

# JAPANESE GOVERNMENT BONDS

Monthly Newsletter of the Ministry of Finance, Japan

February 2020

Our fundamental goal of debt management policy is to achieve stable and smooth financing for our national accounts and to minimize medium-to-long term financing costs.

## SUMMARY

### What's New: Supplementary Budget for FY2019

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- ✓ Supplementary Budget for FY2019 was enacted on January 30, 2020 by Diet.

### Monthly Topics: Overseas Residents' Visits to Japan and Labour Force Survey p.4-5

- ✓ According to the Japan National Tourism Organization (JNTO), the number of overseas residents' visits to Japan in 2019 rose 2.2 percent from the previous year to 31.9 million.
- ✓ According to the "Labour Force Survey" of December 2019, the unemployment rate (seasonally adjusted) was 2.2%, which is the lowest level in recent years.

### IR Office: IR activities in January and information on ebook publication

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- ✓ IR tour to Europe
- ✓ Debt Management Report 2019 available with ebook format

### Statistics

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The Ministry of Finance

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# What's New

## Supplementary Budget for FY2019

Supplementary Budget for FY2019 was enacted on January 30, 2020 by Diet.

### Overview of the Supplementary Budget for FY2019

Provisional Translation

(billion yen)

Expenditures		Revenues	
1. Restoration and reconstruction from natural disasters and ensuring safety and security	2,308.6	1. Non-tax revenue	188.1
2. Intensive supports to those striving to overcome economic downside risks	917.3	2. Surplus from the previous fiscal year	801.6
3. Investing for a future, and maintaining / enhancing economic vitality beyond 2020 Tokyo Olympics and Paralympics	1,077.1	3. Government bond issuance (Construction Bonds)	2,191.7
4. Other expenses	169.2		
5. Reduction in previously budgeted expenses	- 1,290.8		
6. Local Allocation Tax Grants			
(1) Reduction in the local allocation tax grants due to decline in tax revenue	- 734.9	4. Tax revenue	- 2,315.0
(2) Amounts proportionate to 5. (surplus from the previous fiscal year)	98.5	5. Surplus from the previous fiscal year (financial resources for the local allocation tax grants)	98.5
(3) Compensation for the reduction in the local allocation tax grants due to decline in tax revenue	636.4	6. Government bond issuance (Special Deficit-Financing Bonds)	2,229.7
(4) Compensation for the drop in financial resources for local allocation tax grants due to decline in the local corporation tax revenue	13.2		
<b>Total</b>	<b>3,194.6</b>	<b>Total</b>	<b>3,194.6</b>

(Note 1) Figures may not add up to the totals due to rounding.

(Note 2) Central government expenditures for the economic measures (cabinet decision on Dec. 5, 2019): ¥4,303.0bn (sum of 1. – 3. above)

(Note 3) A legislative measure is needed to utilize the surplus from the previous fiscal year.

The main topic of the supplementary budget for FY2019 was to include the central government expenditures to implement “Comprehensive Economic Measures to Create a Future with Security and Growth”, which is described as below.

Provisional Translation

#### I Restoration and reconstruction from natural disasters and ensuring safety and security

**¥2,308.6bn**

##### 1. Acceleration restoration and reconstruction from natural disasters **¥690.7bn**

- Measures to restore damaged public civil engineering facilities, etc. (¥485.9bn)
- The disposal of wastes from the disaster, etc. (¥45.6bn)
- “Group subsidies” for SMEs (¥19.0bn)
- Reconstruction of agricultural greenhouses, machines, etc. (¥17.5bn)

##### 2. Strong promotion of disaster prevention, mitigation and building national resilience **¥855.7bn**

- Flood control measures to excavate river channels, build embankments, etc. following Typhoon No.15 and 19 (¥243.7bn)
- Measures for inland flooding by constructing storm water storage facilities, etc. (¥67.3bn)
- Elimination of missing links of roads (¥89.8bn)
- Promoting removal of utility poles (¥20.5bn)
- Preventing damage from high waves, etc. (¥29.5bn)
- Building facilities to process waste (¥48.3bn)
- Building resident-base service stations, etc. with in-house power generation equipment (¥17.0bn)

(Note) FILP loans (the supplementary budget for FY2019)  
Accelerating removal of utility poles, development of transmission and distribution network, etc. (DBJ : included in ¥500.0bn)

(Note) The entire National Resilience budget is amount to ¥1,152.0bn including “making earthquake-resilient school facilities and strengthening their disaster prevention functions”, etc. categorized in 3. below.

##### 3. Securing safety and security of the people **¥762.1bn**

- Ensuring stable operational condition of the Self-Defense Forces (¥378.3bn)
- Establishing a strategic coast guard system, etc. (¥40.2bn)
- Making earthquake-resilient school facilities and strengthening their disaster prevention functions (¥96.4bn)
- Making correctional facilities, etc. resistant against earthquakes and aging (¥14.8bn)
- Strengthening measures against livestock plague such as CSF or ASF (¥13.3bn)

**II Intensive supports to those striving to overcome economic downside risks ¥917.3bn**

**1. Developing an environment for enhancing productivity of SMEs ¥384.7bn**

- Promoting supply system innovation of SMEs (¥360.0bn)
- Facilitating succession of business (¥6.4bn)

**2. Facilitation of the businesses by the companies developing overseas operations ¥111.8bn**

- Acquiring resource concessions of such as oil, natural gas and rare earth muds by JOGMEC (¥45.9bn)
- Employing "Investment Facility for Growth (tentative name)" of Japan Bank for International Cooperation (JBIC) (¥35.0bn)
- Support for overseas business development of SMEs (¥6.8bn)

(Note) FILP loans (the supplementary budget for FY2019)  
 Restructuring global value chain, etc.(JBIC:¥250.0bn) (including above ¥35.0bn)

**3. Making agriculture, forestry and fisheries a growth industry and enhancing its exporting capacity ¥342.8bn**

- Stock-breeding cluster (¥40.9bn)
- Development of a system increasing production of Wagyu suitable for export (¥24.3bn)
- Powering up production infrastructure for fruits and vegetables (¥34.8bn)
- Promoting high monetization through converting paddies to dry fields, making a farm generalized and large (¥94.6bn)
- Strengthening exports including creating external demand and developing food processing facilities adapted to exports (¥32.4bn)

**4. Further Promotion of regional revitalization ¥69.3bn**

- Subsidies for regional revitalization (¥60.0bn)
- Promoting geographically disadvantaged areas (the Amami Islands, the Ogasawara Islands and remote islands) (¥1.4bn)
- Accelerating stay-type tourism in designated manned islands on the borders (¥0.3bn)

**5. Support for the "employment ice-age" generation ¥8.6bn**

- Accelerating support for the "employment ice-age" in local areas (¥3.0bn)
- Urgent measure to support entry to farming (¥3.8bn)

**III Investing for a future, maintaining/enhancing economic vitality beyond 2020 Tokyo Olympics and Paralympics ¥1,077.1bn**

**1. Promoting innovation and social implementation of technologies toward realizing Society 5.0 and SDGs ¥483.3bn**

- Strengthening information and communications infrastructure towards post-5G (¥110.0bn)
- Preventing elderly drivers from causing car accidents ("Suppocar" subsidy) (¥113.9bn)
- Support for emerging research (¥55.0bn)
- The "Moonshot" Research and Development Program (¥15.0bn)
- Development of launch vehicles and artificial satellites, and international space exploration, etc. (¥31.7bn)
- Development of supercomputer "Fugaku" (¥14.4bn)

**2. Investing in human capital for those playing important roles in Society 5.0 and creating environment suitable for child rearing ¥298.3bn**

- Realization of GIGA (Global and Innovation Gateway for ALL) school plan (¥231.8bn)
- Creating a system to secure childcare arrangement (¥37.7bn)
- Development of childcare-friendly housing and urban environments (¥11.7bn)

**3. Infrastructure development for the era of 60 million inbound tourists ¥30.5bn**

- Promoting foreign tourists by utilizing the Olympics and Paralympics as driving force (¥5.0bn)
- Strengthening enforcement of CIQ (¥4.9bn)
- Fire precautions of cultural assets (¥5.8bn)
- Building international cruise center (¥2.5bn)

**4. Improvement of infrastructure to support productivity enhancement ¥101.6bn**

- Developing logistics infrastructure such as roads or ports, etc. (¥83.8bn)
- Accelerating urban renewal (¥17.8bn)

(note) FILP loans (the supplementary budget for FY2019)  
 Accelerating development of highways (JEHDRA:¥550.0bn)  
 Promoting urban renewal (UR:¥57.3bn, Organization for Promoting Urban Development:¥5.0bn, etc.)

**5. Supporting private consumption in a seamless manner ¥163.4bn**

- Point Reward Project for Consumers using Cashless Payment (¥149.7bn)

(Note 1) Additional fiscal needs such as contributions to international organizations (¥169.2bn) are included in the supplementary budget FY2019 other than the central government expenditure for the implementation of the economic measures.

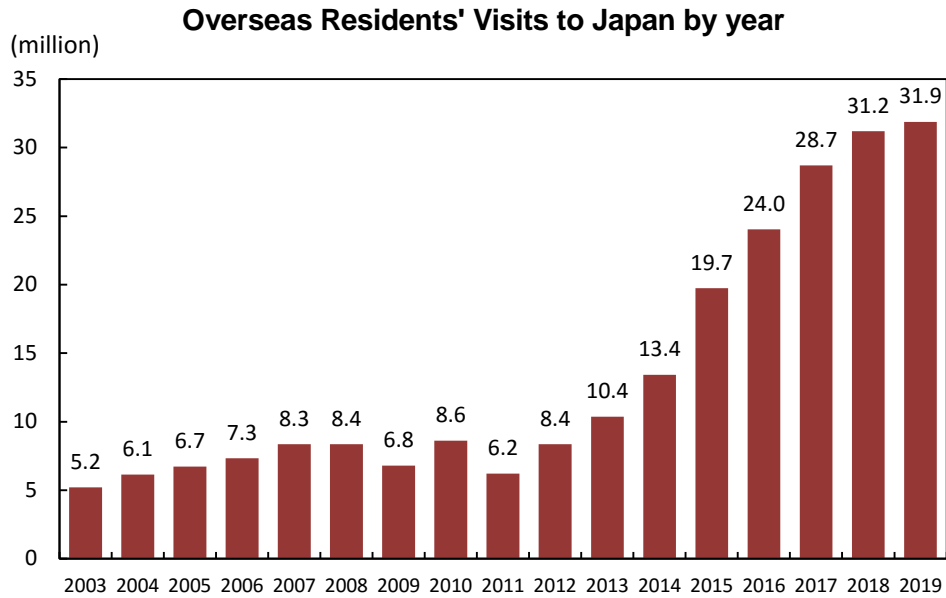
(Note 2) In addition, the additional expenditure in Special Account for the Reconstruction from the Great East Japan Earthquake(¥322.2bn) and Special Account for the Local Allocation and Local Transfer Tax (¥95.0bn), etc. are included in the supplementary budget FY2019.

