

**Minutes of the 147<sup>th</sup> Meeting**  
**of the Tokyo Foreign Exchange Market Committee**  
**(TFEMC)**

Time and date of the meeting:	13:00-15:30 November 29 <sup>th</sup> , 2011
Venue:	Bank of Japan
Chairperson:	Mr. Akira Hoshino
Vice-Chairperson:	Mr. Tadahiko Nashimoto
Secretary:	Mr. Atsushi Takeuchi
Attending committee members:	19

I. Resignation and Election of Members

Mr. Hoshino, Chairperson of the Committee, reported that the term of Mr. Imanishi as a member of the Committee would shortly expire. Mr. Imanishi 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. Tsukada, Chairperson of the Sub-Committee, reported that the Sub-Committee had discussed today's agenda. He stated that the Sub-Committee had proposed some topics, including the review of the "Turnover Survey of Tokyo FX Market," the revision of the BCP manual, and public comment regarding the recommendation of the dollar/yen rate, which is used to calculate the fixing rate of NDF transactions.

2. Sub-Committee on Market Research

Regarding the "Turnover Survey of Tokyo FX Market," Mr. Tsutsui, Associate Member of the Committee, proposed to (i) increase the frequency to twice a year, (ii) simplify survey items, and (iii) expand the number of reporting financial institutions. The Committee agreed on these three proposals. As for

the future schedule, the Committee decided to visit several financial institutions from January 2012 and ask them to participate in the survey. The Committee also decided to hold an explanatory meeting for those institutions around February 2012.

### 3. Sub-Committee on BCP

Mr. Hoshino, Chairperson of the Sub-Committee, reported on the revision of the BCP manual. Specifically, he explained that the Committee would introduce the phase III, in which many Tokyo FX market participants are unable to conduct trading and settlement, in order to make the phase level consistent with that in the short-term money market.

### 4. Sub-Committee on Legal Matters

Mr. Imanishi, Chairperson of the Sub-Committee, reported on the final draft for public comment regarding the recommendation of the dollar/yen rate, which is used to calculate the fixing rate of NDF transactions, and it was approved by the Committee. As for the advertisement inviting public comments, the Committee decided to take several measures, including posting the advertisement on the web site of the Tokyo Foreign Exchange Market Committee and informing the Bank of Japan Press Club of the public comment.

## III. FX Market Opening Hours during Winter Holidays

Mr. Hoshino, Chairperson of the Committee, reported that ACI Australia had drawn up the guideline that opening hours in the Australian FX market during the year-end and new-year holidays (Australian market holidays on December 26 and January 2) start at 5 a.m. Sydney time (3 a.m. Tokyo time). The Committee discussed how to deal with that issue. Based on the discussion, the Committee concluded that opening hours on December 26 and January 2 would be decided by individual companies. The Committee, however, also agreed that individual companies should pay attention to the price fluctuation risk in making transactions with customers very early.

In the meantime, the Committee shared the view that the foreign exchange market committees in Asia should coordinate in advance regarding the opening hours during the year-end and new-year holidays.

#### IV. Others

The Committee invited Mr. Syuji Hirai from the Mizuho Corporate Bank and Mr. James Kemp from the Global Financial Markets Association (GFMA) and asked them to make a presentation. Mr. Hirai reported on the main topics at the operational manager's meeting held by the Federal Reserve Bank of New York and the New York Foreign Exchange Committee (October 18-19<sup>th</sup>)<sup>1</sup>, including the response to the OTC derivatives regulatory reforms, the improvement in the transparency of the FX transactions, and the computerization of the FX Market. Mr. Kemp reported on the regulatory reforms in the FX market in major countries and the FX trade repositories.

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<sup>1</sup> Mr. Takeuchi, Secretary of the Committee, also participated in the meeting.

## List of Tokyo Foreign Exchange Market Committee Members

(November 29<sup>th</sup>, 2011)

### 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. 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 Trust and Banking Co.)

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. Katsunori Kitakura\* (Chuo Mitsui Trust and Banking)

Mr. Yuji Sokawa\* (Thomson Reuters Japan)

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

Mr. Tomoo Onishi\* (Deutsche Securities)

Mr. Hiroshi Maeba\* (Nomura Securities)

### 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. Daisaku Kihara\* (Ministry of Finance)

\*Attended the meeting.