

January
2024
Newsletter

JAPANESE GOVERNMENT BONDS

Ministry of Finance, Japan



(Cover photo) The garden of the MOF building in January

Greetings from the IR office, the Ministry of Finance, Japan.

Happy New Year! We hope 2024 is a great year for all of you. In contrast to last year, this year we have confronted a colder winter.

The powerful earthquake on January 1 in Noto Peninsula, Japan, caused great damage to the lives and livelihoods in the area. Although the negative impact on the economic activities from this earthquake is considered to be smaller than that from the Great East Japan Earthquake in 2011, we will spare no effort to support those who are affected by this disaster.

In this newsletter, we picked up several events relevant to the JGB investors. First, the MOF announced the JGB issuance plan for 2024, which was revised in January to reflect the change in FY 2024 budget proposal responding to the earthquake. Second, the BOJ released its Flow of Funds Accounts for the 3rd Quarter of 2023. Finally, Mr. Arase, Director for Debt Management and IR Office, attended COP 28 and thereafter conducted several IR activities in the UAE.

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What's New 1: JGB Issuance Plan for FY2024

On January 16, the MOF released the JGB Issuance Plan for FY2024, reflecting the alteration in the budget for FY2024. Highlights of the JGB Issuance Plan for FY2024 are summarized below.

- The total amount is set at 182.0 trillion yen and decreases by 23.8 trillion yen compared with FY2023 (Initial).
- The market issuance by periodic auctions is set at 171.0 trillion yen and decreases by 19.3 trillion yen compared with FY2023 (Initial);
- ✓ Most of the reduction from FY2023 (Initial) is used for the reduction of TBs. 6-Month TBs, which were not issued before the COVID-19 pandemic are totally decreased. In addition, by means of the reduction of 2-Year Bonds, 5-Year Bonds, 10-Year Bonds and 20-Year Bonds, the maturity structure is planned to be normalized.
- ✓ The issuance amount of 20-Year Bonds is decreased from January 2024, prior to FY2024. Meanwhile, the issuance amount of 30-Year Bonds and 40-Year Bonds is maintained taking the demands of investors into account.

<Breakdown by Legal Grounds>

(trillion yen)

	FY2024	
		Changes from FY2023(initial)
Newly-issued Bonds (Construction Bonds and Special Deficit-Financing Bonds)	35.4	▲0.2 (35.6)
Reconstruction Bonds	0.1	+0.0 (0.1)
GX Economy Transition Bonds	0.7	+0.2 (0.5)
Children Special Bonds	0.2	+0.2 (-)
FILP Bonds (FILP: Fiscal Investment and Loan Program)	10.0	▲2.0 (12.0)
Refunding Bonds	135.5	▲22.0 (157.6)
Total	182.0	▲23.8 (205.8)

<Breakdown by Financing Methods>

(trillion yen)

	FY2024	
		Changes from FY2023(initial)
Market Issuance by Periodic Auctions	171.0	▲ 19.3
40-Year	4.2	-
30-Year	10.8	-
20-Year	12.0	▲ 2.4
10-Year	31.2	▲ 1.2
5-Year	27.6	▲ 2.4
2-Year	31.2	▲ 3.6
TBs (1-Year)	38.4	▲ 3.6
TBs (6-Month)	-	▲ 8.7
10-Year Inflation-Indexed	1.0	-
Japan Climate Transition Bonds	1.4	+1.4
Liquidity Enhancement Auction	13.2	+1.2
Others	11.0	▲ 4.5
Total	182.0	▲ 23.8

(Note1) Figures in parentheses represent the planned issuance amounts for FY2023 (Initial).

(Note2) Figures may not sum up to the total because of rounding.

(Note3) Most reduction of the total issuance amount consists of the reduction of Refunding Bonds, which do not directly lead to the change in the outstanding amount of JGBs. The outstanding amount of General Bonds at the end of FY2024 will increase to 1,105.4 trillion yen (increase by 29.7 trillion yen compared with the end of FY2023).

(Note4) Children Special Bonds will be issued depending on the need as bridging finance in order not to be short of financial resources until stable financial resources will be secured by FY2028 for strengthening child and child-rearing policies radically.

(Note5) The issuance amount of Japan Climate Transition Bonds takes account of the procurement of the amount corresponding to the Supplementary Budget for FY2023. The details such as maturity will be determined in response to market circumstances, demands of investors and other factors to be considered.

☛ (Source) MOF https://www.mof.go.jp/english/policy/jgbs/debt_management/plan/highlight240116.pdf

What's New 1: JGB Issuance Plan for FY2024

FY2024 JGB Issuance Plan

<Breakdown by Legal Grounds>

(billion yen)

	FY2023		FY2024		
	Initial (a)	Initial (b)	Revised in January (c)	(c) - (a)	(c) - (b)
Newly-issued Bonds	35,623.0	34,949.0	35,449.0	▲ 174.0	500.0
Construction Bonds	6,558.0	6,579.0	6,579.0	21.0	—
Special Deficit-Financing Bonds	29,065.0	28,370.0	28,870.0	▲ 195.0	500.0
Reconstruction Bonds	99.8	146.1	146.1	46.3	—
GX Economy Transition Bonds	506.1	663.3	663.3	157.1	—
Children Special Bonds	—	221.9	221.9	221.9	—
FILP Bonds	12,000.0	10,000.0	10,000.0	▲ 2,000.0	—
Refunding Bonds	157,551.3	135,515.4	135,515.4	▲ 22,036.0	—
Total	205,780.3	181,495.6	181,995.6	▲ 23,784.7	500.0

<Breakdown by Financing Methods>

(billion yen)

	FY2023		FY2024		
	Initial (a)	Initial (b)	Revised in January (c)	(c) - (a)	(c) - (b)
JGB Market Issuance (Calendar Base)	190,300.0	171,000.0	171,000.0	▲ 19,300.0	—
Non-Price Competitive Auction II, etc.	6,963.0	5,265.0	5,265.0	▲ 1,698.0	—
Adjustment between fiscal years	3,017.3	30.6	530.6	▲ 2,486.7	500.0
Subtotal Financed in the Market	200,280.3	176,295.6	176,795.6	▲ 23,484.7	500.0
Sales for Households	3,500.0	3,500.0	3,500.0	—	—
BOJ Rollover	2,000.0	1,700.0	1,700.0	▲ 300.0	—
Total	205,780.3	181,495.6	181,995.6	▲ 23,784.7	500.0

- Buy-back program in FY2024 is planned to be implemented based on market conditions and through discussions with market participants.
- The maximum amount of front-loading issuance of Refunding Bonds in FY2024 is 44.5 trillion yen (Before revised: 45 trillion yen).

(Note 1) Figures may not sum up to the total because of rounding.

(Note 2) "JGB Market Issuance (Calendar Base)" refers to JGBs issued at face value by scheduled auctions from April to next March (periodic auctions).

(Note 3) Non-price competitive auction II is an additional issuance for JGB Market Special Participants after the normal auction (the amount assignable to each Market Special Participant does not exceed 10% of the amount awarded to it in the normal auction), and the price for the additional issuance is equal to the weighted average accepted price in the normal auction.

The amount of the non-price competitive auction II of the Initial Plan for FY2024 is calculated by multiplying the amount of "JGB Market Issuance (Calendar Base)" (40-year, 30-year, 20-year, 10-year, 5-year and 2-year bonds) by 4.5%.

"Non-Price Competitive Auction II, etc." includes estimated gap between the amount of the Calendar Base (of the bonds listed above) at face value and actual revenues of the auctions, in addition to the issuance of Non-Price Competitive Auction II.

(Note 4) "Adjustment between fiscal years" refers to leveling-off of the issuance between fiscal years through front-loading issuance and deferred issuance during an accounting adjustment period.

(Note 5) Children Special Bonds will be issued depending on the need as bridging finance in order not to be short of financial resources until stable financial resources will be secured by FY2028 for strengthening child and child-rearing policies radically.

<Market Issuance Plan by Issue>

(billion yen)

	FY2023 (Initial+Supplementary Budget) (per time)		FY2023 (Revised in December) (per time)		FY2024 (Initial) (per time)			
	(total : a)	(total : b)	(total : c)	(total : d)	(total : e)	(c)-(a)	(c)-(b)	
40-Year	0.7 × 6 times	4.2	0.7 × 6 times	4.2	0.7 × 6 times	4.2	—	—
30-Year	0.9 × 12 times	10.8	0.9 × 12 times	10.8	0.9 × 12 times	10.8	—	—
20-Year	1.2 × 12 times	14.4	1.2 × 9 times	13.8	1.0 × 12 times	12.0	▲ 2.4	▲ 1.8
10-Year	2.7 × 12 times	32.4	2.7 × 12 times	32.4	2.6 × 12 times	31.2	▲ 1.2	▲ 1.2
5-Year	2.5 × 12 times	30.0	2.5 × 12 times	30.0	2.3 × 12 times	27.6	▲ 2.4	▲ 2.4
2-Year	2.9 × 12 times	34.8	2.9 × 12 times	34.8	2.6 × 12 times	31.2	▲ 3.6	▲ 3.6
TBs		50.7		50.7		38.4	▲ 12.3	▲ 12.3
10-Year Inflation-Indexed	0.25 × 4 times	1.0	0.25 × 4 times	1.0	0.25 × 4 times	1.0	—	—
Japan Climate Transition Bonds		—		1.6		1.4	1.4	▲ 0.2
Liquidity Enhancement Auction		12.0		12.0		13.2	1.2	1.2
Total		190.3		191.3		171.0	▲ 19.3	▲ 20.3

Figure 1 Issuance for TBs

	FY2023 (Initial+Supplementary Budget) (a)	FY2023 (Revised in December) (b)	FY2024 (Initial) (c)	(c)-(a)	(c)-(b)
TBs (1-Year)	3.5 × 12 times	42.0	3.2 × 12 times	38.4	▲ 3.6
TBs (6-Month)	8.7	8.7	—	▲ 8.7	▲ 8.7

Figure 2 Issuance by Zones for Liquidity Enhancement Auctions

	FY2023 (Initial+Supplementary Budget) (a)	FY2023 (Revised in December) (b)	FY2024 (Initial) (c)	(c)-(a)	(c)-(b)
15.5-39 Year	3.0	3.0	3.0	—	—
5-15.5 Year	6.0	6.0	7.2	1.2	1.2
1-5 Year	3.0	3.0	3.0	—	—

(Note 1) The issuance of the fiscal year can be changed based on discussions with market participants in response to market circumstances and issuance conditions.