# Monthly Topics

## Overseas Residents' Visits to Japan in 2019

The Japanese government has taken measures to increase the number of foreign tourists to Japan and tourism development is one of the growth strategies under the Abenomics Policy.

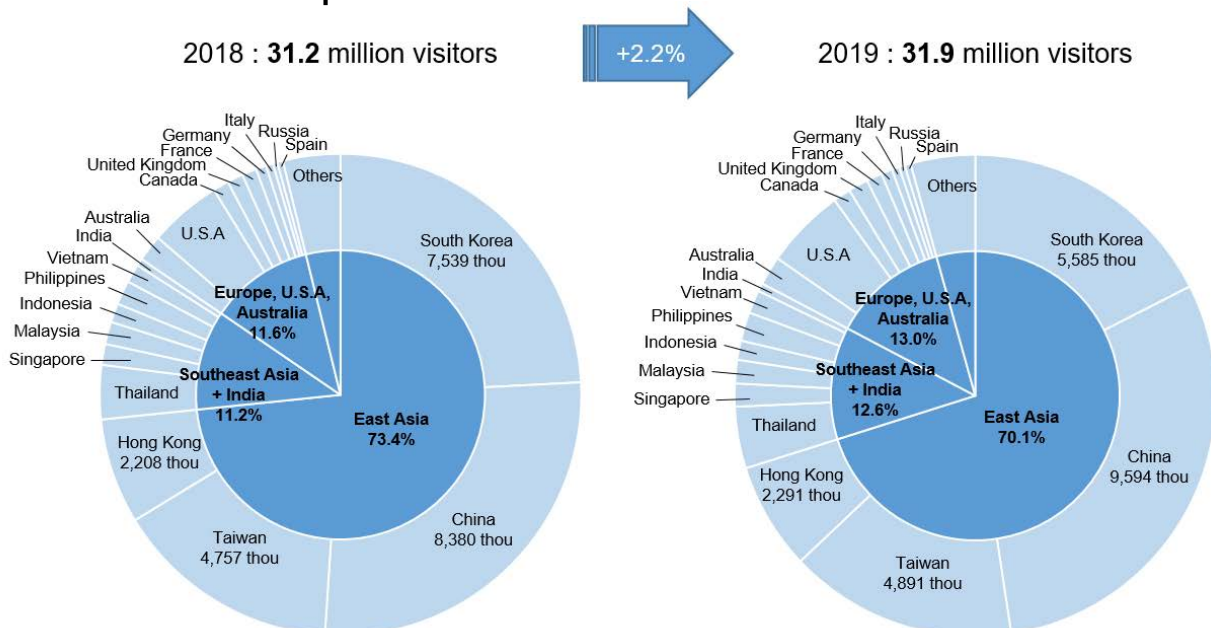
According to the Japan National Tourism Organization (JNTO), the number of overseas residents' visits to Japan in 2019 rose 2.2 percent from the previous year to 31.9 million.



Source: Japan National Tourism Organization (JNTO)

Although visitors from South Korea have reduced by half since August last year, visitors from the other three countries in East Asia area has outperformed the figure for 2018, supported by an increase in the number of flights and so on. Visitors from Southeast Asian countries also increased especially in the latter half of 2019, along with the increase in the number of flights, etc. Cherry blossoms and the Rugby World Cup 2019 held in Japan attracted tourists from Europe, the U.S.A. and Australia, pushing the number of visitors higher than in the previous year through 2019.

### Comparison of Visitor Arrivals between 2018 and 2019



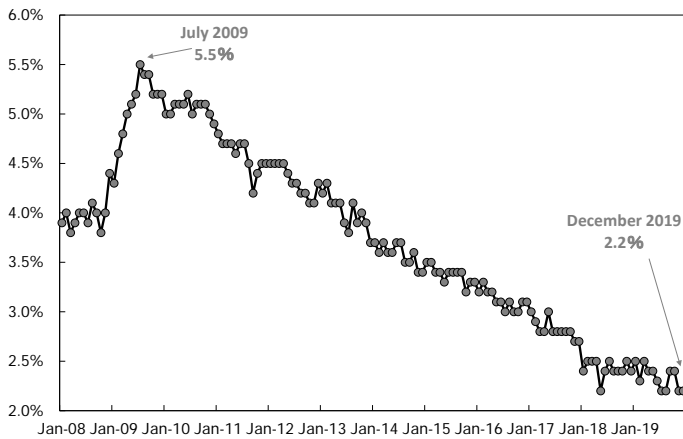
Source: Japan National Tourism Organization (JNTO)

## Labour Force Survey -December 2019-

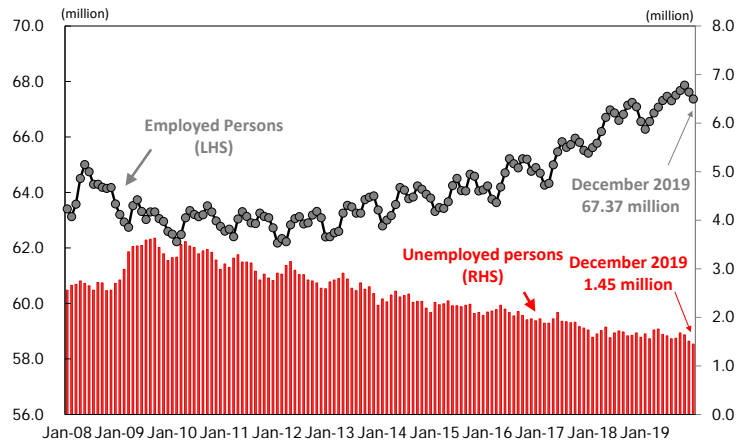
According to the “Labour Force Survey” of December 2019, the unemployment rate (seasonally adjusted) was 2.2%, which is the lowest level in recent years.

The number of employed persons in December 2019 was 67.37 million, an increase of 0.81 million or 1.2% from the previous year. The number of unemployed persons in December 2019 was 1.45 million, a decrease of 0.14 million or 8.8% from the previous year.

### Unemployment Rate



### Number of employed and unemployed persons



Source: Ministry of Internal Affairs and Communications “Labour Force Survey”  
<https://www.stat.go.jp/english/data/roudou/results/month/>

- From the end of January to the beginning of February, **Mr. Kubota**, Deputy Director-General of the Financial Bureau, **Mr. Naruse**, Deputy Director, and **Mr. Okamoto**, Deputy Director, visited London, Stockholm and Frankfurt to have meetings with foreign investors. During the meetings, we mainly described the current conditions of the Japanese economy and the JGB issuance plan for FY2020. Then, we exchanged views on relevant Japanese policies and recent market conditions. In addition, we also discussed the Japanese and European economic situations. The discussions stimulated us greatly. We are most grateful for the opportunity and hope to meet again.



- We are pleased to inform you that our annual report, Debt Management Report 2019, is now available in ebook format. We hope that you find it easier to read on your smartphone or tablet without having to carry a physical booklet or printed copy.



You may download the English version report from the following URLs:

- ✓ Kindle : <https://www.amzn.com/dp/B083XJ277G>
- ✓ Apple Books : <http://books.apple.com/jp/book/id1495294136>
- ✓ kobo : <https://books.rakuten.co.jp/rk/a9a5be755c913eed99415c443bfe933f/?l-id=search-c-item-text-MOFAMOF01>

*If you have any questions regarding the contents of this newsletter, please do not hesitate to contact us at: [JGB-IR@mof.go.jp](mailto:JGB-IR@mof.go.jp)*

## Auction Results (Bonds)

(Until 31 January 2020)

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)
11/6/2019	10-year	356	9/20/2029	0.1%	6,175.8	1,705.5	▲0.094%	▲0.099%	0.265	393.9	0.0
11/8/2019	10-year Inflation-Indexed Bonds	24	3/10/2029	0.1%	1,368.7	399.6	▲0.204%	-	-	-	10.7
11/12/2019	30-year	64	9/20/2049	0.4%	2,083.1	568.9	0.464%	0.458%	-	130.6	0.0
11/14/2019	5-year	141	9/20/2024	0.1%	6,273.3	1,556.5	▲0.188%	▲0.190%	-	343.0	283.9
11/20/2019	20-year	170	9/20/2039	0.3%	3,078.2	731.6	0.268%	0.266%	-	167.3	133.9
11/26/2019	40-year	12	3/20/2059	0.5%	1,399.4	399.6	0.460%	-	-	-	55.4
11/28/2019	2-year	407	12/1/2021	0.1%	6,875.9	1,664.9	▲0.183%	▲0.189%	-	334.6	0.0
12/3/2019	10-year	356	9/20/2029	0.1%	5,679.7	1,730.1	▲0.026%	▲0.042%	0.332	369.3	0.0
12/5/2019	30-year	64	9/20/2049	0.4%	2,108.7	571.6	0.432%	0.430%	-	128.0	102.9
12/10/2019	5-year	141	9/20/2024	0.1%	6,255.8	1,555.4	▲0.066%	▲0.083%	-	344.1	283.9
12/17/2019	20-year	170	9/20/2039	0.3%	3,026.9	737.4	0.289%	0.286%	-	162.0	128.1
12/24/2019	2-year	408	1/1/2022	0.1%	7,762.9	1,656.0	▲0.095%	▲0.098%	-	343.5	257.7
1/7/2020	10-year	357	12/20/2029	0.1%	6,343.6	1,712.6	▲0.003%	▲0.005%	0.265	386.1	72.4
1/9/2020	30-year	65	12/20/2049	0.4%	2,087.2	571.0	0.433%	0.430%	-	128.0	0.0
1/15/2020	5-year	142	12/20/2024	0.1%	6,991.9	1,560.3	▲0.087%	▲0.087%	-	338.8	189.2
1/17/2020	20-year	171	12/20/2039	0.3%	2,818.5	736.3	0.305%	0.300%	-	162.8	0.0
1/28/2020	40-year	12	3/20/2059	0.5%	1,143.2	399.2	0.400%	-	-	-	5.0
1/30/2020	2-year	409	2/1/2022	0.1%	7,326.5	1,632.1	▲0.147%	▲0.147%	-	367.6	198.9

## Auction Results (Treasury Discount Bills)

(Until 31 January 2020)

