

Minutes of the 152nd Meeting
of the Tokyo Foreign Exchange Market Committee
(TFEMC)

Time and date of the meeting:	13:00-14:30 May 29 th , 2012
Venue:	Bank of Japan
Chairperson:	Mr. Akira Hoshino
Vice-Chairperson:	Mr. Hokuto Nakano
Secretary:	Mr. Atsushi Takeuchi
Attending committee members:	21

I. Reappointment of Executive Members

Mr. Nakano, Vice-Chairperson of the Committee, reported that the term of Mr. Hoshino as Chairperson of the Committee would shortly expire. Mr. Hoshino expressed his wish to serve as Chairperson for another term and was approved unanimously.

II. Election of Executive Members

Mr. Takeuchi, Secretary of the Committee, expressed his wish to resign the Committee, and it was approved. Mr. Hoshino, Chairperson of the Committee, reported that he had received an application from Mr. Yoshihito Saito (Bank of Japan) as successor to Mr. Takeuchi. After listening to Mr. Saito's speech, a vote was taken, and the candidate was elected unanimously as a member of the Committee. Mr. Saito also expressed his wish to serve as Secretary and was approved unanimously.

III. Election of Members

Mr. Hoshino, Chairperson of the Committee, reported that he had received applications from Mr. Atsuo Ogaki (Nomura Securities), Mr. Kosuke Hanao (HSBC), and Mr. Joseph A. Kraft Jr. (Bank of America). After listening to their speeches and reviewing recommendations by several Committee

members, a vote was taken, and these candidates were elected unanimously as members of the Committee.

IV. Activities of Sub-Committees

1. Sub-Committee on Committee Steering

Mr. Tsukada, Chairperson of the Sub-Committee, reported that the Sub-Committee had proposed several topics, including the BIS Triennial Central Bank Survey of Foreign Exchange and Derivatives Market Activity in 2013.

2. Sub-Committee on Code of Conduct

Mr. Yoshikawa, Chairperson of the Sub-Committee, reported that the Sub-Committee had fixed the schedule for revising the Code of Conduct on May 11. Specifically, he explained that the Sub-Committee planned to compare the Code of Conduct of the TFEMC with that of the FX Market Best Practices Working Group of the ECB by this September.

3. Sub-Committee on Legal Matters

Mr. Imanishi, Chairperson of the Sub-Committee, reported that the Sub-Committee had started examining several public comments from market participants on the recommendation for the trading practice of NDF transactions against the yen and considering responses to these comments as the TFEMC on May 18. He explained that the Sub-Committee planned to prepare written answers by cooperating with the Sub-Committee on NDF and report them to the Committee.

4. Sub-Committee on Operation

Mr. Fukushima, Chairperson of the Sub-Committee, reported that the Sub-Committee had shared the information about the clearing services by the LCH.Clearnet, discussed the division of work for revising the Code of Conduct among the Sub-Committee members, and exchanged views on the central counterparty and the trade repository on May 23.

V. Others

1. BIS Survey in 2013

Mr. Ide, Associate Member of the Committee, explained the recent progress of discussion about expanding the reporting items of the BIS Triennial Central Bank Survey of Foreign Exchange and Derivatives Market Activity. He reported that central banks had broadly agreed on the final draft prepared by the BIS. He also reported that several central banks had proposed to collect information on high frequency trading and NDF transactions and that these issues would be discussed in the future.

2. Discussion on Yen-Yuan Direct Trading

The Committee invited Mr. Meguro, Director of the Research Division of the International Bureau of the Ministry of Finance, to this Committee meeting and asked him to make a presentation about the yen-yuan direct trading. He explained the recent developments in the yen-yuan direct trading in Tokyo and Shanghai. His presentation was followed by a lively Q&A session with financial institutions, and many financial institutions commented that in order to develop the yen-yuan direct trading market it would be necessary to understand the needs of the Japanese exporters and importers and focus not only on the development of the spot market but also of the forward market.

List of Tokyo Foreign Exchange Market Committee Members

(May 29th, 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. 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 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. Daisaku Kihara* (Ministry of Finance)

*Attended the meeting.