(Note 2) The 40-year bond will be issued in May, July, September, November, January and March.

(Note 3) Treasury Bills (TBs) are jointly issued with Financing Bills (FBs), under unified names of Treasury Discount Bills (T-Bills). The maturity of TBs, its issuance, and the number of auctions may be adjusted in a flexible manner in response to market circumstances and demands of investors, thus the maturity and the issuance on the table (Figure 1) be subject to an adjustment.

(Note 4) The 10-year inflation-indexed bond is planned to be issued in May, August, November and February. The issuance may be adjusted in a flexible manner in response to market circumstances and demands of investors, which will be determined based on discussions with market participants.

(Note 5) "Japan Climate Transition Bonds" mean GX Economy Transition Bonds and its Refunding Bonds issued as new financial instruments based on a framework regulating the Use of Proceeds.

Its issuance amount in FY2023 (Revised in December) is set at 0.8 trillion yen in 10-Year and 0.8 trillion yen in 5-Year. The issuance amount in FY2024 showed on the table above takes account of the issuance as Refunding Bonds and deferred issuance during an accounting adjustment period of FY2023 and FY2024. The details such as maturity and frequency of issuance will be determined based on discussions with market participants in response to market circumstances, demands of investors and other factors to be considered.

(Note 6) The issuance of liquidity enhancement auction and its allocation among each zone may be adjusted in a flexible manner in response to market circumstances and demands of investors, which will be determined based on discussions with market participants, thus the issuance and zones on the table (Figure 2) be subject to an adjustment.

What's New 2: JGBi and Liquidity Enhancement Auctions in January-March 2024

On December 21, the MOF released the “Issuance of the Inflation-Indexed Bonds (JGBi) in January-March 2024” and “Issuance Amounts for Liquidity Enhancement Auctions January-March 2024.” Please see below.

(1) Issuance of JGBi in January-March 2024

- Issuance amount in February 2024: Approximately 250 billion yen.
- The auction schedule for the Buy-Back Program of JGBi in January-March 2024: Approximately 20 billion yen each month.

Auction Month	Auction Amount
January 2024	Buy-Back: Approximately 20 billion yen
February 2024	Issuance: Approximately 250 billion yen Buy-Back: Approximately 20 billion yen
March 2024	Buy-Back: Approximately 20 billion yen

Note 1: The Buy-Back will be conducted once a month.

Note 2: Issues eligible for the buy-backs in January will be those from issue numbers 18 to 28, and in February and March will be those from issue numbers 19 to 28.

Note 3: The MOF reserves the right not to accept part or all of bids.

Note 4: This plan is subject to change based on market conditions and other factors.

☛ (Source) MOF https://www.mof.go.jp/english/policy/jgbs/topics/press_release/20231221-01e.htm

(2) Issuance Amounts for Liquidity Enhancement Auctions in January-March 2024

- The auction schedule of Liquidity Enhancement Auctions in January-March 2024 was determined as below:

	January 2024	February 2024	March 2024
(1) Issues with remaining maturities of 1-5 years	Approximately 500 billion yen	-	Approximately 500 billion yen
(2) Issues with remaining maturities of 5-15.5 years	Approximately 500 billion yen	Approximately 500 billion yen	Approximately 500 billion yen
(3) Issues with remaining maturities of 15.5-39 years	-	Approximately 500 billion yen	-

Note 1: Remaining maturities are calculated as of December 31 except for 2-year JGBs.

Note 2: Eligible issues for 2-year JGBs in (1) zone will be those with remaining maturities of more than one year as of December 31, 2023, for January auction and as of February 29, 2024, for March auction, including the issues to be newly issued in the auction months.

Note 3: This plan is subject to change based on market conditions and other factors.

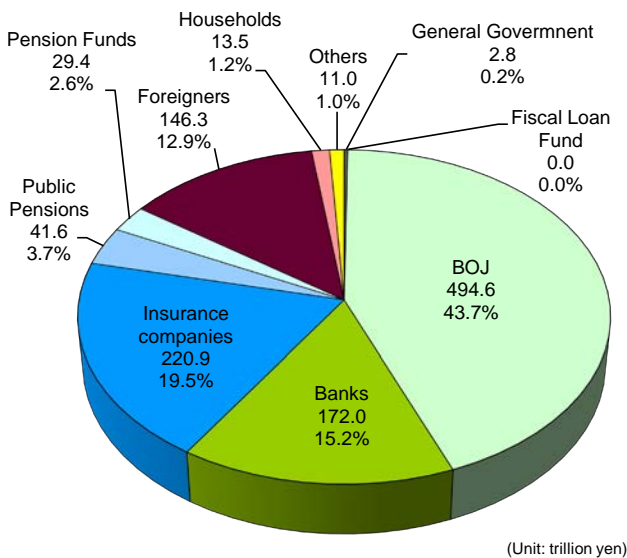
☛ (Source) MOF https://www.mof.go.jp/english/policy/jgbs/topics/press_release/20231221-02e.htm

Monthly Topic: JGB and T-Bill Holdings (as of the end of Sep. 2023)

On December 20, the BOJ released its Flow of Funds Accounts for the 3rd Quarter of 2023, which shows the breakdown of JGB and T-Bill (hereinafter referred to as “JGBs”) holders. Here are the key statistics:

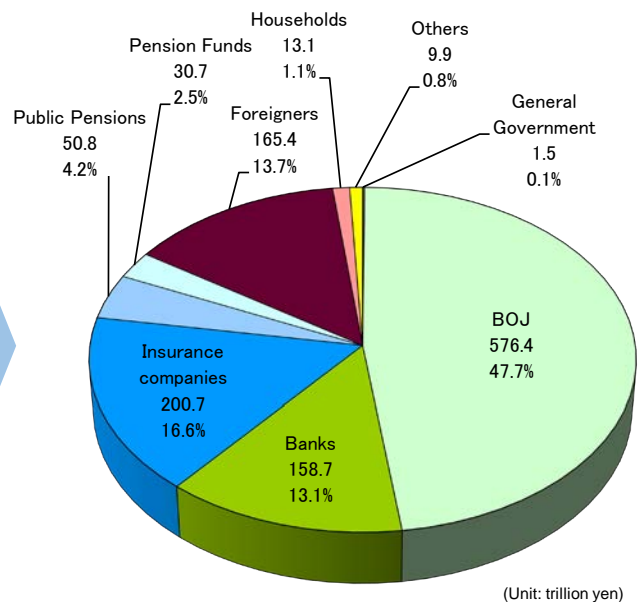
- The total amount of JGBs outstanding was 1,207.2 trillion yen.
- From December 2019 (before the COVID-19 pandemic) to September 2023, the total amount of JGBs outstanding increased by 75.2 trillion yen.
- The BOJ’s holdings increased by 81.8 trillion yen (43.7%→47.7%), domestic investors including banks’ holdings decreased by 25.8 trillion yen (43.4%→38.6%) and foreign investors’ holdings increased by 19.1 trillion yen (12.9%→13.7%).

**The end of Dec. 2019
(Before the COVID-19 Pandemic)**



Total 1,132.0 trillion yen

**The end of Sep. 2023
(Preliminary Figures)**



Total 1,207.2 trillion yen

Note 1: “JGB” includes “FILP Bonds.”

Note 2: “Banks” includes “Japan Post Bank,” “Securities investment trusts,” “Securities companies,” etc.

Note 3: “Insurance companies” includes “Life insurance,” “Nonlife insurance,” and “Mutual aid insurance.”

Note 4: “General Government” excludes “Public Pensions.”

Note 5: Figures may not sum up to total because of rounding.



For more detailed data, please refer to the following link:

BOJ Time Series Data Search: https://www.stat-search.boj.or.jp/index_en.html

IR Office



1. 28th meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 28)

On December 4, Mr. Arase, Director for Debt Management and IR Office, and Mr. Iida, Researcher, participated in COP 28 in Dubai, UAE. Mr. Arase participated as a speaker in the seminar entitled "The Role of Sovereign Bonds in Expanding Green Transformation (GX) Finance".

He presented the current status of the new bonds named "Japanese Climate Transition Bonds" and announced that the MOF has selected 7 investment banks to support the marketing efforts including IR arrangements as GX Bonds Marketing Supporters.



2. IR Activities in UAE

Mr. Arase and Mr. Iida had meetings with JGB investors including The Central Bank, Commercial Banks, and the international institution in Dubai and Abu Dhabi. We discussed Japan's economic and fiscal conditions as well as Debt Management Policy. Furthermore, we provided them with some information on the upcoming new financial instrument named "Japan Climate Transition Bonds".

During the meetings, many investors asked us various questions including the maturity structure of JGBs, the issuance plan, and so on. We also received their views on ESG investment and their opinions on the JGB primary and secondary markets. This UAE's IR trip was the first visit to the Middle East region in 5 years. Our team would like to strengthen the relationship with UAE's investors, and we are also looking forward to visiting other countries that we haven't been able to visit for a long time.