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)
11/1/2019	3-month	867	2/10/2020	12,980.10	3,510.37	▲0.1579%	▲0.1700%	789.60
11/7/2019	6-month	868	5/11/2020	9,617.00	1,877.57	▲0.1462%	▲0.1563%	422.40
11/8/2019	3-month	869	2/17/2020	16,544.92	3,485.58	▲0.1451%	▲0.1492%	784.40
11/15/2019	3-month	870	2/25/2020	13,077.71	3,526.08	▲0.1989%	▲0.2137%	793.90
11/19/2019	1-year	871	11/20/2020	5,797.20	1,551.67	▲0.1911%	▲0.2000%	348.30
11/22/2019	3-month	872	3/2/2020	9,510.11	3,517.17	▲0.2103%	▲0.2263%	792.80
11/29/2019	3-month	873	3/9/2020	11,653.91	3,493.26	▲0.1507%	▲0.1783%	786.70
12/6/2019	3-month	874	3/16/2020	10,043.10	3,527.09	▲0.0986%	▲0.1187%	792.90
12/9/2019	6-month	875	6/10/2020	8,749.80	1,983.45	▲0.0996%	▲0.1036%	316.50
12/13/2019	3-month	876	3/23/2020	14,670.50	3,527.54	▲0.1154%	▲0.1284%	792.40
12/18/2019	1-year	877	12/21/2020	6,578.30	1,617.88	▲0.1053%	▲0.1172%	282.10
12/20/2019	3-month	878	3/30/2020	12,929.20	3,557.38	▲0.0893%	▲0.1061%	782.60
1/7/2020	3-month	879	4/6/2020	12,314.30	3,552.47	▲0.0984%	▲0.1086%	787.50
1/9/2020	6-month	880	7/10/2020	9,028.50	1,883.57	▲0.1162%	▲0.1182%	416.40
1/10/2020	3-month	881	4/13/2020	11,710.90	3,551.40	▲0.1074%	▲0.1175%	788.55
1/16/2020	1-year	882	1/20/2021	6,124.70	1,551.35	▲0.1215%	▲0.1254%	348.60
1/17/2020	3-month	883	4/20/2020	12,755.50	3,552.41	▲0.1122%	▲0.1170%	787.50
1/24/2020	3-month	884	4/27/2020	12,048.70	3,541.44	▲0.1162%	▲0.1222%	798.50
1/31/2020	3-month	885	5/7/2020	12,352.70	3,662.84	▲0.1203%	▲0.1257%	777.10

## Auction Calendar for Feb. 2020 – Apr. 2020

Auction Date	Issue	Auction Date	Issue	Auction Date	Issue	Auction Date	Issue
2/4(Tue)	10-year	2/28(Fri)	T-Bills (3-month)	3/24(Tue)	Liquidity Enhancement Auction (remaining maturities of 1-5 years)	4/16(Thu)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)
2/6(Thu)	T-Bills (6-month)	2/28(Fri)	2-year	3/26(Thu)	40-year	4/17(Fri)	T-Bills (3-month)
2/6(Thu)	30-year	3/3(Tue)	10-year	3/27(Fri)	T-Bills (3-month)	4/21(Tue)	20-year
2/7(Fri)	T-Bills (3-month)	3/5(Thu)	30-year	3/31(The)	2-year	4/23(Thu)	2-year
2/12(Wed)	10-year Inflation-Indexed Bonds	3/6(Fri)	T-Bills (3-month)	4/2(Thu)	10-year	4/24(Fri)	T-Bills (3-month)
2/14(Fri)	T-Bills (3-month)	3/9(Mon)	T-Bills (6-month)	4/3(Fri)	T-Bills (3-month)		
2/14(Fri)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)	3/10(Tue)	5-year	4/7(Tue)	30-year		
2/18(Tue)	5-year	3/12(Thu)	20-year	4/9(Thu)	T-Bills (6-month)		
2/19(Wed)	T-Bills (1-year)	3/13(Fri)	T-Bills (3-month)	4/9(Thu)	5-year		
2/20(Thu)	20-year	3/16(Mon)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)	4/10(Fri)	T-Bills (3-month)		
2/21(Fri)	T-Bills (3-month)	3/17(Tue)	T-Bills (1-year)	4/14(Tue)	Liquidity Enhancement Auction (remaining maturities of 15.5-39 years)		
2/26(Wed)	Liquidity Enhancement Auction (remaining maturities of 15.5-39 years)	3/18(Wed)	T-Bills (3-month)	4/16(Thu)	T-Bills (1-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.

### Top 10 PDs for Successful Bids in Auctions (Calculated by Duration) (Jul.~Dec. 2019)

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

### Top 5 PDs for Successful Bids of Inflation-Indexed Bond (FY2018)

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

# Liquidity Enhancement Auctions and JGB Buy-Back

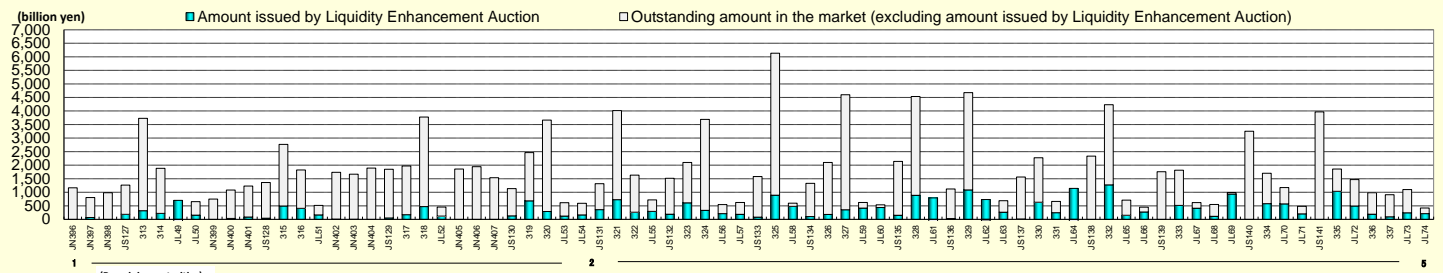
## Results of Liquidity Enhancement Auctions

(Until 31 January 2020)

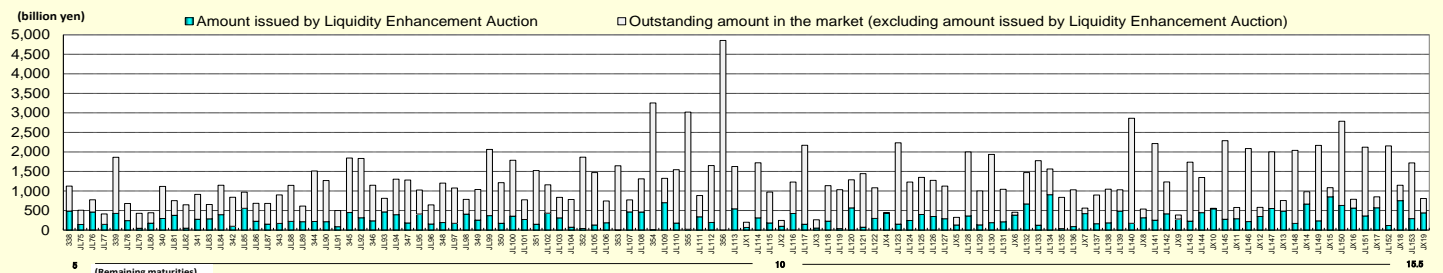
Auction Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Average Accepted Spread	Highest Accepted Spread	Issues Re-opened
11/18/2019	1,534.4	398.0	▲0.009%	▲0.007%	2-year(394, 398) 5-year(129, 130, 131, 132, 133, 134, 135, 136) 10-year(316, 317, 318, 321, 322, 323, 324, 325, 328, 329, 332, 333, 334, 335) 20-year(48, 50, 53, 54, 55, 56, 61, 64, 65, 70, 71, 72)
11/22/2019	1,422.0	599.7	0.030%	0.035%	10-year(336, 337, 338, 339, 340, 342, 345, 347, 349) 20-year(76, 77, 81, 82, 83, 84, 88, 93, 94, 99, 100, 106, 107, 109, 110, 111, 112, 113, 115, 116, 117, 118, 121, 122, 123, 124, 125, 126, 127, 128, 129, 132, 135, 136, 137, 140, 144, 146, 147, 148, 149, 151, 152) 30-year(2, 4, 5, 7, 8, 9, 10, 13, 17, 18)
12/12/2019	1,280.4	499.1	▲0.005%	0.000%	20-year(154, 155, 156, 158, 160, 163, 164, 165, 167, 169) 30-year(20, 23, 25, 26, 27, 28, 29, 30, 31, 32, 38, 39, 41, 43, 46, 48, 59) 40-year(7, 9, 10, 11)
12/20/2019	1,519.7	599.0	0.013%	0.018%	10-year(336, 338, 339, 340, 341, 343, 354, 355) 20-year(88, 102, 113, 114, 115, 117, 118, 122, 124, 125, 126, 127, 128, 129, 133, 144, 146, 147, 149, 150, 151, 152) 30-year(1, 12, 13)
1/22/2020	1,774.2	597.2	0.000%	0.002%	10-year(338, 339, 343, 345, 347, 356) 20-year(80, 87, 92, 93, 94, 95, 96, 97, 98, 99, 100, 102, 103, 105, 107, 108, 112, 113, 114, 116, 118, 119, 120, 121, 122, 125, 126, 127, 131, 133, 137, 138, 139, 149, 150, 152) 30-year(13)
1/24/2020	1,621.9	398.9	▲0.001%	0.001%	2-year(398, 405) 5-year(130, 131, 133, 134, 135, 136, 137, 138) 10-year(318, 320, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333) 20-year(54, 55, 56, 58, 59, 60, 61, 63, 64, 66, 70)

## Target Zones of Liquidity Enhancement Auctions for the Fourth Quarter of FY 2019

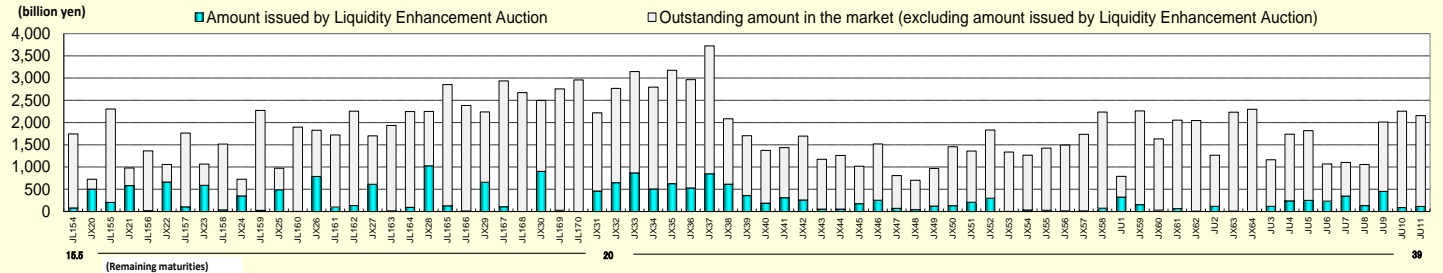
① Remaining maturity : approx. 1 - ~5 - year



② Remaining maturity : approx. 5 - ~15.5 - year



③ Remaining maturity : approx. 15.5 - ~39 - year



Note1 : JN shows 2 - year JGBs. JS shows 5 - year JGBs. JL shows 20 - year JGBs. JX shows 30 - year JGBs. JU shows 40 - year JGBs. Outstanding amount is as of the end of December 2019.

Note2 : All issues in the graph above will be eligible afterward.

