

ISDA[®] JAPAN MONTHLY UPDATE

October, 2012

COMMITTEE ACTIVITIES

WEATHER, COMMODITIES AND DEVELOPING PRODUCTS: Contact Tomoko Morita (tmorita@isda.org)

On October 4, the Committee was held, in which members discussed, 1) an appointment of the new committee chair successor, 2) market trend and regulatory update on OTC commodities derivatives trading in Japan from the officials from the Ministry of Economy, Trade and Industry (METI) as guest speakers based on their survey, and 3) information sharing among members with regard to the overall commodity business activities in Japan including the way to revitalize the market.

METI's update included the followings:

- Commodity Futures Market in Japan plays a significant role as being industrial infrastructure for the purposes of risk hedging and pricing in its volatile market, and their expectation to strengthen Japanese economic competitiveness through the market is huge. However the trading volume in Japan has been lowered for the last half decade, and it certainly requires an urgent systematic implementation based on a fundamental reform.
- Countermeasure to stimulate commodity market in Japan with appropriate legal framework has been considered.
- IOSCO Initiatives: Progress status on publication of Principles on Commodity Derivatives Market, signed Multi-MOU, and other proposals.

Chair of the Committee, Mr. Yasuyuki Tateda of the Bank of Tokyo-Mitsubishi UFJ has stepped down as of October 2012, and Mr. Hidenori Yamasaki of the Bank of Tokyo-Mitsubishi UFJ was appointed as new Chair of the Committee. Mr. Tateda had served as the Chair of the Committee since 2010, and we would like to thank his contributions to the Committee activities and welcome Mr. Yamasaki.

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Japan Determinations Committee

On October 22, Japan DC resolved that no Succession Event has occurred with respect to Oji Paper Co., Ltd. The Resolution has now been published and can be accessed at (<http://dc.isda.org/cds/oji-paper-co-ltd/>).

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

Japan FIEA Representations Repository

To help members complying with the mandatory clearing requirements of FIEA, ISDA has published the form of Confirmation on Mandatory Clearing Obligation of OTC Derivatives Transactions (the "Confirmation") and the Request Regarding Mandatory Clearing of OTC Derivatives Transactions (the "Request") which summarizes why the Confirmation is required and who is requested to submit the Confirmation. Transactions entered into with the firms which submitted the Confirmation will be exempt from the mandatory clearing requirements. The form of Confirmation, Request, and the list of firms submitting the Confirmation can be accessed at <http://www2.isda.org/regions/japan/japan-fiea-representations-repository/>

UPCOMING COMMITTEE AND WORKING GROUP MEETINGS / CONFERENCES

OTC Derivatives Regulations Working Group
(Japanese language meeting)

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