JGB Primary Market: Auction Results

Bonds

(Until 31 December 2023)

Auction Date	Type of Security	Issue Number	Maturity Date	Nominal Coupon	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Yield at the Lowest Accepted Price	Yield at the Average Price	Amounts of Non-Competitive Bids Tendered /Accepted (billion yen)	Amounts of Bids Accepted at the Non-price-competitive Auction I (billion yen)	Amounts of Bids Accepted at the Non-price-competitive Auction II (billion yen)
10/3/2023	10-year	372	9/20/2033	0.8%	8,569.7	2,178.5	0.770%	0.768%	1,344	519.6	187.5
10/5/2023	30-year	80	9/20/2053	1.8%	2,234.6	730.6	1.716%	1.691%	-	169.3	0.0
10/11/2023	5-year	162	9/20/2028	0.3%	8,211.1	2,024.3	0.334%	0.330%	1,330	473.6	175.1
10/17/2023	20-year	186	9/20/2043	1.5%	2,883.8	970.1	1.589%	1.553%	-	229.5	25.4
10/30/2023	2-year	454	11/1/2025	0.1%	7,156.6	2,350.6	0.115%	0.106%	0.000	549.0	0.0
11/2/2023	10-year	372	9/20/2033	0.8%	7,889.4	2,178.4	0.915%	0.910%	1,528	519.3	0.0
11/7/2023	10-year Inflation-Indexed Bonds	28	3/10/2033	0.005%	682.1	249.9	-0.480%	-	-	-	-
11/9/2023	30-year	80	9/20/2053	1.8%	2,619.3	726.7	1.751%	1.741%	-	172.8	86.4
11/14/2023	5-year	163	9/20/2028	0.4%	8,448.8	2,028.2	0.421%	0.418%	1,050	470.3	247.8
11/21/2023	20-year	186	9/20/2043	1.5%	3,430.9	969.2	1.432%	1.423%	-	230.2	115.4
11/28/2023	40-year	16	3/20/2063	1.3%	1,544.4	699.6	1.810%	-	-	-	0.0
11/30/2023	2-year	455	12/1/2025	0.005%	6,872.7	2,361.2	0.052%	0.046%	0.000	538.2	0.0
12/5/2023	10-year	372	9/20/2033	0.8%	6,183.9	2,190.9	0.707%	0.697%	1,585	507.3	226.1
12/7/2023	30-year	80	9/20/2053	1.8%	1,912.6	731.1	1.681%	1.623%	-	168.8	0.0
12/12/2023	5-year	163	9/20/2028	0.4%	7,832.8	2,034.1	0.331%	0.325%	1,082	464.6	192.8
12/14/2023	20-year	186	9/20/2043	1.5%	2,519.8	975.2	1.467%	1.414%	-	224.4	0.0
12/26/2023	2-year	456	1/1/2026	0.1%	7,864.2	2,354.5	0.074%	0.064%	0.000	544.9	0.0

Treasury Discount Bills

(Until 31 December 2023)

Auction Date	Type of Security	Issue Number	Maturity Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Yield at the Lowest Accepted Price	Yield at the Average Price	Amounts of Bids Accepted at the Non-price-competitive Auction I (billion yen)
10/5/2023	6-month	1186	4/10/2024	12,249.70	3,368.65	-0.1494%	-0.1674%	631.30
10/6/2023	3-month	1187	1/15/2024	13,075.89	4,539.07	-0.1955%	-0.2177%	1,060.90
10/13/2023	3-month	1188	1/22/2024	13,949.50	4,539.06	-0.1824%	-0.1972%	1,060.90
10/19/2023	1-year	1189	10/21/2024	10,989.90	2,890.17	-0.0208%	-0.0308%	609.80
10/20/2023	3-month	1190	1/29/2024	13,640.00	4,539.04	-0.1824%	-0.1928%	1,060.90
10/27/2023	3-month	1191	2/5/2024	13,138.58	4,539.03	-0.1805%	-0.1891%	1,060.90
11/2/2023	3-month	1192	2/13/2024	14,250.00	4,547.13	-0.1805%	-0.1875%	1,052.80
11/9/2023	6-month	1193	5/10/2024	10,104.70	3,295.17	-0.1502%	-0.1623%	704.80
11/10/2023	3-month	1194	2/19/2024	17,182.00	4,547.15	-0.1917%	-0.1980%	1,052.80
11/16/2023	1-year	1195	11/20/2024	10,547.20	2,851.88	-0.0378%	-0.0468%	648.10
11/17/2023	3-month	1196	2/26/2024	16,065.90	4,547.17	-0.2214%	-0.2330%	1,052.80
11/24/2023	3-month	1197	3/4/2024	11,459.50	4,547.17	-0.2047%	-0.2266%	1,052.80
12/1/2023	3-month	1198	3/11/2024	14,815.30	4,547.12	-0.1507%	-0.1656%	1,052.80
12/7/2023	6-month	1199	6/10/2024	10,482.80	3,349.00	-0.1282%	-0.1402%	651.00
12/8/2023	3-month	1200	3/18/2024	12,191.20	4,547.15	-0.1433%	-0.1556%	1,052.80
12/15/2023	3-month	1201	3/25/2024	14,001.91	4,547.16	-0.1619%	-0.1723%	1,052.80
12/18/2023	1-year	1202	12/20/2024	10,585.50	2,979.45	0.0000%	-0.0039%	520.50
12/22/2023	3-month	1203	4/4/2024	10,649.71	4,547.48	-0.1950%	-0.2394%	1,052.50

JGB Primary Market: Auction Calendar

January 2024

Auction Date	Issue
1/5	T-Bills (3-month)
1/5	Liquidity Enhancement Auction (remaining maturities of 1-5 years)
1/9	T-Bills (6-month)
1/10	10-year
1/12	T-Bills (3-month)
1/12	30-year
1/16	5-year
1/18	T-Bills (1-year)
1/18	20-year
1/19	T-Bills (3-month)
1/22	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)
1/25	40-year
1/26	T-Bills (3-month)
1/30	2-year

February 2024

Auction Date	Issue
2/1	10-year
2/2	T-Bills (3-month)
2/5	10-year Inflation-Indexed Bonds
2/7	30-year
2/8	T-Bills (6-month)
2/9	T-Bills (3-month)
2/9	5-year
2/14	10-year Japan Climate Transition Bonds
2/16	T-Bills (3-month)
2/16	Liquidity Enhancement Auction (remaining maturities of 15.5-39 years)
2/19	T-Bills (1-year)
2/20	20-year
2/22	T-Bills (3-month)
2/22	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)
2/27	5-year Japan Climate Transition Bonds
2/29	2-year

March 2024

Auction Date	Issue
3/1	T-Bills (3-month)
3/5	10-year
3/7	T-Bills (6-month)
3/7	30-year
3/8	T-Bills (3-month)
3/12	5-year
3/14	20-year
3/15	T-Bills (3-month)
3/18	T-Bills (1-year)
3/21	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)
3/22	T-Bills (3-month)
3/25	Liquidity Enhancement Auction (remaining maturities of 1-5 years)
3/27	40-year
3/29	2-year

Note 1: The above calendar may be changed or added in light of changes in circumstances. In such cases, it will be announced in advance.

Note 2: Each issue amount will be announced about one week prior to each auction date.

Top10 PDs for Successful Bids in Auctions (Weighted by Duration)
Jul. 2023 - Dec. 2023

1	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
2	Nomura Securities Co., Ltd.
3	Daiwa Securities Co. Ltd.
4	Citigroup Global Markets Japan Inc.
5	Mizuho Securities Co., Ltd.
6	JPMorgan Securities Japan Co., Ltd.
7	Okasan Securities Co., Ltd.
8	Deutsche Securities Inc.
9	Goldman Sachs Japan Co., Ltd.
10	SMBC Nikko Securities Inc.

Top5 PDs for Successful Bids of JGBi
FY2022

1	Mizuho Bank, Ltd.
2	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
3	JPMorgan Securities Japan Co., Ltd.
4	Goldman Sachs Japan Co., Ltd.
5	Deutsche Securities Inc.

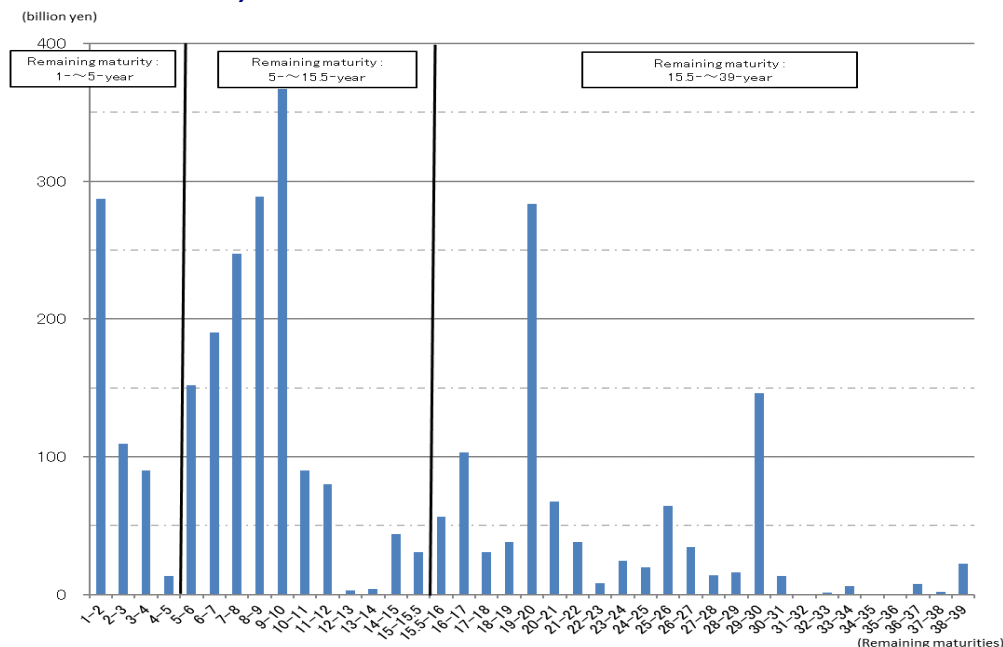
Liquidity Enhancement Auctions and JGB Buy-Back

Results of Liquidity Enhancement Auctions

(Until 31 December 2023)

Auction Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Average Accepted Spread	Highest Accepted Spread	Issues Re-opened
10/19/2023	1,785.8	498.3	+0.020%	+0.023%	10-year (353,354,357,370) 20-year(109,110,113,116,117,119,121,128,130,131,132,139,144,145,147,148,150,151,152,154,155,160) 30-year (2,3,4,5,6,7,8,11,15,16,20,21,22,30)
10/25/2023	1,385.7	498.4	+0.029%	+0.032%	20-year (177,179,182,183,185) 30-year (36,37,38,39,40,41,42,43,44,45,46,47,48,49,50,51,52,53,54,55,56,59,72,73,76,77,79) 40-year (1,2,3,4,5,6,10,11,13,14,15)
11/16/2023	1,904.4	499.5	-0.013%	-0.010%	2-year (445,451) 5-year (142,144,145,149,152) 10-year(337,339,342,343,344,345,346,347,348,352) 20-year (75,76,78,79,80,81,82,83,84,86,94)
11/24/2023	2,185.3	498.9	+0.031%	+0.033%	10-year (353,354,355,356,357,365) 20-year(108,110,111,112,116,118,119,121,122,123,124,125,128,130,131,132,133,135,136,139,140,142,144,145) 30-year (3,4,5,6,8,11)
12/20/2023	2,077.6	499.6	-0.081%	-0.079%	10-year (356,357,359,367,371) 20-year(116,121,138,143,144,147,148,159,161,164,165,167) 30-year (3,13,15,30)
12/22/2023	1,049.9	499.5	+0.064%	+0.085%	20-year (169,170,171,172,175,179,181,183,185) 30-year (31,32,33,34,35,36,37,39,40,41,42,43,47,49,65,73,77,79) 40-year (1,2,3,4,5,6,7,9,10,15)