## Buy-Back Results

(Until 31 January 2020)

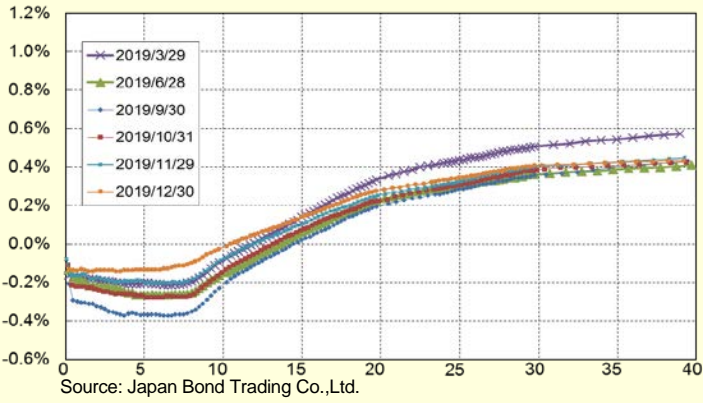
### 10-year Inflation-Indexed

Auction Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Average Accepted Spread (yen)	Highest Accepted Spread (yen)	Issue Numbers
10/16/2019	99.4	20.3	▲0.134	▲0.11	18, 19, 20, 21, 22, 24
11/15/2019	98.0	20.1	0.027	0.08	17, 19, 20, 21, 22, 24
12/18/2019	85.9	20.1	▲0.083	▲0.08	17, 22, 24
1/16/2020	132.9	20.1	▲0.012	0.01	17, 19, 23, 24

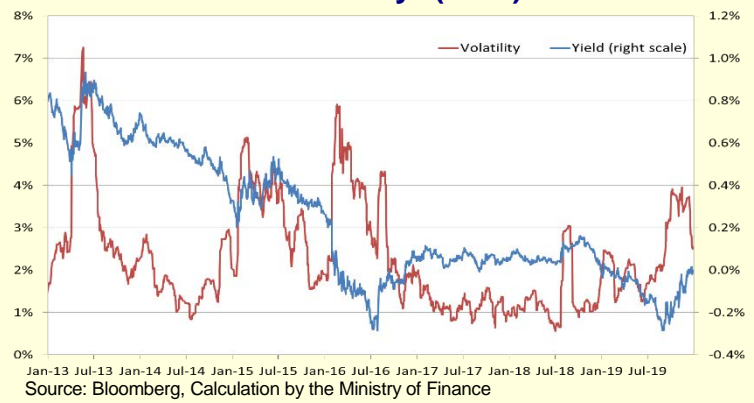


# JGB Secondary Market

## JGB Yield Curves



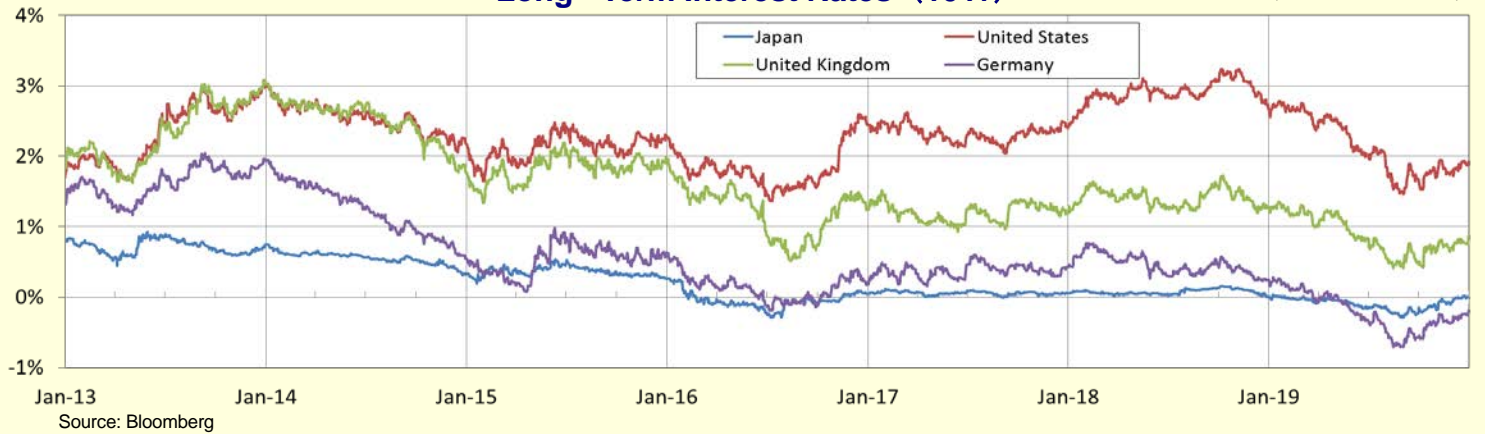
## Yield and Volatility (10Yr)



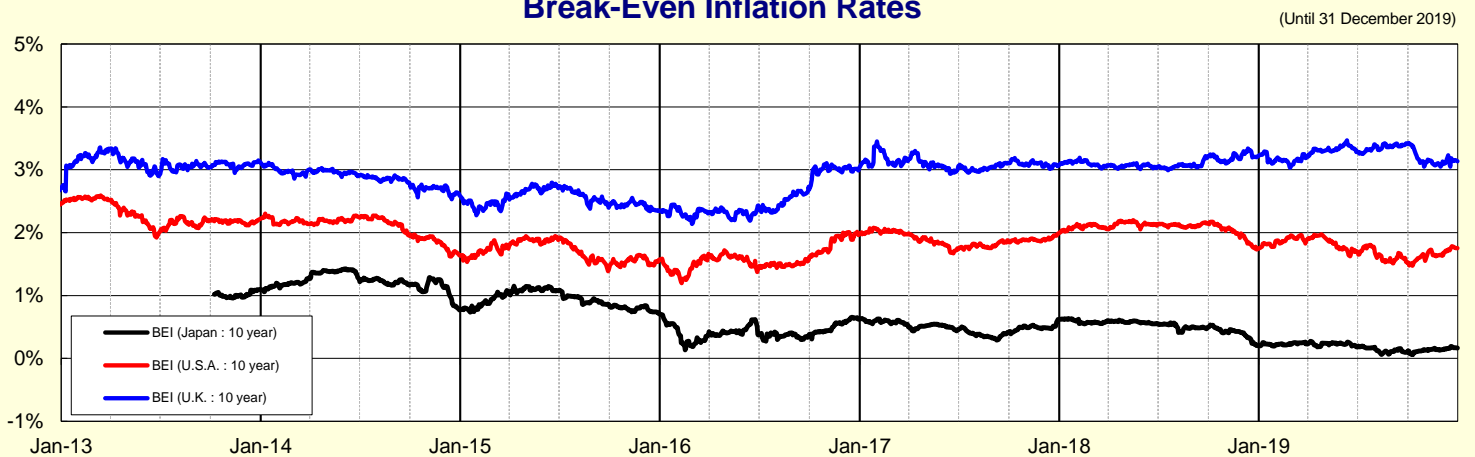
## Yields of JGB



## Long - Term Interest Rates (10Yr)

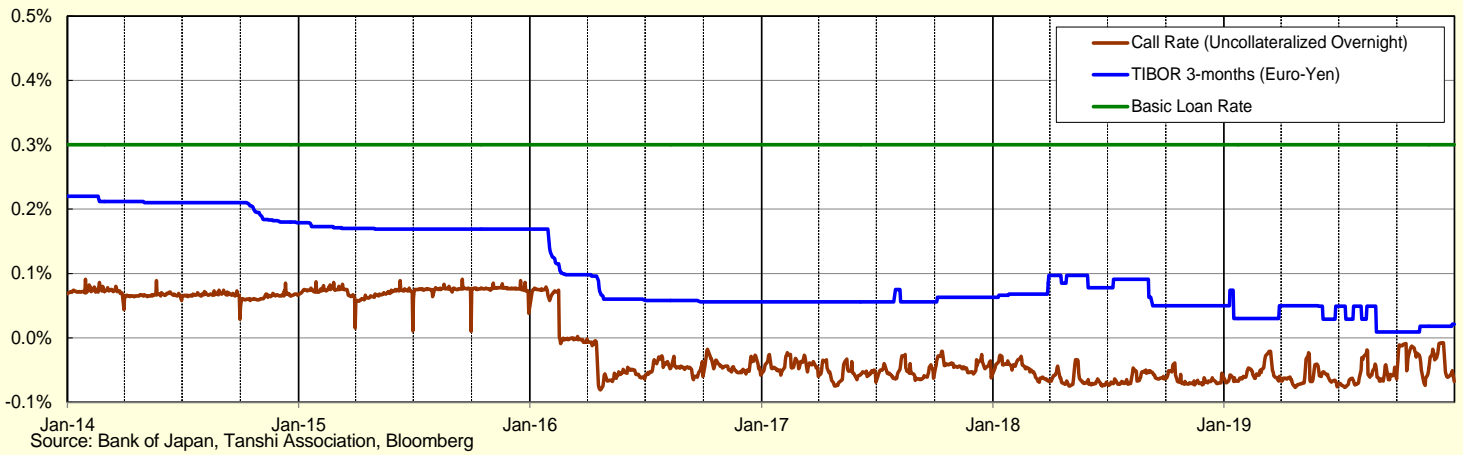


## Break-Even Inflation Rates



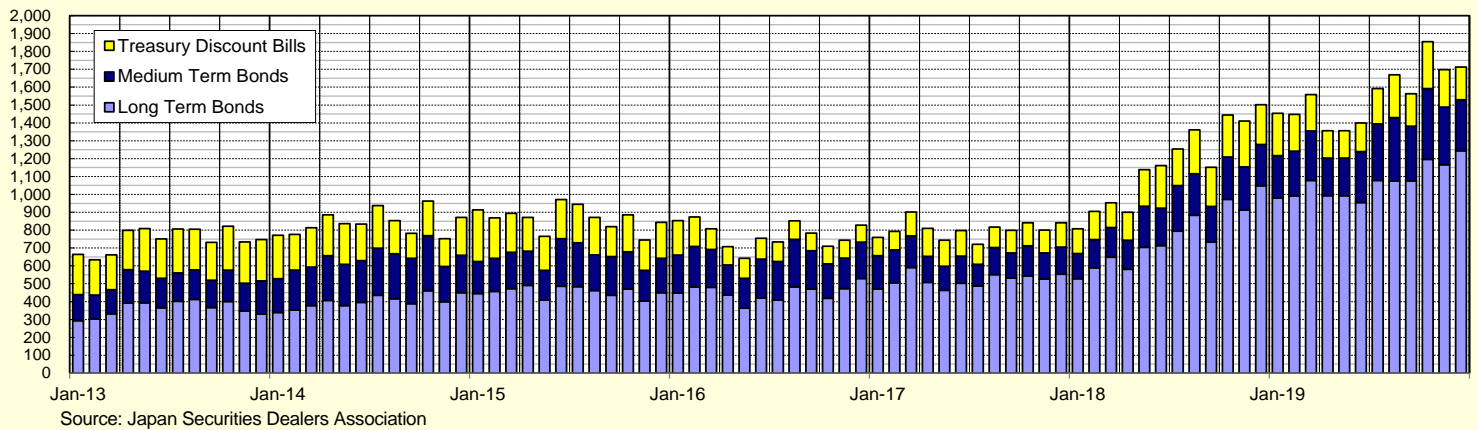
## Short-Term Interest Rates

(Until 31 December 2019)



