

March 2, 2000

Minutes of the 31th Meeting of the Tokyo Foreign Exchange Market Committee

Time and Date of the meeting: 13:00-15:15 February 25, 2000
Meeting place: Bank of Japan
Chairperson: Mr. Toshiyuki Morioka (The Bank of Tokyo-Mitsubishi)
Vice-chairpersons: Mr. Takashi Okura (Barclays Bank)
Mr. Takeshi Hanai (The Industrial Bank of Japan)
Secretary: Mr. Masaru Tanaka (Bank of Japan)
The number of the attending committee members: 18

1. Reappointment of members

The Tokyo Foreign Exchange Market Committee (TFEMC) reappointed members whose terms had terminated in and after July of the last year, and had been extended temporarily in order to ensure the consistency of projects including Y2K preparation. TFEMC decided that it would solicit applications for membership when members' terms next expire.

2.CFD

Mr. H. Mishima, chairperson of the Sub-committee on CFD, reported and suggested as follows.

- (1) The Sub-committee held an enlarged meeting on February 2, 2000 and were shown Reuters' demonstration of CFD index rate calculation system. Reuters began inviting financial institutions individually for their contributions of spot and tom-next swap rates in order to test the Tokyo CFD index rate.
- (2) Mr. Mishima and the representatives of TFEMC held a meeting on February 21, 2000 and decided to suggest TFEMC to work out a mock CFD dealing by interested institutions for examining technical issues that might arise. In this light, TFEMC recognized the Sub-committee to hold a meeting on March 6, 2000 to prepare for the CFD mock dealing.

3. Establishment of TFEMC's web site

Mr. H. Watanabe, chairperson of the Sub-committee on Education and Public Relations, reported the status of the preparation for the establishment of a TFEMC's web site.

TFEMC decided to start the web site with simple functions and content, but should ask a professional programmer to design the web site for future sophistications and expansions. It requested the Sub-committee to examine the exact functions, contents and a domain name of the web site.

4. Committee steering

TFEMC had a free discussion about its steering.

Concerning the support from institutions that members of TFEMC work for, some members said that “it is difficult to get financial aid from the institutions” or “TFEMC isn’t as well-known as ISDA within the institutions”, while others urged “members should appeal more to their institutions’ executives about the significant role of TFEMC.” Concerning the structure of TFEMC, there were various opinions including, “TFEMC should become an association of institutions and solicit funds from members”, and “the relations between TFEMC and Bank of Japan or Japan Forex Club should be the key point.”

TFEMC required the Sub-committee on Committee Steering to continue to pursue the issue.

5. Global Code of Conduct

Mr. N. Nakajima, chairperson of the Working Group on the Global Code of Conduct, reported that the Global Code of Conduct compiled by Committee for Professionalism (CFP) of ACI would be completed soon, and ACI requested foreign exchange committees including TFEMC to endorse the Code and translate it into native languages.

Concerning the endorsement, members decided to compare the Global Code and the Tokyo Code of Conduct first, and directed the Working Group and the Sub-committee on Market Operation to take up this task jointly.

Concerning the translation, because it was unclear whether ACI requested TFEMC or Japan Forex Club to translate the Global Code into Japanese, TFEMC requested Mr. Nakajima to confirm that point.

6. Others

TFEMC accepted ECB’s request about cross-distribution of TFEMC’s minutes (English version) within the members of the ECB Foreign Exchange Contact Group, and decided to request the Contact Group to allow to distribute its minutes among TFEMC’s members.

The Tokyo Foreign Exchange Market Committee Members' List
(February 25, 2000)

Members

Chairperson:

Mr. Toshiyuki Morioka* (The Bank of Tokyo-Mitsubishi)

Vice-chairperson:

Mr. Takeshi Hanai* (The Industrial Bank of Japan)

Mr. Takashi Okura* (Barclays Bank)

Secretary:

Mr. Masaru Tanaka* (Bank of Japan)

Chairperson of the Sub-committee on Committee Steering:

Mr. Hiromitsu Kato* (The Nomura Trust and Banking Co.)

Chairperson of the Sub-committee on Education and Public Relations:

Mr. Hidenori Watanabe* (The Dai-ichi Kangyo Bank)

Chairperson of the Sub-committee on Market Operation:

Mr. Takao Sakoh* (UBS)

Chairperson of the Sub-committee on Risk Management:

Mr. Tsutomu Takamatsu* (The Chase Manhattan Bank)

Chairperson of the Sub-committee on CFD:

Mr. Hiroshi Mishima* (The Sakura Bank)

Mr. Hirokazu Note* (The Sumitomo Bank)

Mr. Katsuhiko Sugata* (The Fuji Bank)

Mr. Hiroshi Saito* (The Mitsubishi Trust and Banking Co.)

Mr. Satoshi Matsuda* (Commonwealth Bank of Australia)

Mr. Nao Nakajima* (Standard Chartered Bank)

Mr. Takahiko Takemoto (Deutsche Bank)

Mr. Eiichi Ishikawa* (EBS Dealing Resources Japan)

Mr. Shinichiro Ozaki* (Ueda Harlow)

Mr. Noriaki Kanda* (Reuters Japan)

Mr. Masayuki Takaura* (The Sanwa Bank)

Observers

Mr. Yoshihiko Noguchi* (Money Brokers Association)

Chairperson of the Sub-committee on Legal Matters:

Mr. Kazuo Kobayashi* (Bank of Japan)

Note: * tells those that attended the meeting.