

September 14, 2004

Minutes of the 74th Meeting
of the Tokyo Foreign Exchange Market Committee
(TFEMC)

Time and date of the meeting:	13:00-15:00 May 25, 2004
Venue:	Bank of Japan
Chairperson:	Mr. Tetsuji Ogino
Vice-chairperson:	Mr. Akio Kashima
Vice-chairperson:	Mr. Tadahiko Nashimoto
Secretary:	Mr. Satoshi Kawazoe
Attending committee members:	16

I .Resignation and Election of Members

Mr. Ogino, Chairperson of the Committee, reported that the term of Mr. Hanao as member would shortly expire. Mr. Hanao expressed his wish to serve for another term and was reelected unanimously. Mr. Ogino also reported that he received applications from Mr. Koike (Sumitomo Mitsui Banking Corporation) and Mr. Imanishi (The Sumitomo Trust).

After reviewing the applications and presentations by the candidates, votes were taken, and the candidates were elected unanimously as new members of the committee.

Mr. Kashima expressed his wish to resign from the Committee.

II . Activities of Sub-Committees

1 . The Sub-Committee on the Committee Steering

Mr. Takeda, Chairperson of the Sub-Committee, reported as follows.
All of the proposals concerned were approved.

- 1) The resignation of Mr. Kashima would create the vacancy for Vice-Chairperson of the Committee and Chairperson of the Sub-Committee on Market Research. In regard to the Sub-Committee on Market Research it was proposed that Mr. Ogino act the substitute for Chairperson as Vice-Chairperson.
- 2) All the Sub-Committees as well as the Sub-Committee on Market Research, were requested to elect Vice-Chairperson assisting Chairperson.
- 3) The member's affiliations were proposed to change as follows due to recent resignation and election of members.
 - Mr. Ogino would withdraw from the Sub-Committee on Settlement.
 - Mr. Takeda would withdraw from the Sub-Committee on the Code of Conduct.
 - Mr. Koike would be elected to Chairperson on E-commerce after Mr. Hanao and participate in the Sub-Committees on the Committee Steering and on Market Research.
 - Mr. Imanishi would be elected to Chairperson on Legal Matters after Mr. Takeda and participate in the Sub-Committees on the Code of the Conduct and on Market Research.
 - Mr. Maruyama would participate in the Sub-Committees on Market Research, on the Code of Conduct and on NDF.
 - Mr. Mizukoshi would participate in the Sub-Committees on Education, on NDF and on the Code of Conduct.
 - Mr. Kawate would participate in the Sub-Committee on NDF.
 - Mr. Takegawa would participate in the Sub-Committee on Education.

2. The Sub-Committee on Market Research

Mr. Takenaka, Observer of the Committee, reported on behalf of Mr. Kashima, Chairperson of the Sub-Committee, as follows. All of the proposals concerned were approved.

- 1) The Sub-Committee completed English translation of "The study of Ancillary Electronic Trading Systems" (The Report) before the introduction of EBS "Prime" ("Prime Broker" was renamed "Prime").
- 2) It was proposed that the committee approve of The Report since it would be sent to major overseas FX committees.
- 3) The Committee was also asked to entrust to the Sub-Committee the time when The Report would be sent to major overseas FX committees and be open to market participants.

3. The Sub-Committee on Settlement

Mr. Ichikawa, Chairperson of the Sub-Committee, reported as follows. All of the proposals concerned were approved.

- 1) The Sub-Committee completed “Important Notes about the Discontinuation of Confirmations (MT300) for CLS Transactions”(the document).
- 2) The Committee was asked to approve of the document since it would be open to market participants for calling their attention to the elimination of MT300 as a means of confirmation related to CLS eligible transaction.

It was entrusted to the Sub-Committee that the time when The Report would be open to market participants.

4. The Sub-Committee on the Code of Conduct

Mr. Takenaka, Observer of the Committee, reported on behalf of Mr. Yanagisawa, Chairperson of the Sub-Committee, as follows.

- 1) The Sub-Committee led by Mr. Yanagisawa, its Chairperson, would deal with the current issues including necessary revisions of the recently published Orange Book following the recent edition of ACI Model Code.
- 2) ACI proposed to the Sub-Committee that it would issue a press release that the Committee revised the Orange Book referring to ACI Model Code.

5. The Sub-Committee on Education

Mr. Kawano, Chairperson of the Sub-Committee, reported on the Forex Seminar as follows.

- Date: July 5, 2004
- Venue: Nomura Securities (Urban Net Otemachi Building)
- Speakers: “Fundamental Analysis of the overseas economies”
by Mr. Satoshi Kawazoe (Bank of Japan)
“Latest situation on U.S. presidential election”
by Mr. Tatsuhiko Yoshizaki (Sojitz Research Institute)

List of Tokyo Foreign Exchange Market Committee Members
(May 25, 2004)

Members

Chairperson:

Mr. Tetsuji Ogino* (Bank of Tokyo-Mitsubishi)

Vice-chairperson and Chairperson on Market Research:

Mr. Akio Kashima* (Mizuho Corporate Bank)

Vice-chairperson:

Mr. Tadahiko Nashimoto* (Barclays Bank)

Secretary:

Mr. Satoshi Kawazoe* (Bank of Japan)

Chairperson of the Sub-Committee on Committee Steering:

Mr. Keiichiro Takeda* (The Mitsubishi Trust and Banking Co.)

Chairperson of the Sub-Committee on the Public Relations:

Mr. Kazuhiro Oki* (EBS Dealing Resources Japan)

Chairperson of the Sub-Committee on Education:

Mr. Fumihiko Kawano* (Nomura Securities)

Chairperson of the Sub-Committee on Legal Matters:

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

Chairperson of the Sub-Committee on Settlement:

Mr. Toru Ichikawa* (Mizuho Bank)

Chairperson of the Sub-Committee on NDF:

Mr. Hidehiko Inamura* (Citibank)

Chairperson of the Sub-Committee on the Code of Conduct

Mr. Yoshiharu Yanagisawa (State Street Bank and Trust Company)

Chairperson of the Sub-Committee on E-commerce

Mr. Masamichi Koike* (Sumitomo Mitsui Banking Co.)

Mr. Kosuke Hanao* (The Royal Bank of Scotland)

Mr. Masayoshi Takegawa* (Merrill Lynch Japan Securities)

Mr. Kazuo Itoh* (Tokyo Forex & Ueda Harlow)

Mr. Yasuhiro Kawate (Reuters Japan)

Mr. Tsuyoshi Maruyama* (UFJ Bank)

Mr. Masayuki Mizukoshi* (JPMorgan Chase Bank)

Observers

Mr. Yoshihiko Noguchi (Money Brokers Association)

Mr. Tetsuya Inoue* (Bank of Japan)

Mr. Mitsuhide Terasawa* (Bank of Tokyo-Mitsubishi)

Mr. Koichi Takenaka* (Mizuho Corporate Bank)

*Attended the meeting.