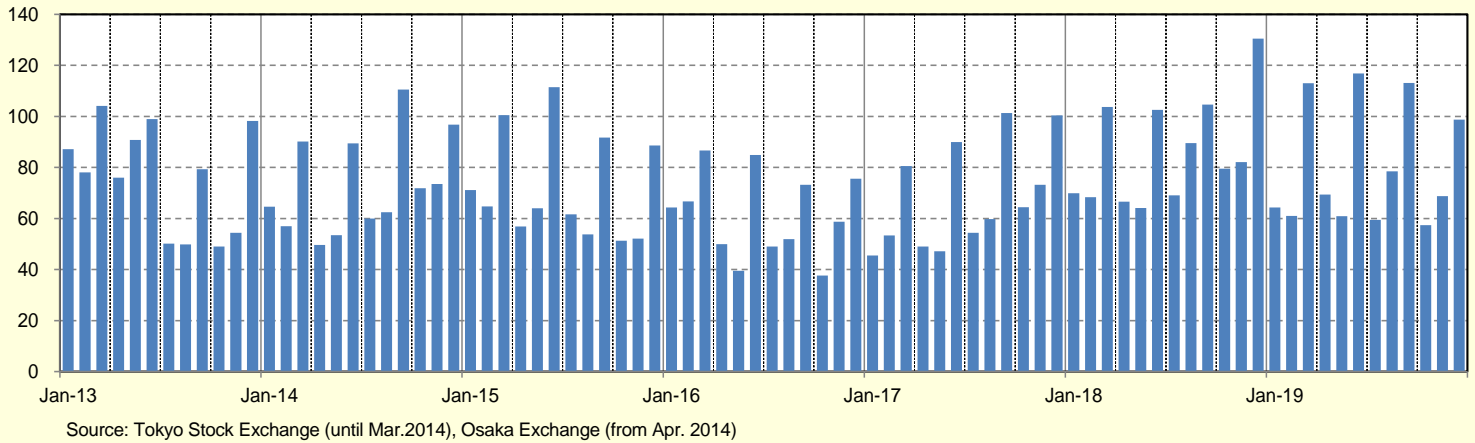
## JGB Over-the-Counter Trading Volume (TOKYO)

(trillion yen)



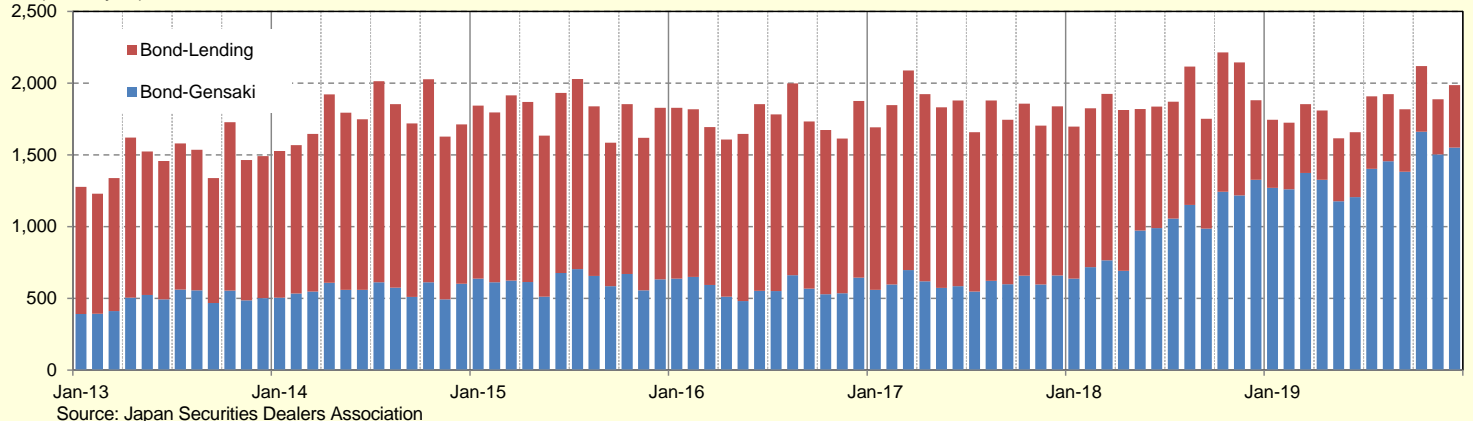
## Trading Volume of 10-Year JGB Futures

(trillion yen)



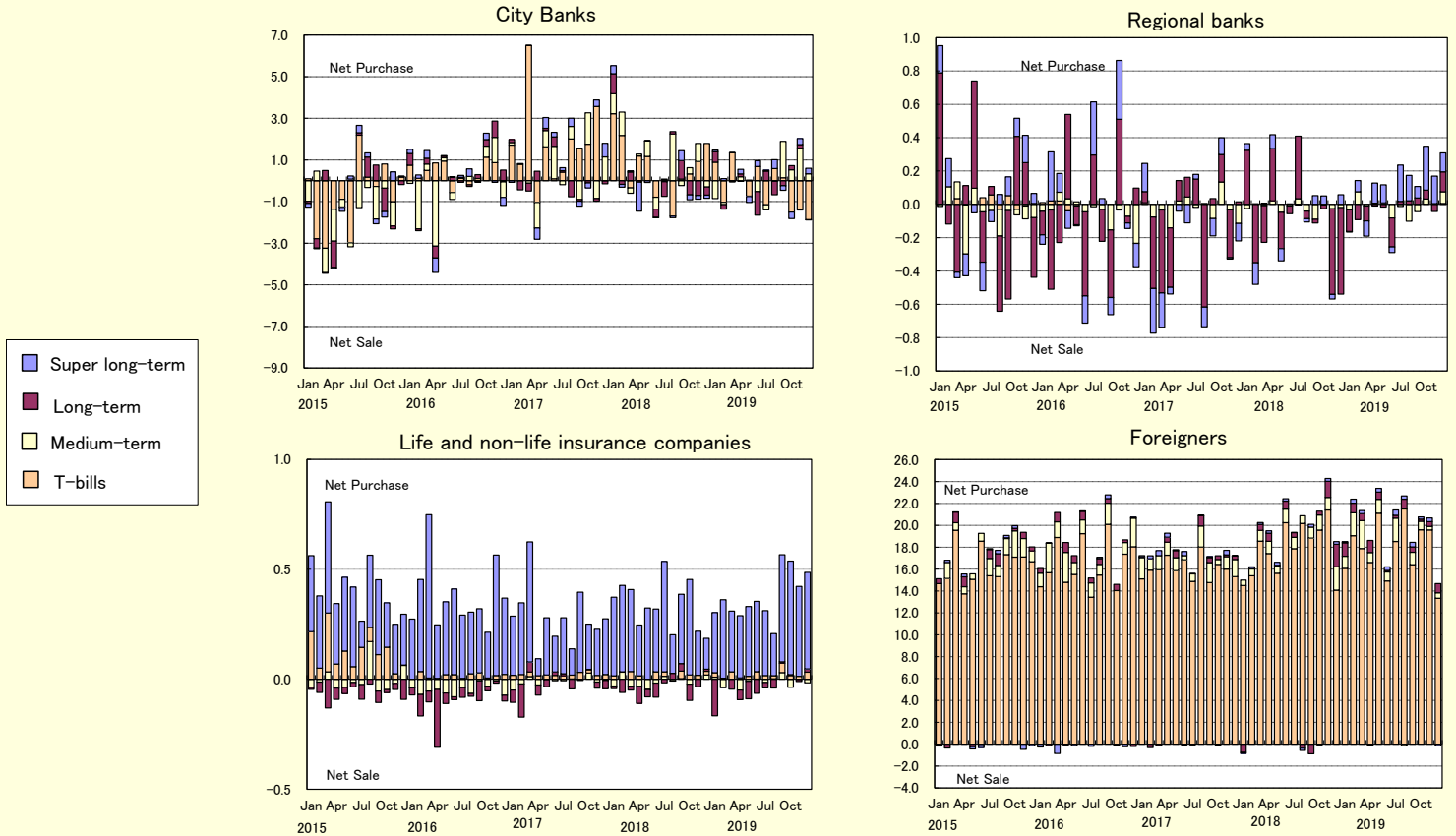
## Repurchase Transactions

(trillion yen)



