

Minutes of the 126th Meeting
of the Tokyo Foreign Exchange Market Committee
(TFEMC)

Time and date of the meeting:	13:00-14:00 September 18 th , 2009
Venue:	Bank of Japan
Chairperson:	Mr. Akira Hoshino
Vice-Chairperson:	Mr. Hokuto Nakano
Vice-Chairperson:	Mr. Tadahiko Nashimoto
Secretary:	Mr. Keiichi Miyata
Attending committee members:	20

I. Resignation and Election of Members

Mr. Hoshino, Chairperson of the Committee, reported that the term of Mr. Ishikawa as a member of the Committee would shortly expire. Mr. Ishikawa expressed his wish to serve on the Committee for another term and was approved unanimously.

Mr. Hoshino, Chairperson of the Committee, reported that he received an application from Mr. Taiji Hirota (JPMorgan Chase Bank). After reviewing Committee members' recommendations and Mr. Hirota's speech, a vote was taken, and the candidate was elected unanimously as a member of the Committee.

II. Activities of Sub-Committees

1. Sub-Committee on BCP

Mr. Hoshino, Chairperson of the Sub-Committee, reported that in order to expand the BCP program, they had invited major market participants, starting with reporting institutions for the Tokyo FX Turnover Survey, to the BCP exercise, and almost all of them accepted the Committee's invitation.

Mr. Hoshino, Chairperson of the Sub-Committee, suggested that from April 2010, participants of the BCP program would bear the running costs of the BCP web site which has been paid by the Committee, and this was approved.

With regard to the BCP exercise to be conducted in February 2010, Mr. Hoshino, Chairperson of the Sub-Committee, reported that the representatives in the money market and securities market proposed to jointly conduct the exercise with the Committee. Mr. Hoshino, Chairperson of the Sub-Committee, suggested that they would discuss the joint exercise with the representatives, and this was approved.

2. Sub-Committee on Settlement

Mr. Komatsu, Chairperson of the Sub-Committee, reported that they discussed the settlement risk caused by the failure of Lehman Brothers on July 16th and August 21st. Mr. Komatsu reported that they would summarize the issues raised during the discussions and submit the report to the Committee.

3. Sub-Committee on Committee Steering

Mr. Matsuo, Chairperson of the Sub-Committee, reported that the Global Meeting of Foreign Exchange Committees, where representatives of foreign exchange market committees in each country would report their activities, would be held on December 2nd in Singapore. Mr. Matsuo, Chairperson of the Sub-Committee, suggested that they would send Mr. Hoshino, Chairperson of the Committee, and Mr. Miyata, Secretary of the Committee, as the representatives of the Committee to the meeting, and this was approved.

4. Sub-Committee on Education

Mr. Ishikawa, Vice-Chairperson of the Sub-Committee, reported that the Forex Seminar was held on August 31st. The Seminar included presentations by Mr. Ryutaro Kono of BNP Paribas and Mr. Tetsuya Inoue of Nomura Research Institute on “World Economic Outlook: the False Dawn” and “Unconventional Policy Measures Conducted by the Bank of Japan, the Federal Reserve, and the European Central Bank,” respectively.

Mr. Noguchi, Associate Member of the Committee, reported the financial results of the Seminar.

III. Others

Mr. Noguchi, Associate Member of the Committee, reported that the Turnover Survey of Tokyo FX Market indicated an increase in turnover made through voice brokers while the data obtained by the Money Brokers Association showed a fall in turnover made through voice brokers. Mr. Noguchi, Associate Member of the Committee, pointed out that in the Turnover Survey of Tokyo FX Market, a double-counting of some transactions by the reporting dealers might have caused the increase as fewer market participants had been dominating the market.

Based on the report by Mr. Noguchi, Associate Member of the Committee, Mr. Hoshino, Chairperson of the Committee, suggested that the Committee would study whether it could improve the survey method in order to eliminate the effects of a double-counting of transactions by the next round of survey, while taking into account a possible operational burden on the reporting dealers, and this was approved.

List of Tokyo Foreign Exchange Market Committee Members
(September 18th, 2009)

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. Keiichi Miyata* (Bank of Japan)

Chairperson of the Sub-Committee on Committee Steering:

Mr. Masaru Matsuo* (Mitsubishi UFJ Trust and Banking Co.)

Chairperson of the Sub-Committee on Public Relations:

Mr. Kazuhiro Ooki* (EBS Dealing Resources Japan)

Chairperson of the Sub-Committee on Education:

Mr. Hiroshi Maeba (Nomura Securities)

Chairperson of the Sub-Committee on Legal Matters:

Mr. Masashi Kobayashi* (Sumitomo Trust and Banking Co.)

Chairperson of the Sub-Committee on Code of Conduct:

Mr. Koichi Yoshikawa* (BNP Paribas)

Chairperson of the Sub-Committee on Settlement:

Mr. Atsushi Komatsu* (Mizuho Bank)

Chairperson of the Sub-Committee on E-Commerce:

Mr. Masamichi Koike* (Sumitomo Mitsui Banking Co.)

Mr. Katsunori Kitakura (Chuo Mitsui Trust and Banking)

Mr. Masatomo Odagawa (Goldman Sachs Securities)

Mr. Ryuichi Atsuta* (Bank of America)

Mr. Yuji Sokawa* (Reuters Japan)

Mr. Masanobu Ishikawa* (Tokyo Forex & Ueda Harlow)

Mr. Tomoo Onishi* (Deutsche Securities)

Mr. Taiji Hirota* (JPMorgan Chase Bank)

Associate Members

Mr. Yoshihiko Noguchi* (Money Brokers Association)

Mr. Keiichi Uchiyama* (Mizuho Corporate Bank)

Mr. Yutaka Amagi* (Bank of Tokyo-Mitsubishi UFJ)

Mr. Akihiko Watanabe* (Bank of Japan)

Observer

Mr. Daiho Fujii* (Ministry of Finance)

*Attended the meeting.