp.	
	(Vice)	Mr. Tadahiko Nashimoto	Barclays Bank	
			Mr. Satoshi Inoue	Bank of Tokyo-Mitsubishi UFJ
			Mr. Koichi Kubo	Mizuho Corporate Bank
			Mr. Masamichi Koike	Sumitomo Mitsui Banking Corp.
			Mr. Tetsuya Inoue	Bank of Japan
			Mr. Yoshihiko Noguchi	Money Brokers Association
			Mr. Masafumi Miya	Bank of Japan
			Mr. Kazuyoshi Uchiyama	Mizuho Corporate Bank
			Mr. Toshihiro Okabayashi	Bank of Tokyo-Mitsubishi UFJ
			Ms. Mayumi Takahashi	Mitsubishi UFJ Trust & Banking Corp.
Public Relation	Chairperson	Mr. Kazuhiro Ooki	EBS Dealing Resources Japan	
	(Vice)	Mr. Tetsuya Inoue	Bank of Japan	
Education	Chairperson	Mr. Shogo Nagaya	Nomura Securities	
	(Vice)	Mr. Masanobu Ishikawa	The Tokyo Forex & Ueda Harlow	
			Mr. Masayoshi Takegawa	Merrill Lynch Japan Securities
			Mr. Yuji Sokawa	Reuters Japan
			Mr. Katsunori Kitakura	Chuo Mitsui Trust & Banking Co.
			Mr. Yoshihiro Wanikawa	JP Morgan Chase Bank
Legal Matters	Chairperson	Mr. Masashi Kobayashi	Sumitomo Trust & Banking Corp.	
	(Vice)	Mr. Masaru Matsuo	Mitsubishi UFJ Trust & Banking Corp.	
			Mr. Tadahiko Nashimoto	Barclays Bank
			Ms. Mayumi Takahashi	Mitsubishi UFJ Trust & Banking Corp.
			Mr. Ryutaro Yamamoto	Mizuho Corporate Bank
			Mr. Junichi Setsuda	JP Morgan Chase Bank
			Mr. Hiroaki Osaki	Sumitomo Mitsui Banking Corp.
			Mr. Isao Yamashita	Bank of Tokyo-Mitsubishi UFJ

Standing Sub -Committee	Member		Institute	
Market Research	Chairperson	Mr. Koichi Kubo	Mizuho Corporate Bank	
	(Vice)	Mr. Satoshi Inoue	Bank of Tokyo-Mitsubishi UFJ	
		Mr. Hiromitsu Kato	Nomura Babcock & Brown	
		Mr. Masamichi Koike	Sumitomo Mitsui Banking Corp.	
		Mr. Masayoshi Takegawa	Merrill Lynch Japan Securities	
		Mr. Koichi Takenaka	Mizuho Corporate Bank	
		Mr. Toshihiro Okabayashi	Bank of Tokyo-Mitsubishi UFJ	
		Code Of Conduct	Chairperson	Mr. Koichi Yoshikawa
		(Vice)	Mr. Kazuyoshi Uchiyama	Mizuho Corporate Bank
		Mr. Ryuichi Atsuta	Bank of America	
		Mr. Shogo Nagaya	Nomura Securities	
		Mr. Masashi Kobayashi	Sumitomo Trust & Banking Corp.	
		Mr. Tatsuya Ishikawa	Bank of Tokyo-Mitsubishi UFJ	
		Mr. Yoshihiko Noguchi	Money Brokers Association	
		Mr. Atsushi Komatsu	Mizuho Bank	
		Mr. Motonari Ogawa	Morgan Stanley Japan Securities	
		(Mr. Tetsuya Inoue)	(Bank of Japan)	
		(Ms. Mayumi Takahashi)	(Mitsubishi UFJ Trust and Banking)	
		Settlement		Chairperson
(Vice)	Mr. Masashi Kobayashi			Sumitomo Trust & Banking Corp.
Mr. Masanobu Ishikawa	The Tokyo Forex & Ueda Harlow			
Mr. Toshiro Kanazawa	Bank of Japan			
Mr. Kazuhiro Ooki	EBS Dealing Resources Japan			
Mr. Katsunori Kitakura	Chuo Mitsui Trust & Banking Co.			
Mr. Yuji Sokawa	Reuters Japan			
Mr. Toru Matsumoto	Mizuho Corporate Bank			
Mr. Hideo Yamakawa	Bank of Tokyo-Mitsubishi UFJ			
Mr. Yasushi Kurozumi	Sumitomo Mitsui Banking Corp.			
Mr. Masahiro Noguchi	Mizuho Bank			
Mr. Kiyoshi Tsuchiya	CLS			

Standing Sub -Committee	Member		Institute	
BCP	Chairperson	Mr. Satoshi Inoue	Bank of Tokyo-Mitsubishi UFJ	
	(Vice)	Mr. Koichi Kubo	Mizuho Corporate Bank	
	(Vice)	Mr. Tetsuya Inoue	Bank of Japan	
			Mr. Tadahiko Nashimoto	Barclays Bank
			Mr. Masaru Matsuo	Mitsubishi UFJ Trust & Banking Corp.
			Mr. Atsushi Komatsu	Mizuho Bank
			Mr. Masayoshi Takegawa	Merrill Lynch Japan Securities
			Mr. Masamichi Koike	Sumitomo Mitsui Banking Corp.
			Mr. Toshiro Kanazawa	Bank of Japan
			Mr. Ken Chikada	Bank of Japan
			Mr. Hiromitsu Kato	Nomura Babcock & Brown
			Mr. Koichi Takenaka	Mizuho Corporate Bank
	Mr. Toshihiro Okabayashi	Bank of Tokyo-Mitsubishi UFJ		

Project Sub-Committee	Member		Institute	
e-Commerce	Chairperson	Mr. Masamichi Koike	Sumitomo Mitsui Banking Corp.	
	(Vice)	Mr. Masayoshi Takegawa	Merrill Lynch Japan Securities	
			Mr. Tetsuya Inoue	Bank of Japan
			Mr. Tadahiko Nashimoto	Barclays Bank
			Mr. Kazuhyoshi Uchiyama	Mizuho Corporate Bank
			Mr. Motonari Ogawa	Morgan Stanley Japan Securities
			Mr. Yoshihiro Wanikawa	JP Morgan Chase Bank
			Mr. Toshihiro Okabayashi	Bank of Tokyo-Mitsubishi UFJ
	Mr. Yasutada Suzuki	Sumitomo Mitsui Banking Corp		