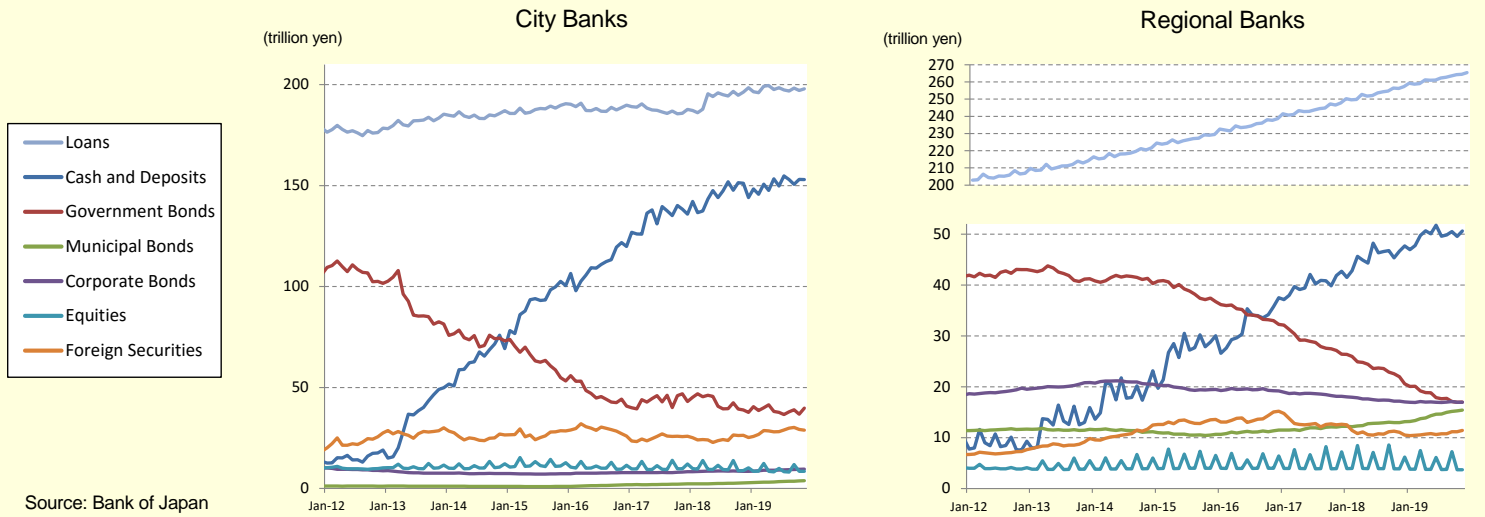
# Investor Trends and JGB Outstanding

## Trends in JGBs Transactions (by investor type)



Source: Japan Securities Dealers Association

## Trends in Bank Assets by Types

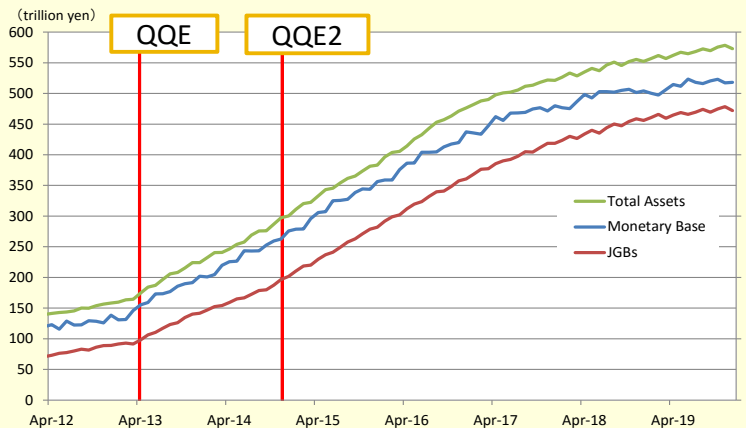


Source: Bank of Japan

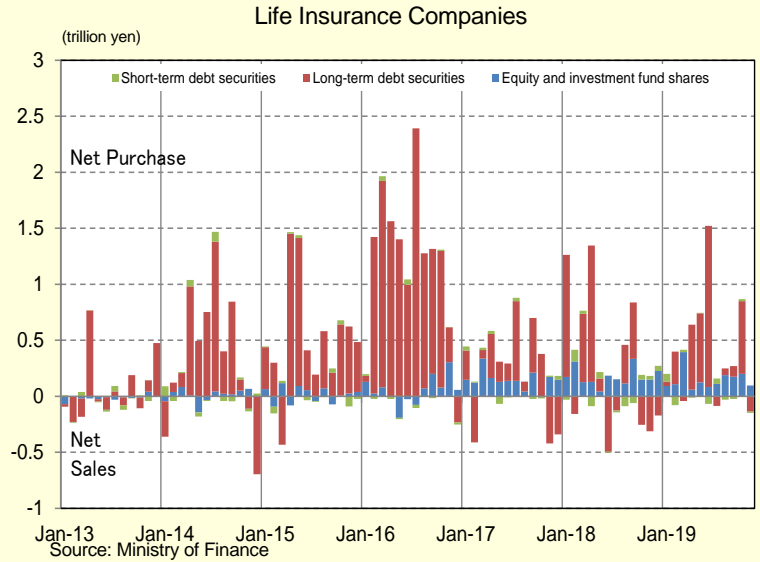
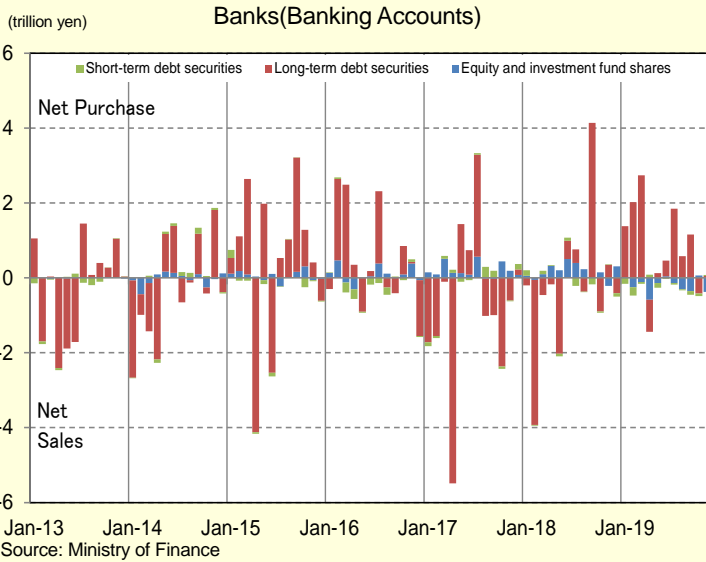
## BOJ Trends

	Apr 2013 (Actual)	Dec 2019 (Actual)
Monetary Base	155	518
JGBs	98	472
CP	1.4	2.2
Corporate Bonds	2.9	3.2
ETFs	1.7	28.3
J-REITs	0.13	0.55
<b>Total Assets</b>	<b>175</b>	<b>573</b>

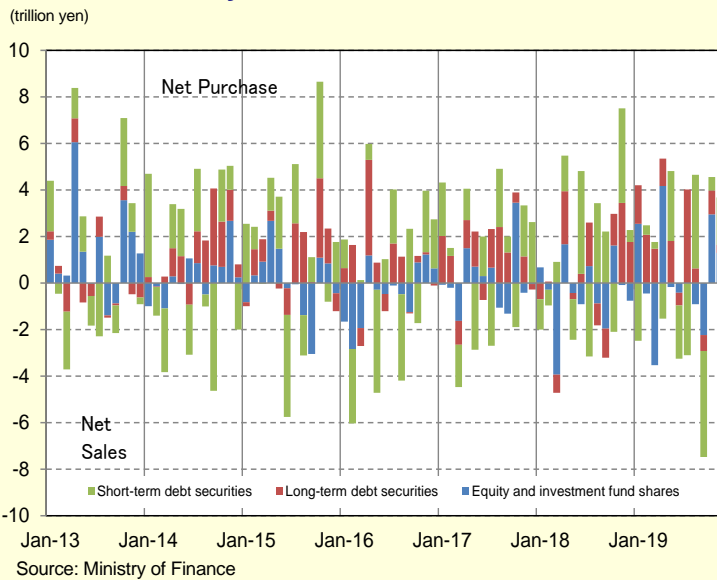
Source: Bank of Japan



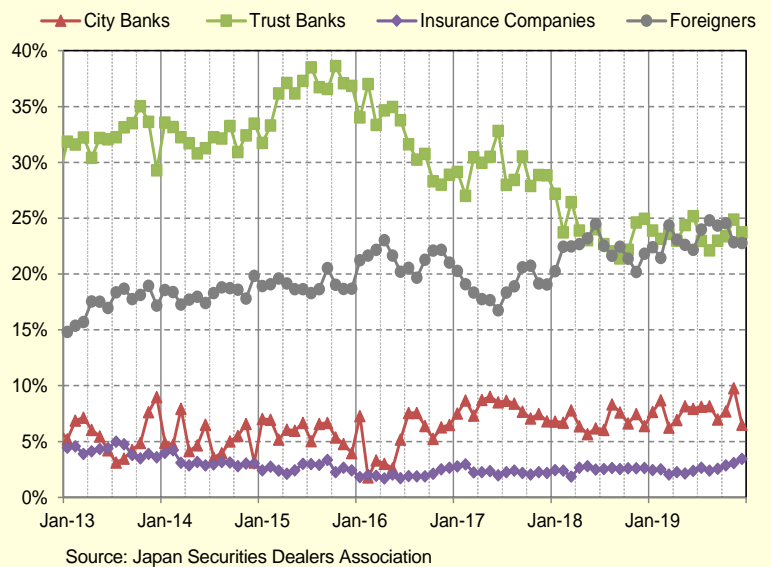
## Transactions of Foreign Securities by Residents (by Investor types)



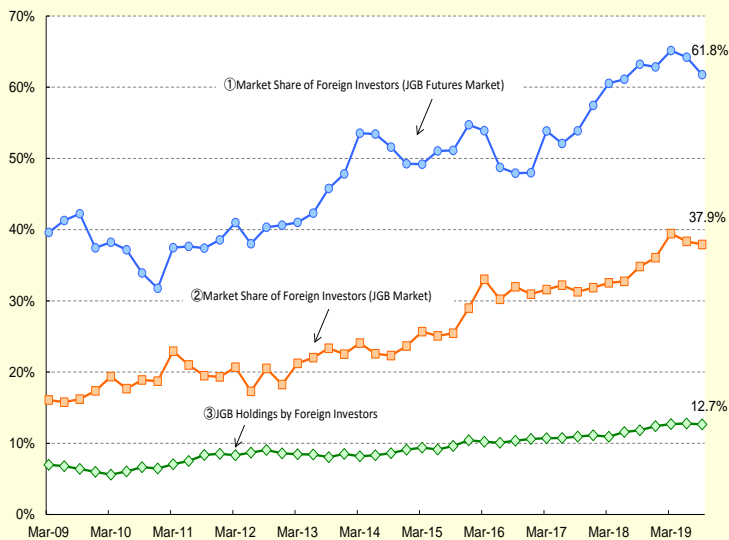
## Transactions of Domestic Securities by Non-Residents



