

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: Issuance Amount of JGBs for Retail Investors** p. 2-3

- ✓ On March 4, the Ministry of Finance announced the monthly issuance amount in March of JGBs for Retail Investors.

#### **Q&A: Average maturity of JGBs** p. 4-5

- ✓ Kokusai Sensei explains MOF's current thoughts toward the average maturity of JGBs.

#### **Monthly Topics: GDP and Economic and Fiscal Projections** p. 6-8

- ✓ The second preliminary GDP estimates (Oct.-Dec. 2020) were released on March 9. Real GDP expanded by 2.8% (annual rate 11.7%) on a quarter-to-quarter basis.
- ✓ English version Executive Summary of "Economic and Fiscal Projections for Medium to Long Term Analysis" published by the Cabinet Office is now available online.

#### **IR Office: IR activities in February** p. 9

- ✓ From February to early March, we conducted our fifth virtual IR activities and held virtual meetings with investors in the United States.

#### **Statistics**

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**The Ministry of Finance**

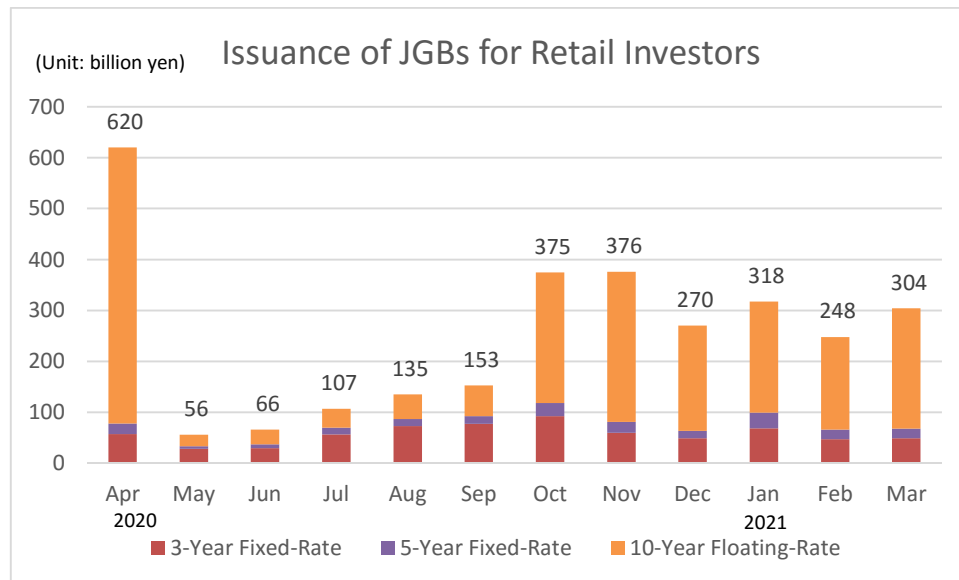
[www.mof.go.jp](http://www.mof.go.jp)

