

Minutes of the 142nd Meeting
of the Tokyo Foreign Exchange Market Committee
(TFEMC)

Time and date of the meeting:	13:00-14:30 May 24 th , 2011
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:	25

I. Resignation and Election of 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.

In addition, Mr. Komatsu, Member of the Committee, expressed his wish to resign the Committee, and it was approved. Mr. Nakano, Vice-Chairperson of the Committee, reported that he received an application from Mr. Ryoichi Fukushima (Mizuho Bank) as successor to Mr. Komatsu. After listening to Mr. Fukushima's speech and reviewing Committee members' recommendations, a vote was taken, and the candidate was elected unanimously as a member of the Committee.

II. Replacement of Associate Members

Mr. Hoshino, Chairperson of the Committee, reported that Mr. Kuzuhara, Associate Member of the Committee, and Ms. Koga, Associate Member of the Committee, would be replaced by Mr. Mori and Mr. Ide, respectively.

III. Activities of Sub-Committees

1. Sub-Committee on Committee Steering

Mr. Hoshino, Chairperson of the Committee, suggested that the Sub-Committee on Settlement to be renamed the Sub-Committee on Operation, following examples of overseas foreign exchange market committees, and it was approved by the Committee.

2. Sub-Committee on Education

Mr. Yoshikawa, Chairperson of the Sub-Committee, reported that the Sub-Committee would hold a Forex Seminar on August 29th and invite Mr. Taisuke Tanaka of Nomura Securities and Mr. Masafumi Yamamoto of Barclays Capital as guest speakers.

3. Sub-Committee on Legal Matters

Mr. Imanishi, Chairperson of the Sub-Committee, reported that the Sub-Committee had exchanged views on the Dodd-Frank Act. He mentioned that the Sub-Committee would continue to examine the implication of the Act on the Tokyo market.

4. Sub-Committee on NDF

Mr. Hirota, Chairperson of the Sub-Committee, reported on the progress of the discussion about setting a practice for determining the dollar/yen rate, which is used to calculate the fixing rate of NDF transactions against the yen. He proposed that Asian currencies during the Tokyo session adopt the JPNU and European and Latin American currencies during the European and American session adopt the WMR Closing. Some members of the Committee pointed out that the Sub-Committee should reexamine the benefits of setting a practice for investors, and members agreed that the Sub-Committee would discuss this issue one more time.

5. Sub-Committee on E-Commerce

Mr. Takagi, Chairperson of the Sub-Committee, referred to the loss cut and other receivables related to the margin retail trading when the Japanese yen surged on March 17th. Based on the experience on that day, he suggested that the Committee discuss how to lower the market and liquidity risk in the foreign exchange market.

List of Tokyo Foreign Exchange Market Committee Members

(May 24th, 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. Hideaki Inoue* (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* (BNP PARIBAS)

Chairperson of the Sub-Committee on Legal Matters:

Mr. Shinji Imanishi* (Sumitomo Trust and Banking Co.)

Chairperson of the Sub-Committee on Settlement:

Mr. Atsushi Komatsu* (Mizuho Bank)

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. Masatomo Odagawa* (Goldman Sachs Japan Co.)

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. Yoshihiko Noguchi* (Money Brokers Association)

Mr. Yoshiki Yamamoto* (Mizuho Corporate Bank)

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

Mr. Naoki Mori* (Bank of Tokyo-Mitsubishi UFJ)

Ms. Maiko Koga* (Bank of Japan)

Mr. Joji Ide* (Bank of Japan)

Observer

Mr. Osamu Kawanishi* (Ministry of Finance)

*Attended the meeting.