Issuance Amounts by Remaining Maturity for Liquidity Enhancement Auctions (October-December 2023)



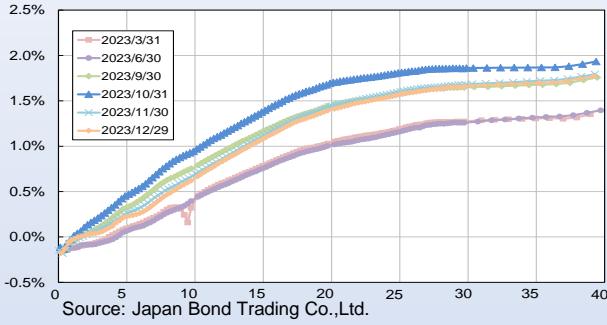
Buy-Back Results (10-year Inflation-Indexed)

(Until 31 December 2023)

Auction Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Average Accepted Spread (yen)	Highest Accepted Spread (yen)	Issue Numbers
9/13/2023	69.6	20.1	-0.069	+0.09	18,19,20,22,24,26,27,28
10/12/2023	86.7	20.2	-0.084	-0.01	19,20,21,23,24,26
11/13/2023	98.8	20.0	-0.454	-0.34	27
12/13/2023	147.1	20.0	-0.830	-0.83	25,27

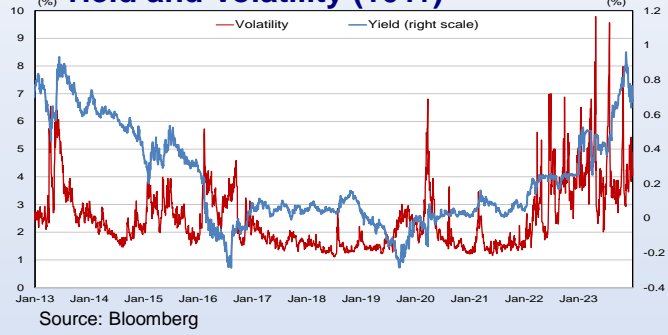
JGB Secondary Market

JGB Yield Curves

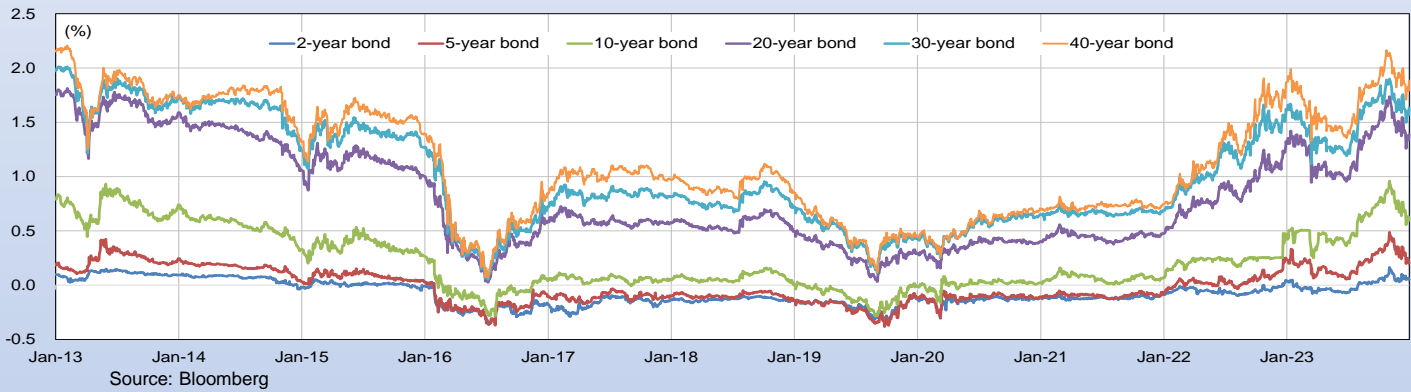


Yield and Volatility (10Yr)

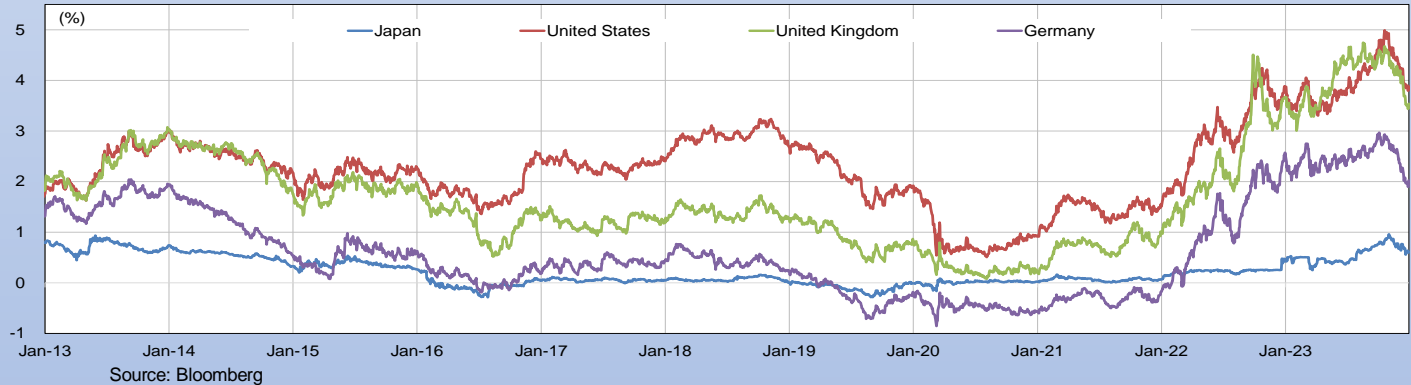
(Until 31 December 2023)



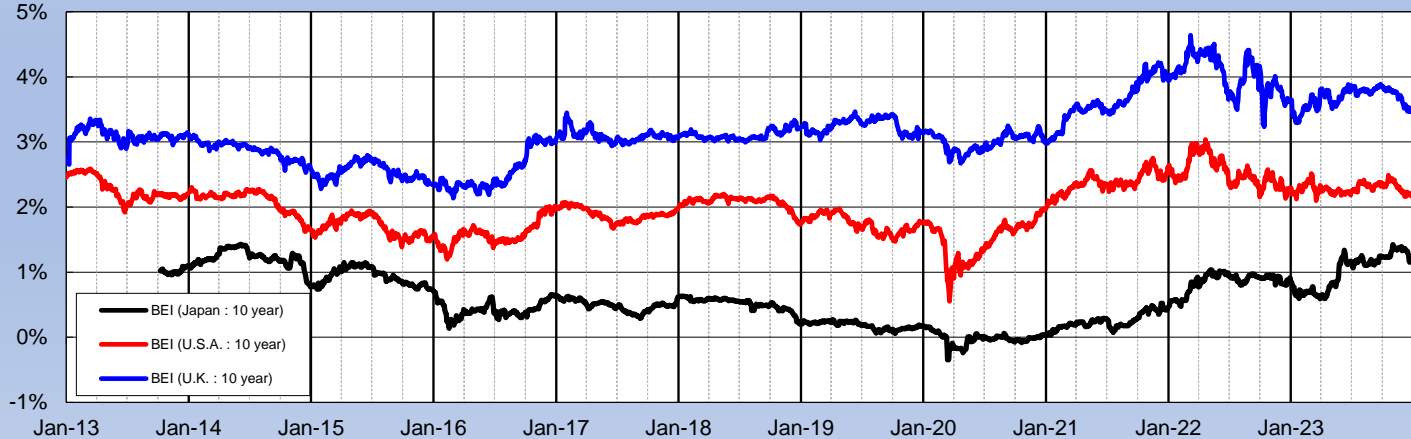
Yields of JGB



Long - Term Interest Rates (10Yr)



Break-Even Inflation Rates

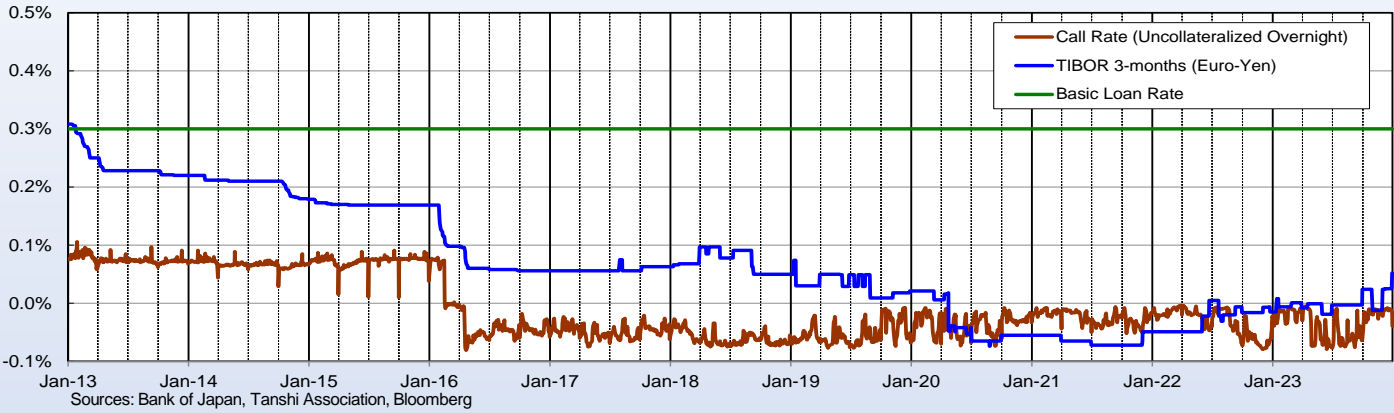


Note: BEI (Japan: 10 year) is calculated based on the compound interest rate of the new Inflation-Indexed Bonds and the 10-Year Bonds