# What's New

## Issuance Amount of JGBs for Retail Investors (As of March 2021)

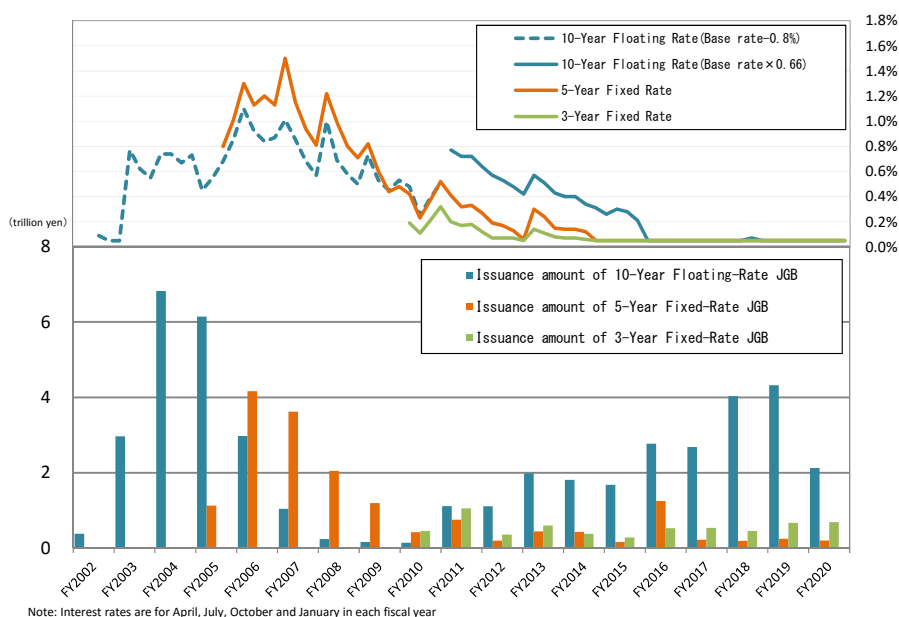
On March 4, the Ministry of Finance announced the monthly issuance amount in March of JGBs for Retail Investors. Consequently, the annual issuance amount in FY2020 reached approximately 3.0 trillion yen.

In the first half of FY2020, the issuance amount remained at a lower level. This was in part due to refraining from going out to prevent COVID-19 infection, according to the handling institutions. In contrast, in the second half of FY2020, the monthly issuance amount rebounded to around 300 billion yen as shown in the figure below.

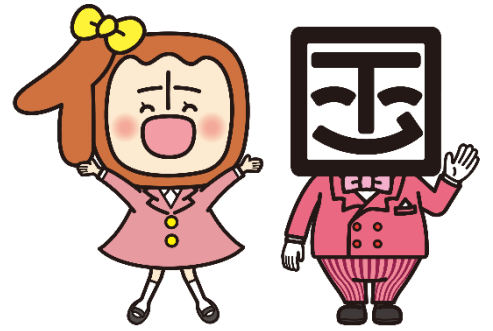


Since the introduction of 10-Year Floating-Rate Bonds for Retail Investors in March 2003, the government has encouraged retail investors to hold JGBs, and introduced 5-Year Fixed-Rate Bonds for Retail Investors in January 2006 and 3-Year Fixed-Rate Bonds for Retail Investors in July 2010.

The issuance amount of JGBs for Retail Investors had been on a downward trend since FY2005; however, the trend turned around in FY2010 and the issuance amount has been recovering since then as shown in the figure below.



The government continues to promote public relations with “Kokochan” and “Kokusai Sensei” and to encourage public awareness of JGBs for Retail Investors.



For more detailed information on the past issuance amount until FY2019, please refer to sheet (7) of the spreadsheet at the following link.

[https://www.mof.go.jp/english/jgbs/publication/debt\\_management\\_report/2020/esaimu2020-3-1.xlsx](https://www.mof.go.jp/english/jgbs/publication/debt_management_report/2020/esaimu2020-3-1.xlsx)

## Q&A: Average maturity of JGBs



Kokusai Sensei

Today, I would like to touch on this topic again (previously on June 2020), as we have received questions on this topic from various investors after the announcement of the Supplementary Budgets in FY2020.

**Q. Given that there was a large amount of additional JGB issuances especially in the short-term zone to finance the supplementary budgets for FY2020, what is your current attitude toward the average maturity of JGBs?**

A. The average maturity of JGBs on a flow basis fell to 6 years and 10 months as a result of additional JGB issuances in a broad range of tenors, especially in the short-term zone (below 1 year.) This additional JGB issuances resulted from the market demands for JGBs at that time when the government needed to finance large amounts of the supplementary budgets for FY2020.

Thus, we think it is necessary to normalize this shortened average maturity in the future by prioritizing the reduction of short-term bonds which have been heavily issuing, also from the point of view that the government should restrain the issuance of JGBs in the medium- to long-term.

