

# ISDA® JAPAN MONTHLY UPDATE

January, 2009

## COMMITTEE ACTIVITIES

**REGULATORY:** Contact: Tomoko Morita ([tmorita@isda.org](mailto:tmorita@isda.org))

ISDA met with Japanese FSA and updated the recent developments in CDS market i.e. initiatives in improving operational infrastructures and documentations in Japan and globally.

**RISK MANAGEMENT:** Contact: Tomoko Morita ([tmorita@isda.org](mailto:tmorita@isda.org))

On January 16, Japan Risk Management Committee and Japan Operations Committee held a joint meeting in which LCH.Clearnet was invited to speak. LCH.Clearnet provided members with the information regarding SwapClear their clearing service for interest rate swaps, particularly on the operational process from execution to clearing, risk management policy/mechanism, collateral management, the process when the actual default of the members occurred, etc. Risk managers and operations from banks/securities firms as well as lawyers have participated in the meeting.

**OPERATIONS:** Contact: Kumi Namba ([knamba@isda.org](mailto:knamba@isda.org))

On January 26, Japanese financial institutions member firms met to report on firms' implementation status of electronic confirmation platforms for Rates, Credit and Equity products; and to discuss issues relating to e-confirmation processes.

Also on January 26, ISDA participated at the 5<sup>th</sup> meeting of the Study Group for OTC Derivatives post-trade infrastructure organized by the Tokyo Securities Exchange, Japan Securities Clearing Corporation and Japan Securities Depository Center. And on January 30, ISDA participated at the third meeting of OTC Derivatives Study Group organized by the Tokyo Financial Exchange. Both groups discussed potential launch of a central counterparty in Japan.

**CREDIT DERIVATIVES:** Contact: Kumi Namba ([knamba@isda.org](mailto:knamba@isda.org))

Research Working Group, consisting of volunteer members of Japan Credit Derivatives Committee has completed preparing a FAQ on CDS. It will be published on J-CDS page provided by the Tokyo Financial Exchange on February 2. This is an effort to promote accurate understanding of CDS in Japan.

## UPCOMING COMMITTEE AND WORKING GROUP MEETINGS/CONFERENCES

<b>Japan Regulatory Committee</b> (Japanese language meeting)	<b>February 13</b>
<b>Japan CDS Auction WG/Credit Derivatives Committee</b> (Japanese language meeting)	<b>February 17</b>
<b>Japan Variance Swap Working Group</b> (English language conference call)	<b>tbd</b>