

Minutes of the 137th Meeting
of the Tokyo Foreign Exchange Market Committee
(TFEMC)

Time and date of the meeting:	13:00-14:00 November 24 th , 2010
Venue:	Bank of Japan
Chairperson:	Mr. Akira Hoshino
Vice-Chairperson:	Mr. Hokuto Nakano
Vice-Chairperson:	Mr. Tadahiko Nashimoto
Secretary:	Mr. Atsushi Takeuchi
Attending committee members:	20

I. Resignation and Election of Members

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

II. Activities of Sub-Committees

1. Sub-Committee on Committee Steering

Mr. Inoue, Chairperson of the Sub-Committee, reported that they had a discussion for further development of the Committee. Specifically, they planned a lecture on the derivatives provisions of the Dodd-Frank Act (inviting a lecturer from an American law firm), and there was a suggestion of holding a lecture on deregulation of the offshore renminbi. In addition, there was a suggestion of revising the bluebook in order to foster young dealers in foreign exchange markets.

2. Sub-Committee on BCP

Mr. Hoshino, Chairperson of the Sub-Committee, reported that the Sub-Committee was summarizing questionnaires on the joint BCP exercise which was held on November 17th. Mr. Hoshino, Chairperson of the Sub-Committee, stated that by next exercise, they needed to address issues raised in the questionnaires, such as the difficulties to understand a full picture only by cell phones and the confusions due to the different definitions of each progress phase among the markets.

3. Sub-Committee on NDF

Mr. Hirota, Chairperson of the Sub-Committee, reported that the Sub-Committee agreed that it is desirable to refer the dollar/yen rate which was indicated via Reuters at the time close to the fixing time of each currency as the fixing rate of NDF transactions against the yen. The Committee also agreed on this recommendation accordingly.

As for future tasks, the Sub-Committee aimed to hold a discussion with Thomson Reuters on setting up a web page for the fixing rates of yen-based NDF in order to promote the trade practice. Mr. Hirota, Chairperson of the Sub-Committee, reported that the Sub-Committee members pointed out a necessity to study the feasibility of applying the same framework to emerging European and Latin American currencies and the fact that due to the low liquidity in the forward market, the forward rates are likely to be volatile during long holidays in Japan.

4. Sub-Committee on Education

Mr. Kawano, Chairperson of the Sub-Committee, reported that the Sub-Committee was choosing lecturers for the next Forex Seminar. In addition, there was a suggestion to distribute the notice to institutional investors through each bank with the aim of increasing the seminar participants.

III. Others

Mr. Inoue, Chairperson of the Sub-Committee, informed that the Annual General Meeting would be held on February 1st, 2011.

List of Tokyo Foreign Exchange Market Committee Members

(November 24th, 2010)

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. Atsushi Takeuchi* (Bank of Japan)

Chairperson of the Sub-Committee on Committee Steering:

Mr. Hideaki Inoue* (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. Fumihiko Kawano* (Nomura Securities)

Chairperson of the Sub-Committee on Legal Matters:

Mr. Shinji Imanishi* (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. Haruhisa Takagi* (Sumitomo Mitsui Banking Co.)

Mr. Katsunori Kitakura (Chuo Mitsui Trust and Banking)

Mr. Masatomo Odagawa* (Goldman Sachs Securities)

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. Yoshiki Yamamoto* (Mizuho Corporate Bank)

Mr. Kiyoshi Kuzuhara* (Bank of Tokyo-Mitsubishi UFJ)

Ms. Maiko Koga* (Bank of Japan)

Observer

Mr. Osamu Kawanishi* (Ministry of Finance)

*Attended the meeting.