

ISDA® JAPAN MONTHLY UPDATE

April, 2008

COMMITTEE ACTIVITIES

REGULATORY: Contact: Tomoko Morita (tmorita@isda.org)

On April 11, ISDA met with Financial Services Agency of Japan (J-FSA) to discuss the remaining issues after the implementation of the Financial Instruments and Exchange Law (FIEL). The remaining issues include the treatment of the collateral posted against OTC derivatives transactions and OTC Financial Future Transactions, credit derivatives transactions confirmed electronically, property index derivatives and freight derivatives.

WEATHER, COMMODITY & DEVELOPING PRODUCTS: Contact: Tomoko Morita (tmorita@isda.org)

Property Derivatives: The inaugural meeting of the Documentation Task Force under Japan Property Derivatives Working Group was held on April 24, and the members were provided with the background of the current confirmation template (Form X and Form Y). It was also discussed how the property index transactions fall under the FIEL.

Emission Trading: On April 24, ISDA participated the 5th (and the last) meeting of the Study Group organized by the Ministry of Economy, Trade and Industry (METI) to put in place the basic infrastructure necessary for trading emission credits under Kyoto Protocol.

CREDIT DERIVATIVES: Contact: Kumi Namba (knamba@isda.org)

As a follow up to the March 5th call on “Credit Default in Asia – ISDA Auction Protocols,” ISDA requested feedback on the questions highlighted previously, including where members think trading is most liquid and where member calls and the auction would best be run assuming a credit event occurred on Japanese credits.

EQUITY DERIVATIVES: Contact: Kumi Namba (knamba@isda.org)

On April 10, a revised draft of the Japan Client Share/Index Option MCA was circulated to the members of Japan Equity Derivatives Committee for comments by April 25.

On April 23, ISDA circulated the pre-publication draft of the Japanese Index Dividend Swap General Terms Confirmation. Final comments are due May 9 with the publication projected in the following week.

UPCOMING COMMITTEE AND WORKING GROUP MEETINGS/CONFERENCES

Operations FpML Working Group Meeting (Japanese language meeting – part of the presentation will be in English)	May 14
Property Derivatives Working (Japanese language meeting – part of the presentation will be in English)	May 19
Understanding Collateral Arrangements and the ISDA Collateral Support Documents Conference (ANA InterContinental Tokyo)	May 29