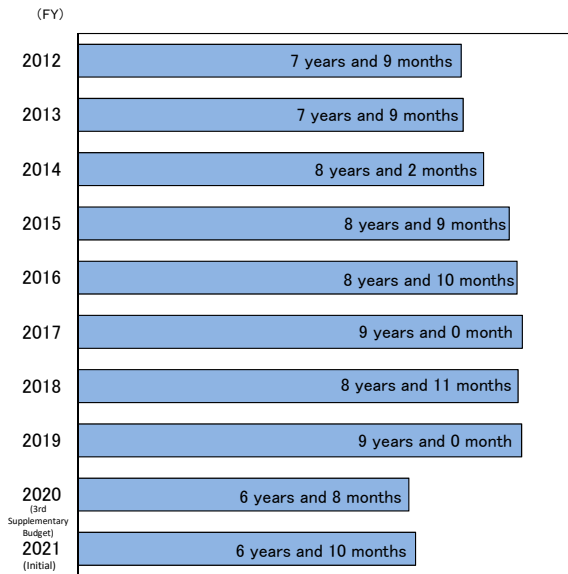
Based on our thinking above, we have announced

- the issuance amount increase of 40-Year Bonds for which the market showed strong demand, and
- the issuance amount reduction of the short-term bonds, to the extent possible in the JGB issuance plan for FY2021.

Meanwhile, although, as we explained above, we currently have an issuance plan to normalize the rapidly shortened average maturity, we do not always stick to the extension of the flow basis average maturity. Our basic approach toward debt management has not changed. In other words, we formulate the JGB issuance plan while paying close attention to the market needs that we have been made aware of through various meetings, the structure of the JGB investor base and major investors' debt mix, and assessing a proper level for the stock-basis average maturity.

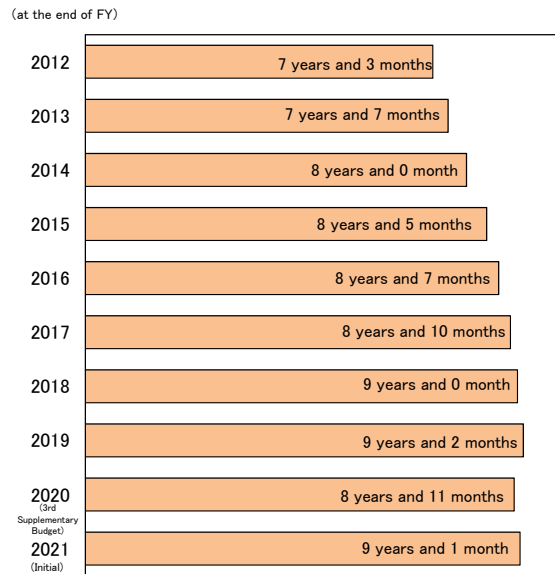
## [Average maturity of JGBs]

