

**Minutes of the 160<sup>th</sup> Meeting**  
**of the Tokyo Foreign Exchange Market Committee**  
**(TFEMC)**

Time and date of the meeting:	13:00-14:00 March 19 <sup>th</sup> , 2013
Venue:	Bank of Japan
Chairperson:	Mr. Akira Hoshino
Vice-Chairperson:	Mr. Hokuto Nakano
Vice-Chairperson:	Mr. Tomoo Onishi
Secretary:	Mr. Yoshihito Saito
Attending committee members:	22

I. Election of Members

Mr. Hoshino, Chairperson of the Committee, reported that he had received applications from Mr. Toshikatsu Furumi (Citibank) and Mr. Makoto Miyazaki (CLS) as new members. 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.

II. Reappointment of Members

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

III. Activities of Sub-Committees

1. Sub-Committee on Committee Steering

Mr. Tsukada, Chairperson of the Sub-Committee, reported the summary of discussions in several Sub-Committees, which had met after the last Committee. He also reported that the Sub-Committee had shared the information on the schedule of the Turnover Survey of Tokyo Foreign Exchange Market in April 2013 and the summary of the Global FX Committee Meeting held in the previous week.

## 2. Sub-Committee on BCP

Mr. Mori, Associate Member of the Committee, reported the result of the questionnaire survey on the joint BCP exercise among three markets held on February 19. Specifically, he reported that many financial institutions had been able to update their business operation status on the BCP-dedicated web site immediately in the exercise, by taking account of the operational status of the BOJ-NET. He also explained that they had given positive feedback that the blind scenario, which had been newly introduced in the exercise, had some effectiveness. In addition, he mentioned that the following things had been pointed out as future issues: (i) an exercise should be conducted assuming a higher level of stress; and (ii) the user-friendliness of BCP-dedicated web site should be enhanced.

## 3. Sub-Committee on Code of Conduct

Mr. Onishi, Chairperson of the Sub-Committee, reported that on March 6 the Sub-Committee held a meeting among practitioners who were involved in revising the Code of Conduct. He explained that at the meeting, they had reconfirmed the plan for revising the Code of Conduct and examined several issues which should be added to or removed from the current Orange Book based on the Model Code by the ACI. As for the future time schedule, he reported that the Sub-Committee was planning to formulate a draft in April, to put the draft to a vote at the Committee in May, and to complete the revision around autumn.

## 4. Sub-Committee on Education

Mr. Ogaki, Chairperson of the Sub-Committee, reported the financial results of the Forex Seminar held on March 11. He reported that 100 people had attended the seminar this time as the dollar/yen rate had become the center of public attention.

## IV. Turnover Survey of Tokyo Foreign Exchange Market

Mr. Ide, Associate Member of the Committee, reported the guideline of the Turnover Survey of Tokyo Foreign Exchange Market in April 2013 and explained that there was no change in the survey items and reporting financial institutions from the last survey in October 2012. As for the future time schedule, he reported that the Committee would send a letter of request to the

reporting financial institutions by the end of March, ask them to submit the data by the end of May, and publish the survey results around late July.

Mr. Hoshino, Chairperson of the Committee, reported that the Committee asked the Financial Futures Association of Japan this year again to conduct a survey on the foreign exchange margin trading with a view to complementing the Turnover Survey.

#### V. Global FX Committee

Mr. Saito, Secretary of the Committee, reported the summary of the Global FX Committee Meeting held in Hong Kong on March 15. He explained that Mr. Nakano, Vice-Chairperson of the Committee, had reported the following points at the meeting as the activities of the TFEMC and the recent topics: (i) the Committee had increased the frequency of the Turnover Survey from once a year to twice a year; (ii) it was revising the Code of Conduct in the Tokyo market comprehensively; (iii) as for regulations, the Committee members were particularly concerned about the margin requirements for the OTC derivatives; and (iv) the foreign exchange turnover was recently increasing sharply in the Tokyo market.

Mr. Saito also reported that the following topics had been covered at the meeting: (i) the recent developments in regulations (the margin requirements for the OTC derivatives, the Dodd-Frank Act in the United States, and the mandatory data storage and reporting of trade information in the United States), (ii) the recent environmental change in foreign exchange transactions, (iii) high level principles regarding the Code of Conduct of each foreign exchange market committee, and (iv) the recent developments in the offshore renminbi market in Hong Kong.

#### VI. CLS Settlement Survey

The Committee asked Mr. Miyazaki, member of the Committee, to report the outline of the Settlement Survey scheduled to be conducted by the CLS, and he explained the objectives and method of the survey briefly. He also explained the recent developments in foreign exchange transactions (values and volumes of each currency pair) settled by the CLS.

## List of Tokyo Foreign Exchange Market Committee Members

(March 19<sup>th</sup>, 2013)

### 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 and Chairperson of the Sub-Committee on Code of Conduct:

Mr. Tomoo Onishi\* (Deutsche Securities)

Secretary:

Mr. Yoshihito Saito\* (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 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)

Chairperson of the Sub-Committee on Education:

Mr. Atsuo Ogaki\* (Nomura Securities)

Mr. Yuji Sokawa\* (Thomson Reuters Japan)

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

Mr. Tomohiro Iwata\* (Goldman Sachs Japan Co.)

Mr. Kosuke Hanao\* (HSBC)

Mr. Joseph A. Kraft Jr.\* (Bank of America)

Mr. Toshikatsu Furumi\* (Citibank)

Mr. Makoto Miyazaki\* (CLS)

### 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. Masaaki Iizuka\* (Ministry of Finance)

\*Attended the meeting.