Source: Bloomberg

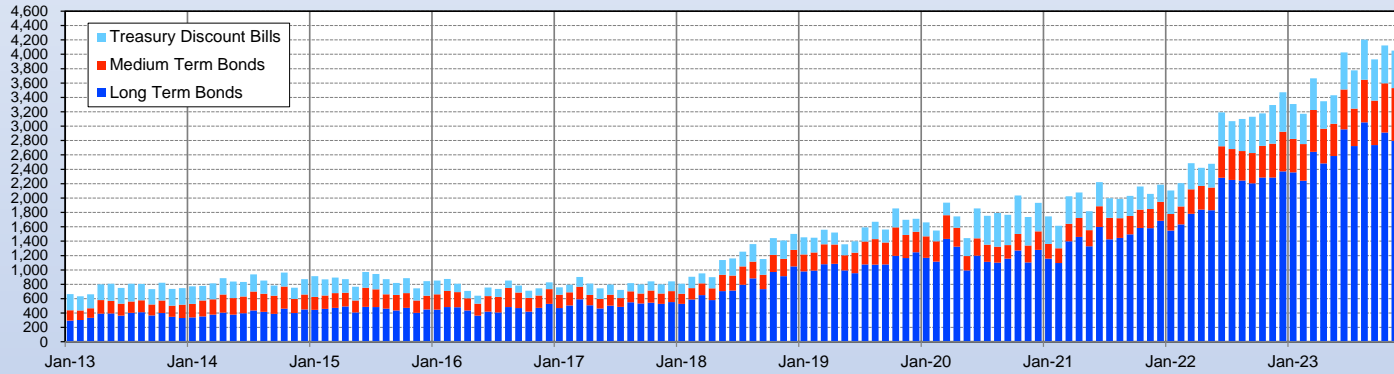
Short-Term Interest Rates

(Until 31 December 2023)



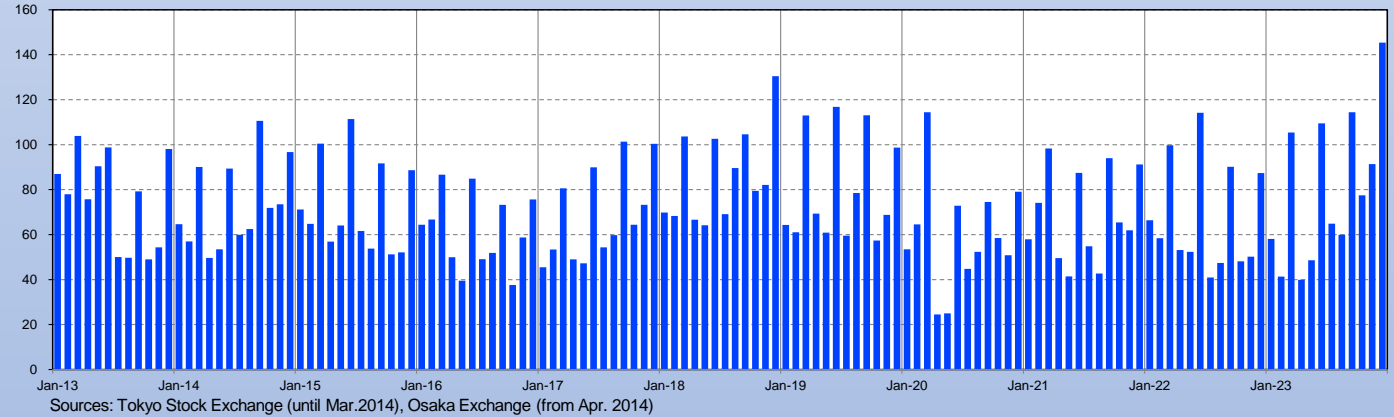
JGB Over-the-Counter Trading Volume (TOKYO)

(trillion yen)



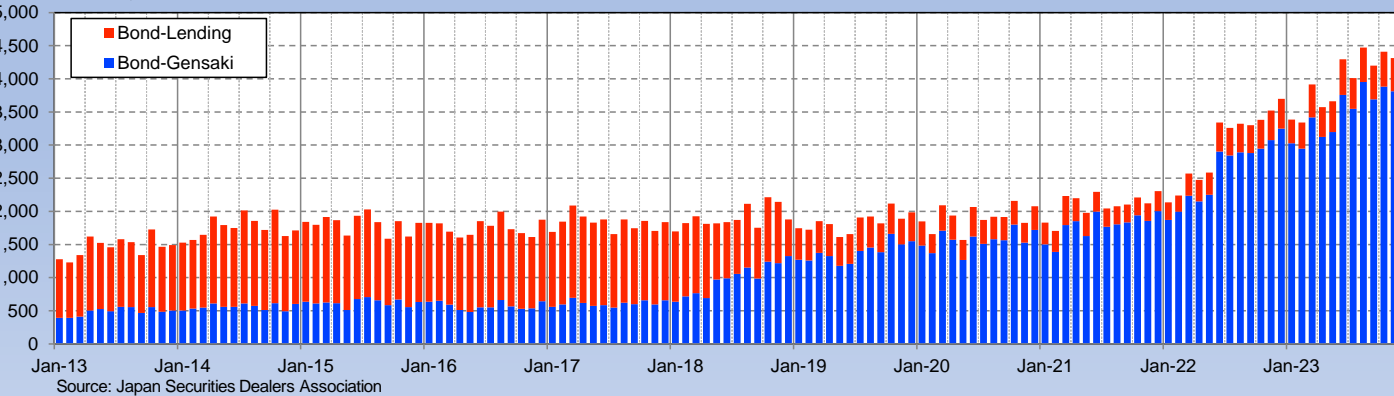
Trading Volume of 10-Year JGB Futures

(trillion yen)



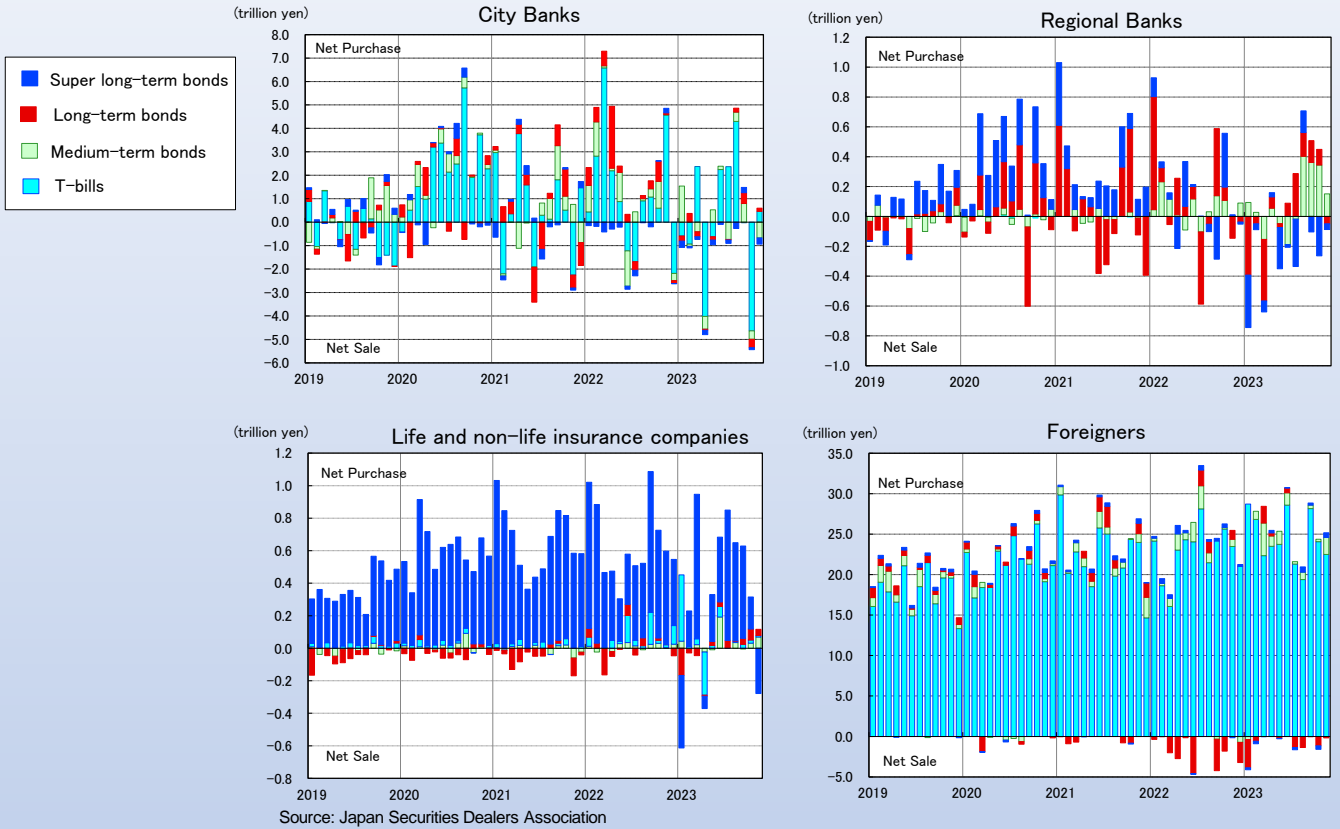
Repurchase Transactions

(trillion yen)