## Outstanding of Repurchase Agreements (by Investor types)

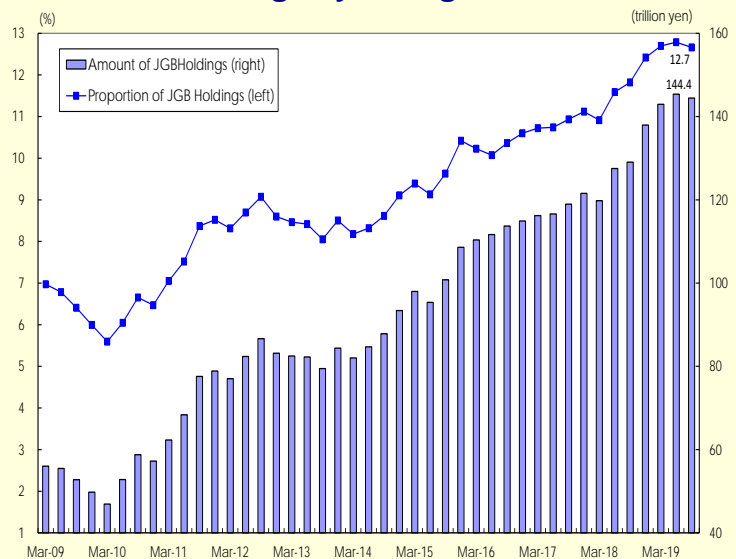


## Foreign Investors Presence



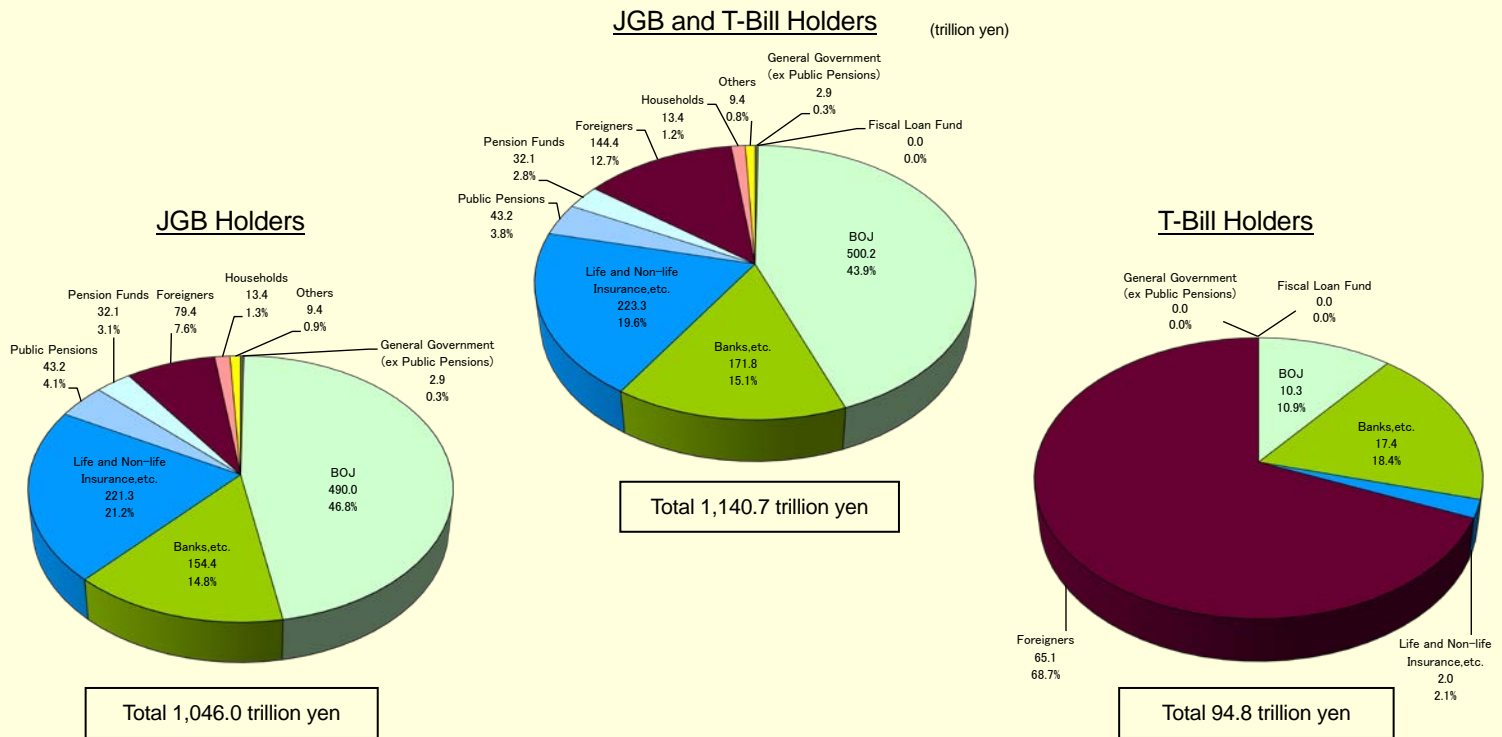
Note.1: Quarterly basis.  
 Note.2: "JGB" includes T-Bills. The figures of ② excludes dealers' transactions.  
 Source: Bank of Japan, Japan Securities Dealers Association, Tokyo Stock Exchange, Osaka Exchange

## JGBs Holdings by Foreign Investors



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

# Breakdown by JGB and T-Bill Holders (The end of Sep. 2019 QE)



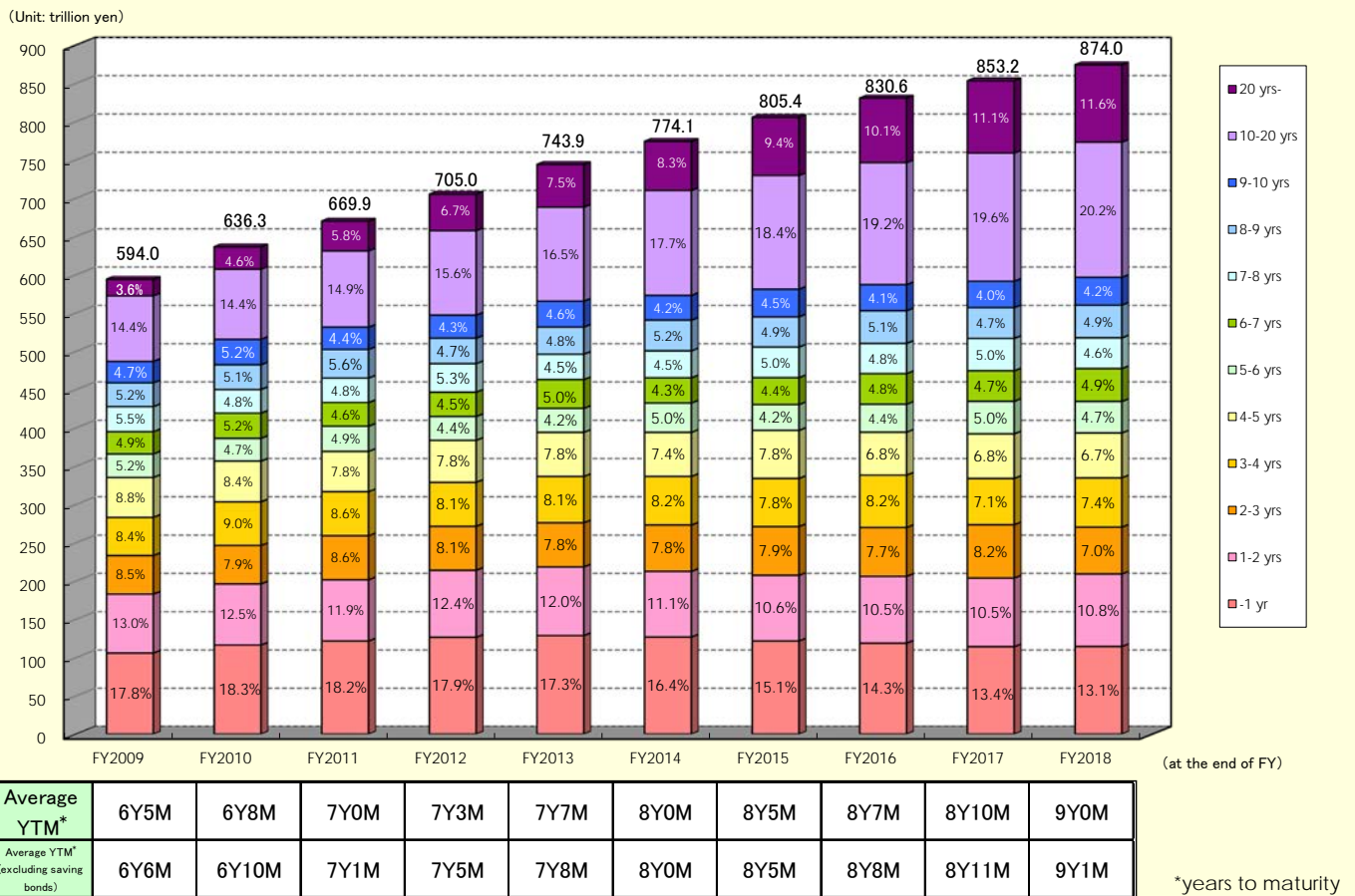
Source: Bank of Japan "Flow of Funds Accounts (Preliminary Figures)"

Note1: "JGB" includes "FILP Bonds."

Note2: "Banks, etc." includes "Japan Post Bank", "Securities investment trust" and "Securities companies."

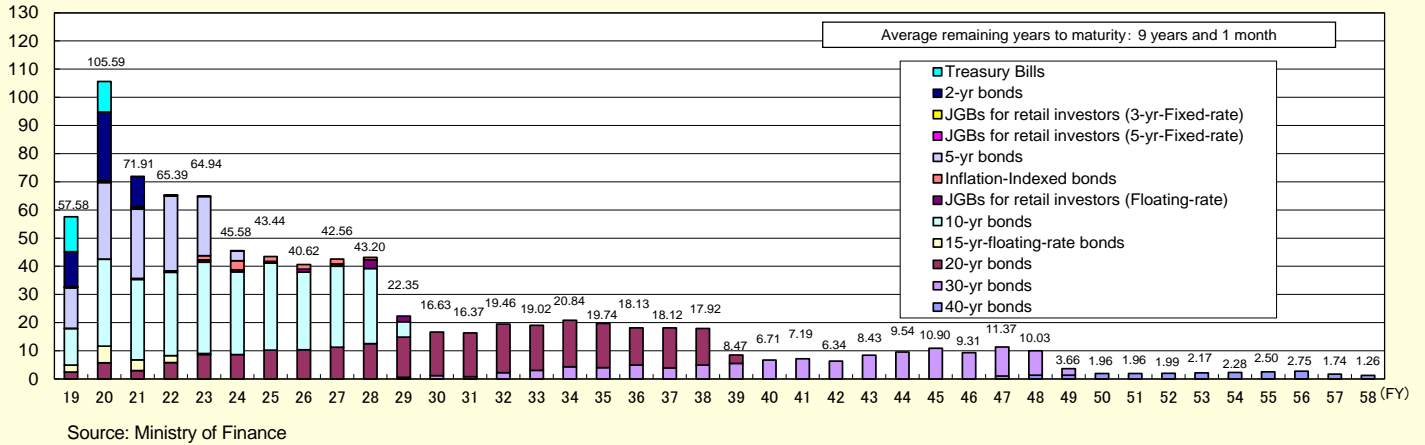
Note3: "Life and Non-life insurance, etc." includes "Japan Post Insurance."

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



## Time-to-Maturity Structure of Outstanding JGB (Sep. 2019)

(trillion yen)



## Scheduled redemption of JGB at maturity in February, 2020

(billion yen)

Types	The amount of redemption at maturity	Scheduled redemption date
2-Year Bonds	2,395.3	February 15
Treasury Bills	1,800.0	February 20
Total	4,195.3	

Note.1: The figures are based on the outstanding JGBs at the end of December, 2019.

Note.2: The figures are the scheduled redemption at maturity and may be different from the actual redemption due to Buy-back of JGBs.

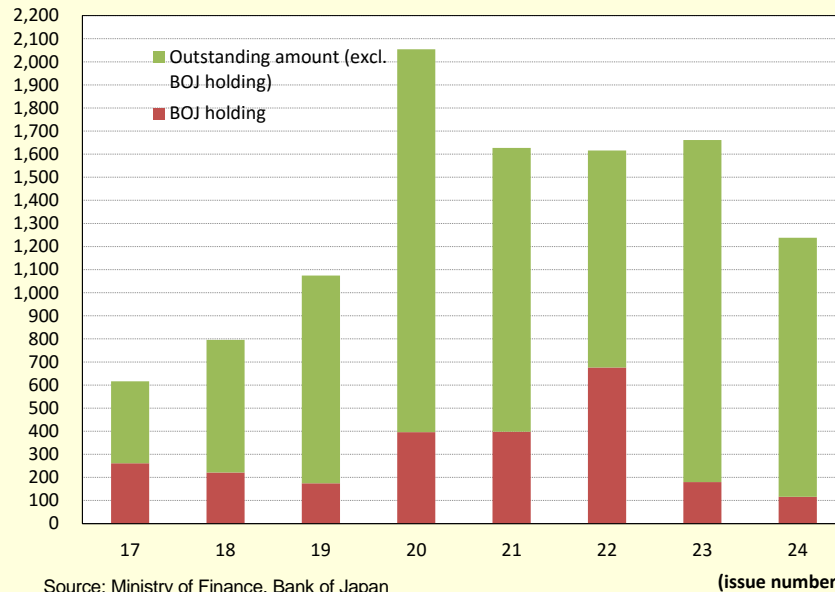
Note.3: The figures do not include "JGB for Retail Investors".

