

# Securities Market Trend - Introduction of ISO20022/SWIFTNet -

SWIFT Business Forum 2009  
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Japan Securities Depository Center, Inc.  
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# JASDEC's Services and Computer Systems' Design

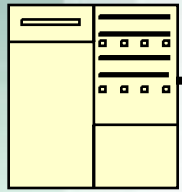
- Book-entry Transfer Service for Securities (except JGB)
  - ✓ Message Format: Proprietary
  - ✓ Securities ID: Local Code or ISIN
  - ✓ Financial Institution ID: Local Code
  - ✓ Computer Network: Proprietary
  
- Pre-matching Service for Domestic Institutional Trades and Cross-border Trades
  - ✓ Message Format: Customized ISO15022
  - ✓ Securities ID: Concurrent use of ISIN and Local Code
  - ✓ Financial Institution ID: Concurrent use of BIC and Local Code
  - ✓ Computer Network: Proprietary

# Adoption of International Standards

- Increasing Presence of Foreign Investors and Global Players
  - ✓ Reduction of Investment Cost into JP Market
  - ↙ ✓ Enhancement of Efficiency of JP Market
- Necessity of Adopting International Standards for Message Format, Codes and Computer Network
  - ✓ Adoption of ISO20022 and SWIFTNet to Pre-Settlement Matching System
  - ✓ Also to Book-entry Transfer Systems (under discussion)
- Balance the Domestic Standards and International Standards
  - ✓ Participate in ISO20022 Development to incorporate JP requirements
  - ✓ Review of JP Specific Practices

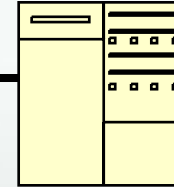
# Present Network Diagram

Users' Systems

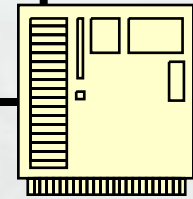


File Transfer

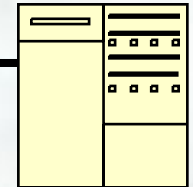
File Transfer Gateway



Book-Entry  
Transfer System  
for Equities



BETS for Fixed Income  
and Investment Trust  
Funds

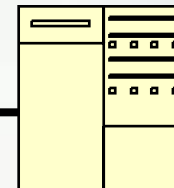


Users' Systems

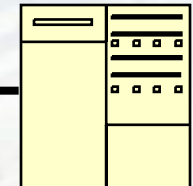


Online Real-time Connection

Channel Server

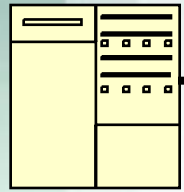


Pre-Settlement  
Matching System



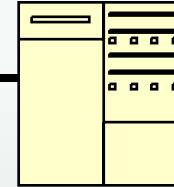
# Anticipated Network Diagram

Users' Systems

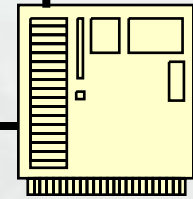


File Transfer

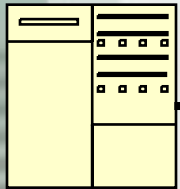
File Transfer Gateway



BETS for Equities

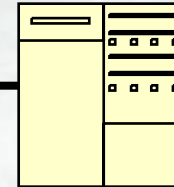


Users' Systems

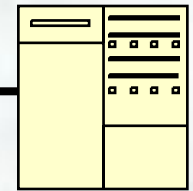


Online Real-time Connection

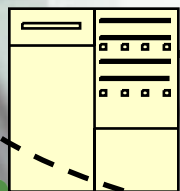
Channel Server



BETS for Fixed Income and Investment Trust Funds



Users' Systems

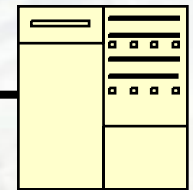


SWIFTNet

SWIFT Gateway



Pre-Settlement Matching System



# Milestones

- Continue participating in ISO20022 development
- Discuss mapping of ISO20022/PSMS formats for Domestic Trades with users
  - ✓ Discuss both Trade matching and Settlement matching after Post-trade XML Schemas disclosed
- Review Internal Computer Systems' Design
- Aiming to introduce in 2013/2014