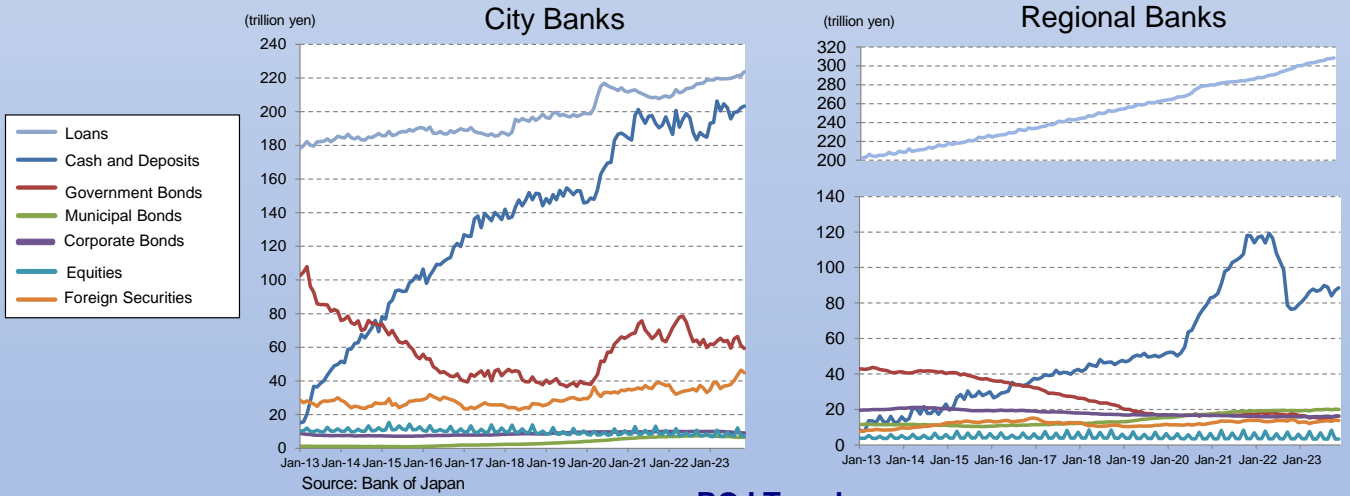


Investor Trends and JGB Outstanding

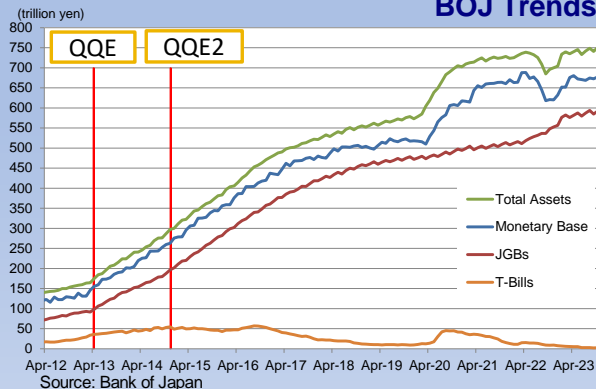
Trends in JGBs Transactions (by investor type)



Trends in Bank Assets by Types



BOJ Trends

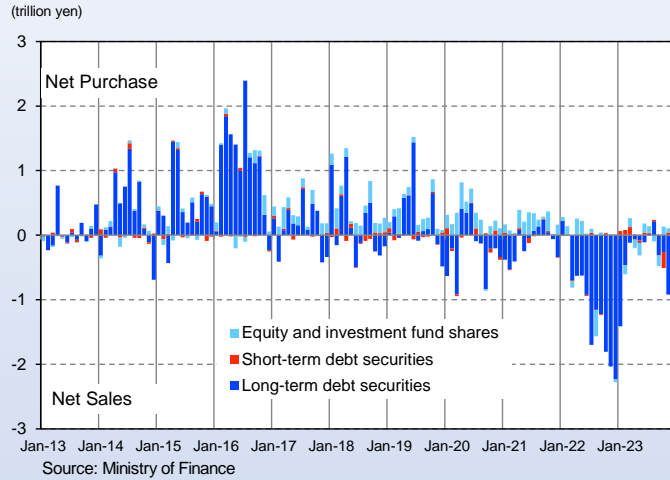
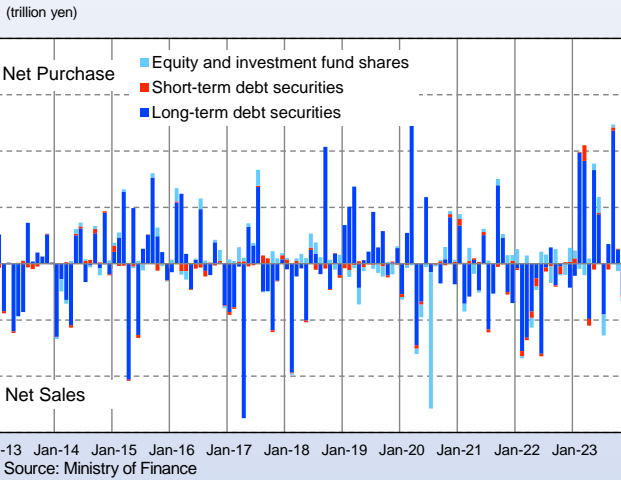


	Apr 2013 (Actual)	Dec 2023 (Actual)
Monetary Base	155	673
JGBs	98	588
T-Bills	36	3.9
CP	1.4	2.3
Corporate Bonds	2.9	6.0
ETFs	1.7	37.2
J-REITs	0.13	0.66
Total Assets	175	750

Transactions of Foreign Securities by Residents (by Investor types)

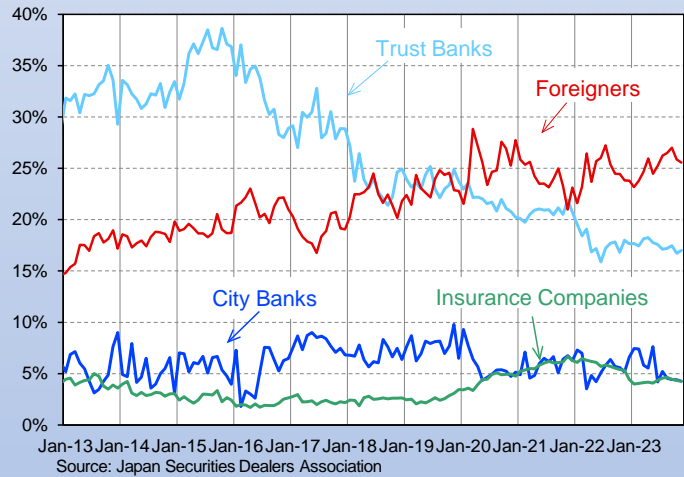
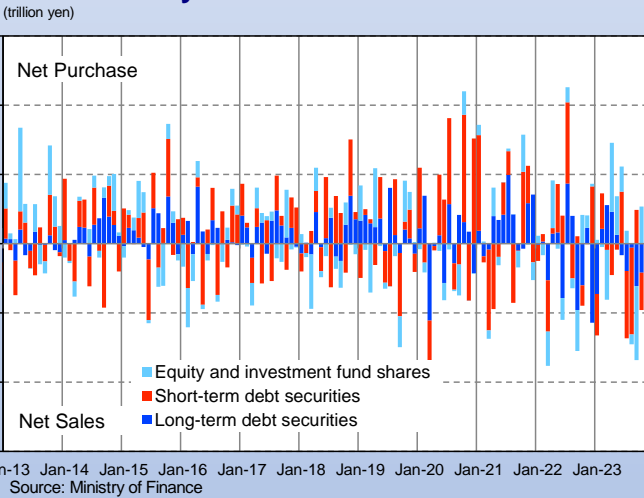
Banks(Banking Accounts)

Life Insurance Companies



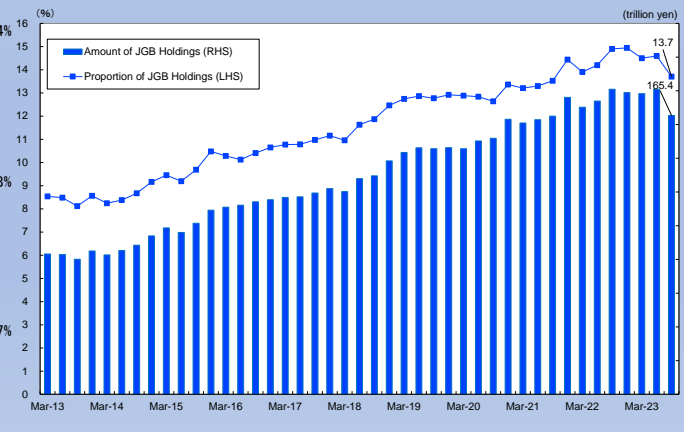
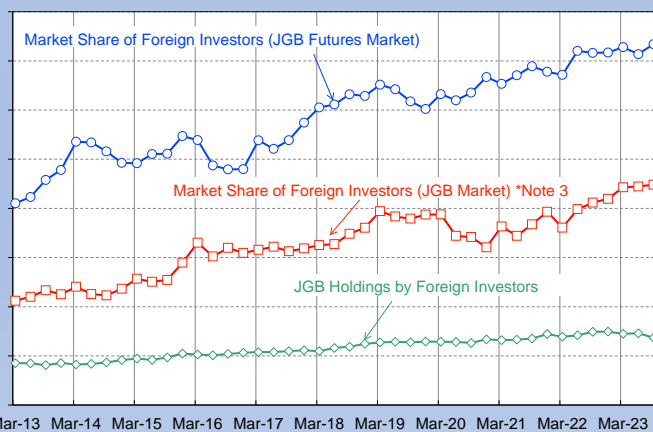
Transactions of Domestic Securities by Non-Residents

Outstanding of Repurchase Agreements (by Investor types)



Foreign Investors Presence

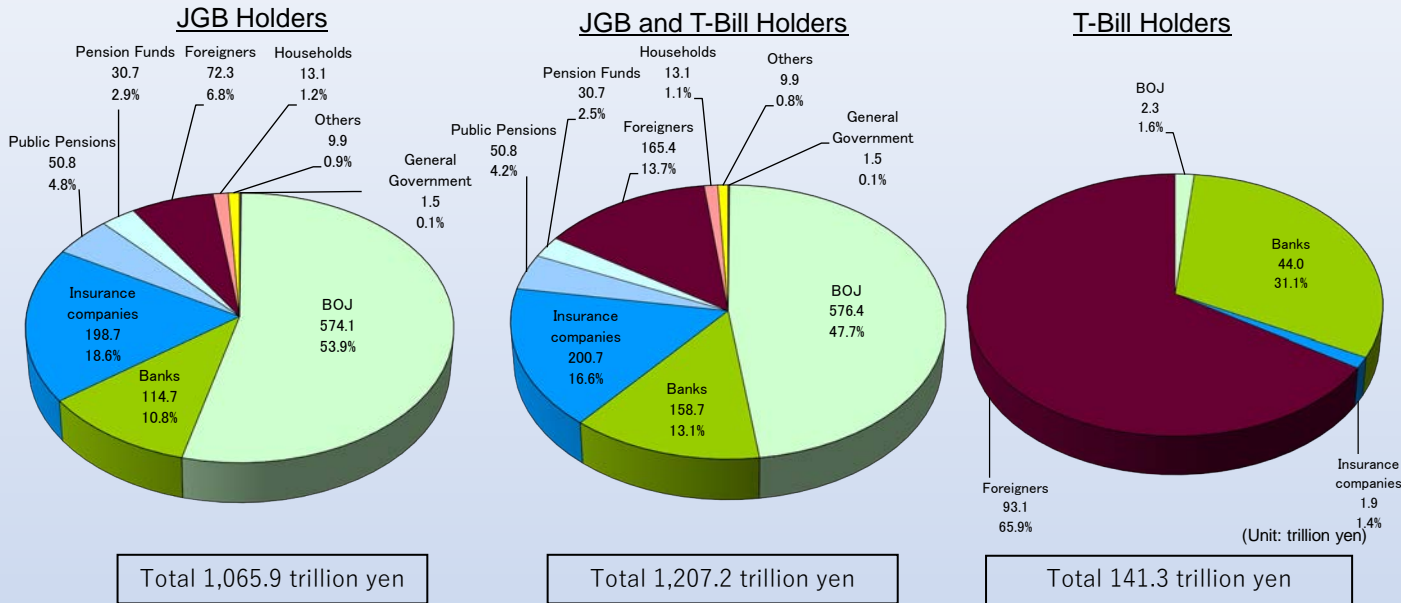
JGBs Holdings by Foreign Investors



Note 1: Quarterly basis.
 Note 2: "JGB" includes T-Bills.
 Note 3: The figures excludes dealers' transactions.
 Sources: Bank of Japan, Japan Securities Dealers Association, Japan Exchange Group, Inc.