Note.4: If the redemption date coincides with bank holiday, the payment of redemption is carried out on the following business day.

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

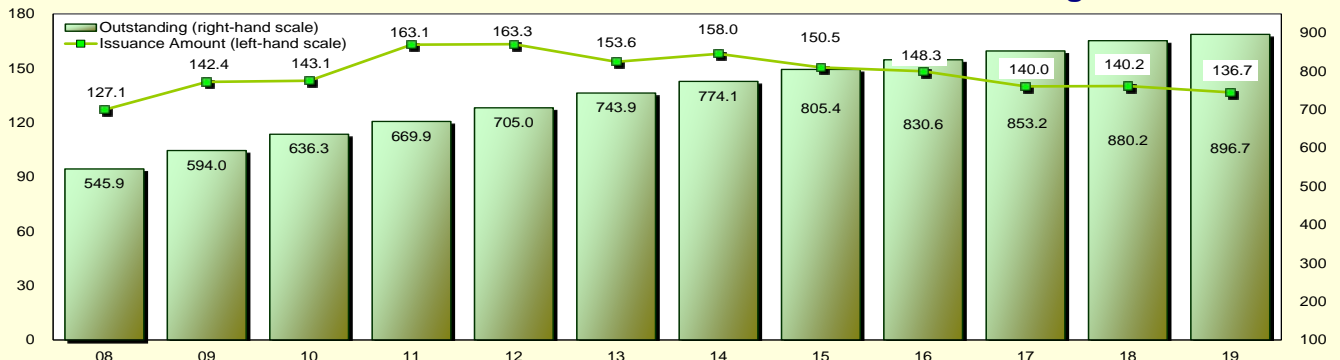
## Market-held Balance of the Inflation-Indexed Bonds (as of the end of December, 2019)

(billion yen)



(trillion yen)

## General Bonds Issuance Amount and Outstanding



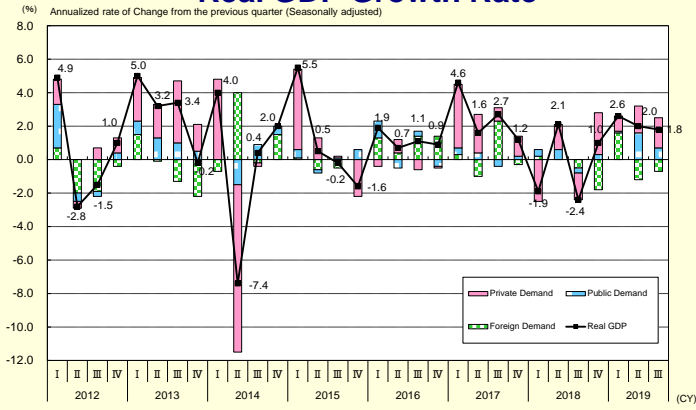
Note 1: Issuance Amount: revenue basis, FY2008-2017: Actual, FY2018: Supplementary budget, FY2019: Initial budget

Note 2: Outstanding: nominal basis, FY2008-2017: Actual, FY2018 Supplementary budget, FY2019: Initial budget

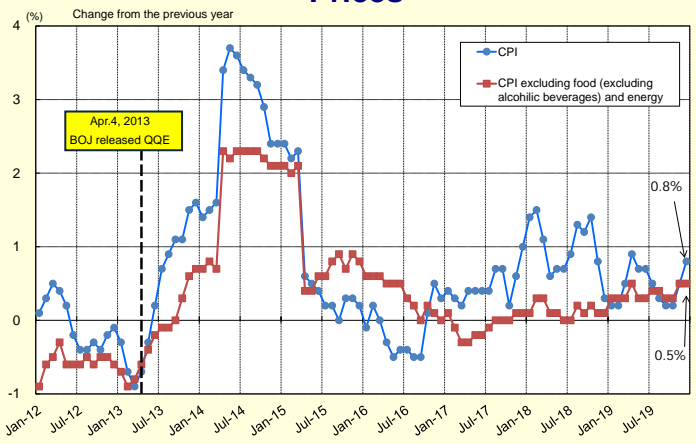
Source: Ministry of Finance

# Economic and Financial Trends

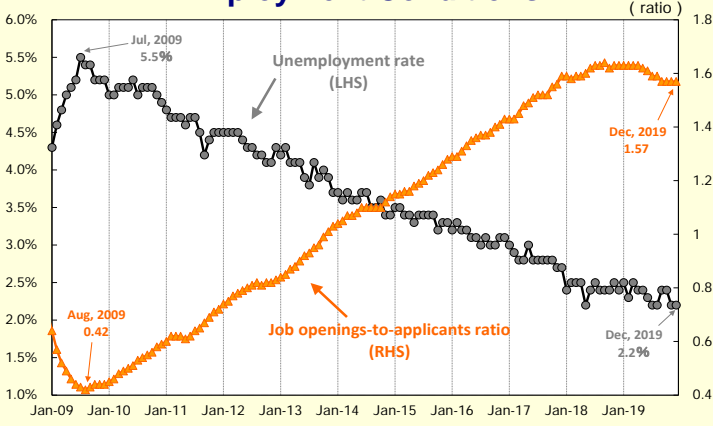
## Real GDP Growth Rate



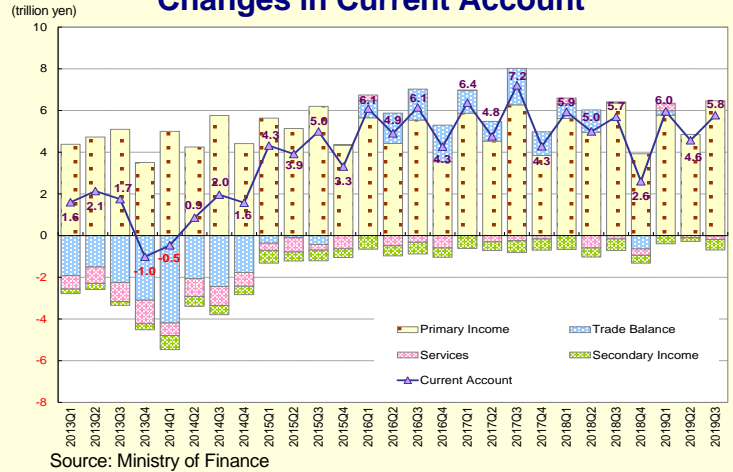
## Prices



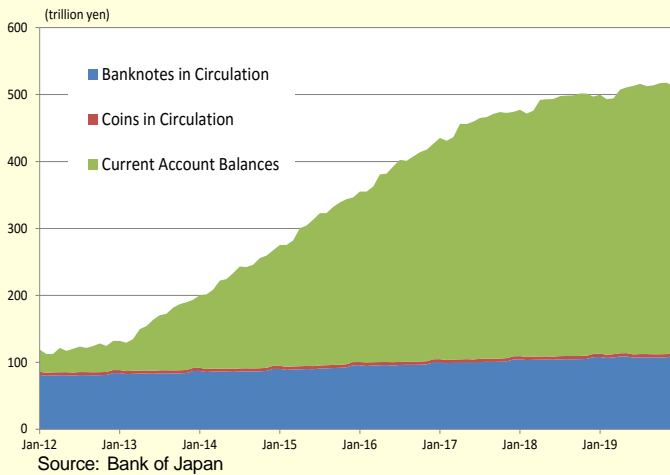
## Employment Conditions



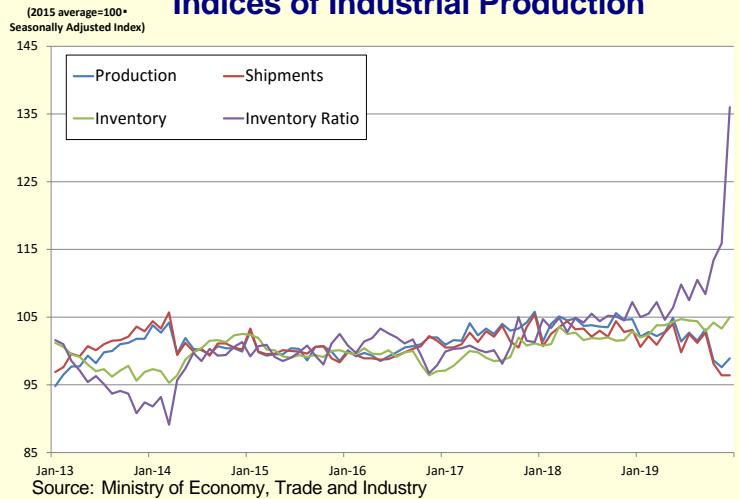
## Changes in Current Account



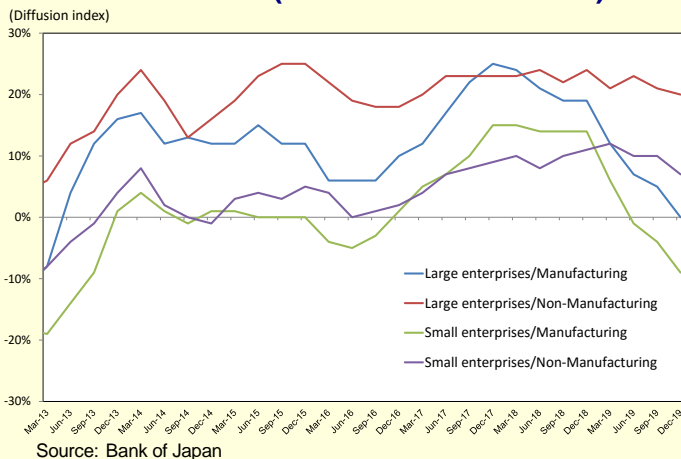
## Monetary Base



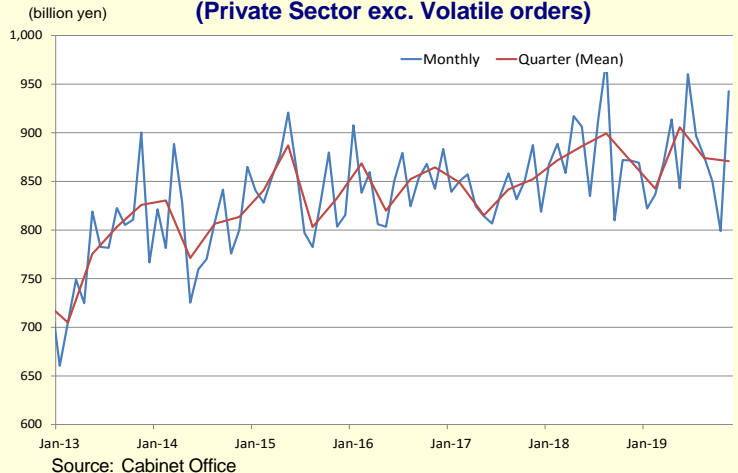
## Indices of Industrial Production



## TANKAN (Business Conditions)



## Total Value of Machinery Orders (Private Sector ex. Volatile orders)



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

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Web: <https://www.mof.go.jp/>