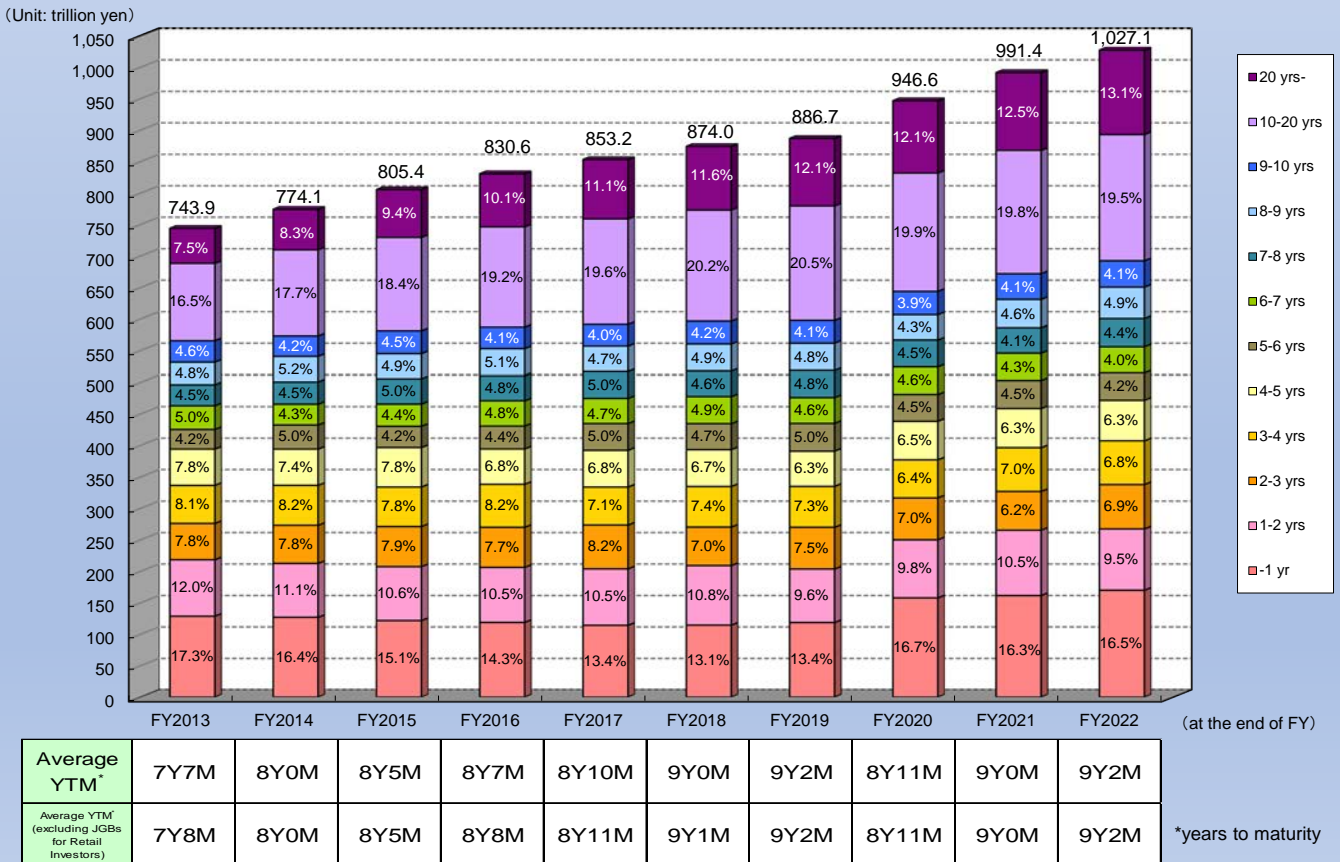
Note 1: Quarterly basis.
 Note 2: "JGB" includes "FILP Bonds" and "T-Bills".
 Source: Bank of Japan

Breakdown by JGB and T-Bill Holders (The end of Sep. 2023 QE)

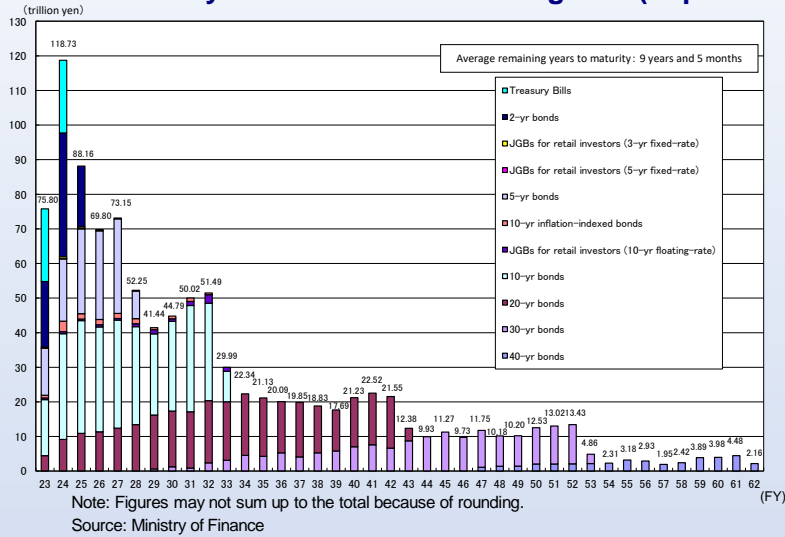


Note 1: "JGB" includes "FILP Bonds."
 Note 2: "Banks" includes "Japan Post Bank," "Securities investment trusts," "Securities companies," etc.
 Note 3: "Insurance companies" includes "Life insurance," "Nonlife insurance," and "Mutual aid insurance."
 Note 4: "General Government" excludes "Public Pensions."
 Source: Bank of Japan "Flow of Funds Accounts (Preliminary Figures)"

Breakdown of Outstanding Amount of General Bonds by Remaining Years to Maturity



Time-to-Maturity Structure of Outstanding JGB (September, 2023)



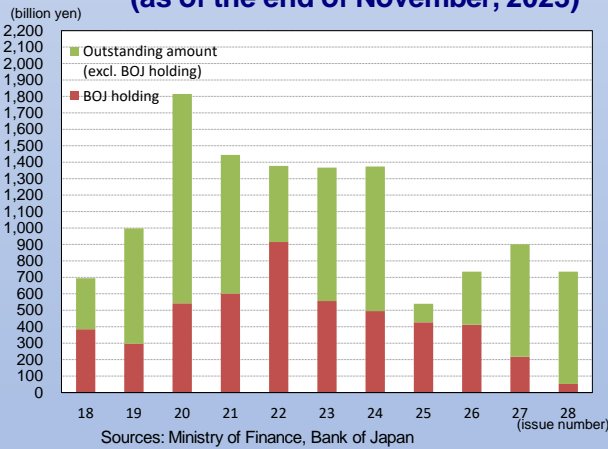
Scheduled redemption of JGB at maturity in January, 2024

Types	The amount of redemption at maturity	Date of redemption
2-Year Bonds	3,289.2	1/1/2024
Treasury Bills (1-Year)	3,500.0	1/22/2024
Total	6,789.2	

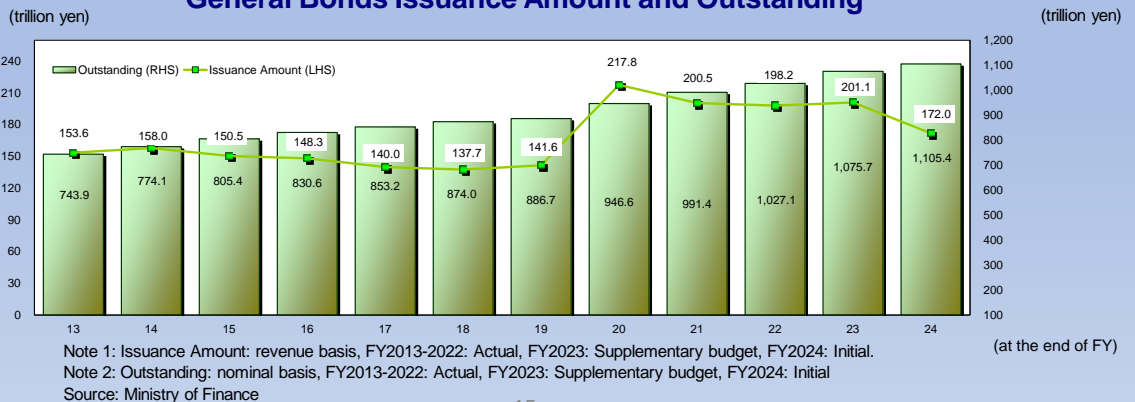
(billion yen)

Note 1: The figures are based on the outstanding JGBs at the end of November, 2023.
 Note 2: The figures are the scheduled redemption at maturity and may be different from the actual redemption due to Buy-back of JGBs.
 Note 3: The figures do not include "JGB for Retail Investors."
 Note 4: If date of redemption coincides with bank holiday, the payment of redemption is carried out on the following business day.
 Note 5: Figures may not sum up to the total because of rounding.

Market-held Balance of the Inflation-Indexed Bonds (as of the end of November, 2023)

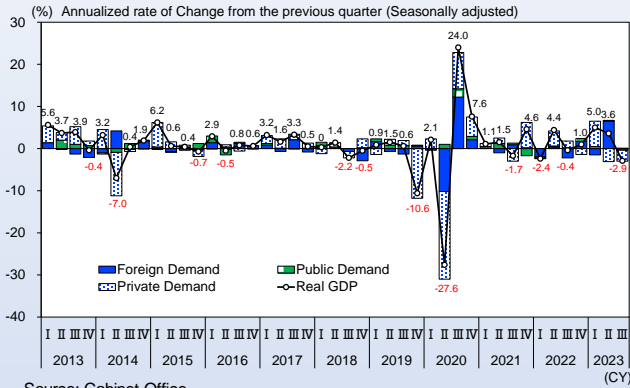


General Bonds Issuance Amount and Outstanding

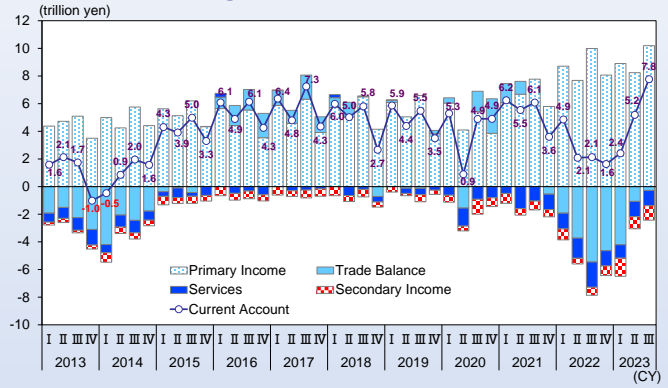


Economic and Financial Trends

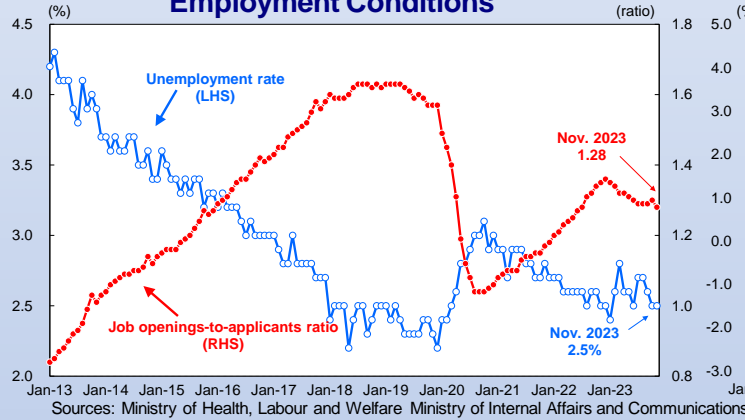
Real GDP Growth Rate



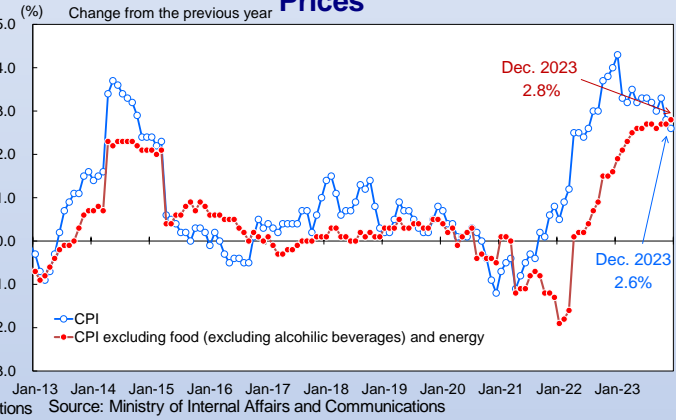
Changes in Current Account



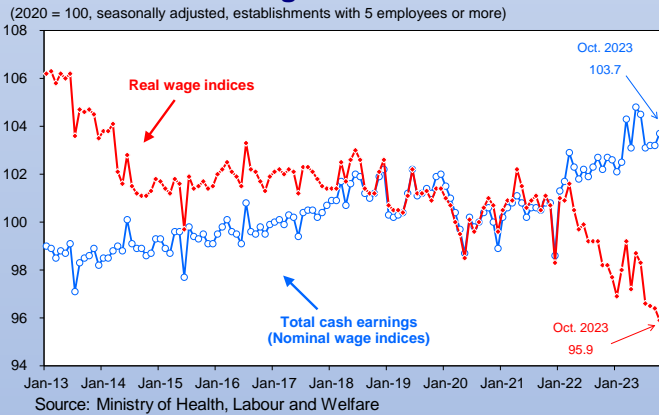
Employment Conditions



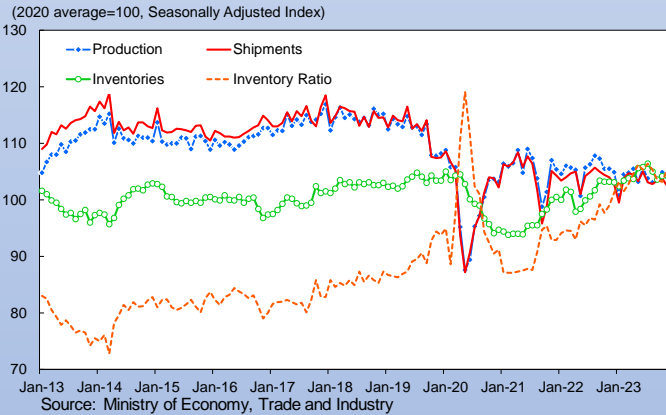
Prices



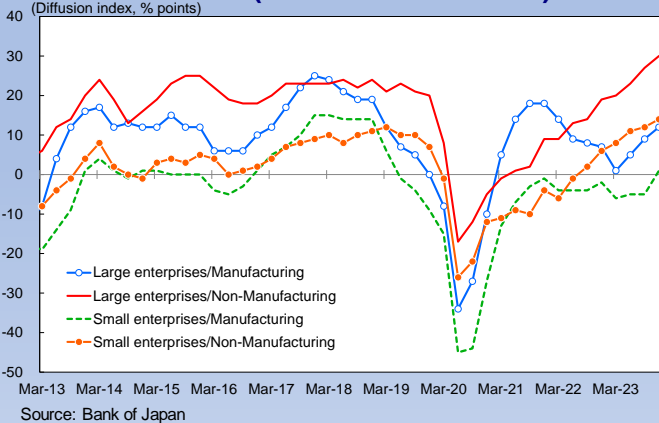
Wage Indices



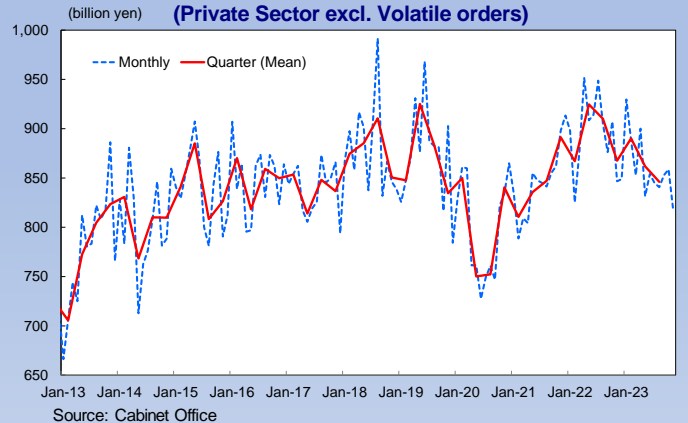
Indices of Industrial Production



TANKAN (Business Conditions)



Total Value of Machinery Orders



Information

English Publications on JGBs	Frequency	URL
Debt Management		
Message from the Financial Bureau	As needed	https://www.mof.go.jp/english/jgbs/debt_management/message.htm
About JGBs	As needed	https://www.mof.go.jp/english/jgbs/debt_management/guide.htm
About the Debt Management Policy	As needed	https://www.mof.go.jp/english/jgbs/debt_management/about.htm
JGB Issuance Plan	As needed	https://www.mof.go.jp/english/jgbs/debt_management/plan/index.htm
Auction Calendar		
Auction Calendar	Monthly	https://www.mof.go.jp/english/jgbs/auction/calendar/index.htm
Historical Data of Auction Results	Monthly	https://www.mof.go.jp/english/jgbs/auction/past_auction_results/index.html
Topics		
Product Characteristics of the JGB	As needed	https://www.mof.go.jp/english/jgbs/topics/bond/index.html
Treasury Discount Bills (T-Bills)	As needed	https://www.mof.go.jp/english/jgbs/topics/t_bill/index.htm
Japanese Government Guaranteed Bonds	Annual	https://www.mof.go.jp/english/jgbs/topics/gov_guaranteed_bonds/index.htm
Interest Rate Swap	Semiannual	https://www.mof.go.jp/english/jgbs/topics/swap/index.htm
Taxation of Government Bonds	As needed	https://www.mof.go.jp/english/jgbs/topics/taxation2016/index.htm
For Individual Investors	As needed	https://www.mof.go.jp/english/jgbs/topics/individual/index.htm
Data		
Central Government Debt	Quarterly	https://www.mof.go.jp/english/jgbs/reference/gbb/index.htm
Interest Rate	Daily	https://www.mof.go.jp/english/jgbs/reference/interest_rate/index.htm
STRIPS	Quarterly	https://www.mof.go.jp/english/jgbs/reference/jgstaf/index.htm
Dialogue with the market		
Study Group on Government Debt Management	Each Meeting	https://www.mof.go.jp/english/about_mof/councils/study_gov_debt_management/index.html
Meeting of JGB Market Special Participants	Each Meeting	https://www.mof.go.jp/english/about_mof/councils/jgbsp/index.html
Meeting of JGB Investors	Each Meeting	https://www.mof.go.jp/english/about_mof/councils/jgb_investor/index.html
Publications		
Debt Management Report	Annual	https://www.mof.go.jp/english/jgbs/publication/debt_management_report/index.htm
JGB Newsletter	Monthly	https://www.mof.go.jp/english/jgbs/publication/newsletter/index.htm

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<https://www.mof.go.jp/english/policy/jgbs/publication/newsletter/index.htm>

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