### Market issuance (flow-basis)



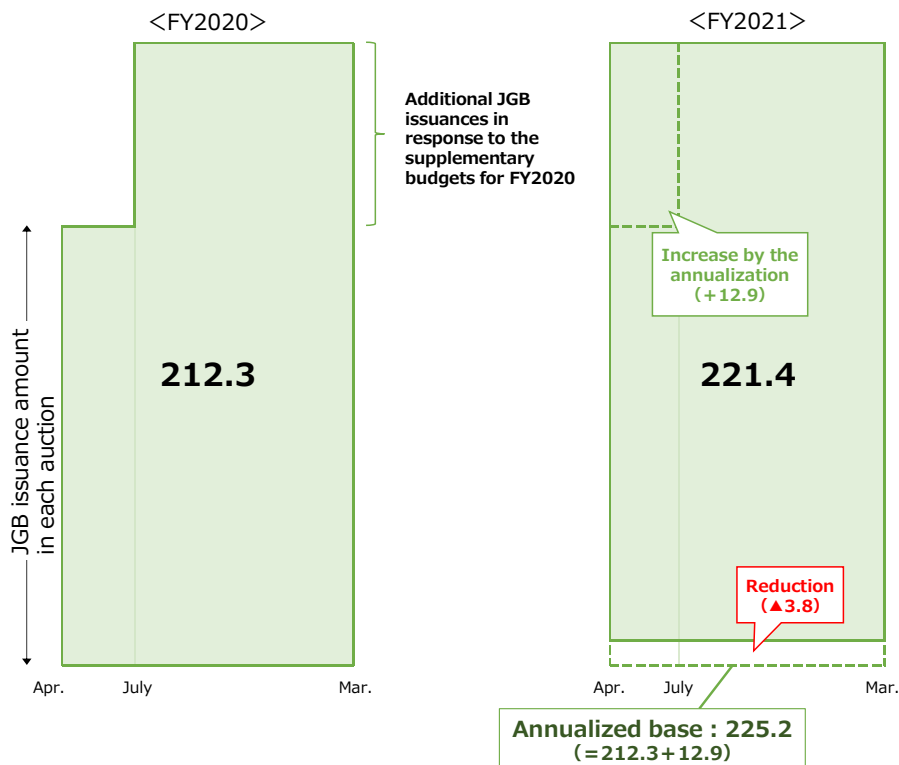
(Note) Up to FY2019: Actual figures  
 FY2020: Estimate based on the JGB Issuance Plan for FY2020 (third supplementary budget)  
 FY2021: Estimate by adding calendar base issuance amount of the JGB Issuance Plan for FY2021 (Initial)

### Outstanding amount (stock-basis)



(Note 1) Outstanding amount of general bonds  
 (Note 2) Up to FY2019: Actual figures  
 FY2020: Estimate based on the JGB Issuance Plan for FY2020 (third supplementary budget), including 43 trillion yen of front-loading refunding bonds  
 FY2021: Estimate by adding calendar base issuance amount of the JGB Issuance Plan for FY2021 (Initial)

## [Image of the impact of annualization]



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)

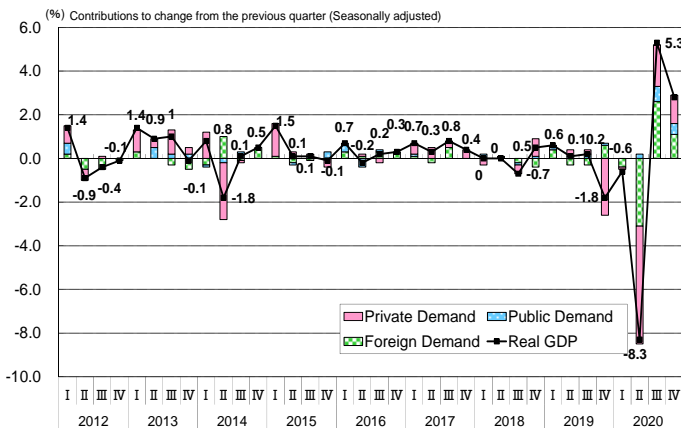
# Monthly Topics

## 1. Quarterly Estimates of GDP Oct.–Dec. 2020

The second preliminary GDP estimates (Oct.–Dec. 2020) were released on March 9. Real GDP expanded by 2.8% (annual rate 11.7%) on a quarter-to-quarter basis. This was mainly due to a 1.2%-point contribution from the increase in Private Consumption. In addition, there was also a 1.1%-point contribution from External Demand, 0.7% points from Private Non-Residential Investment and 0.4% points from Government Consumption, while there was a 0.6%-point negative contribution from Change in Private Inventories.

Both Private and Public Demand overall increased by 1.7% on a quarter-to-quarter basis.

### Development of Real GDP (Quarterly, seasonally adjusted series)



(Source) Cabinet Office

	Note1				Note2	
	2019 10~12	2020 1~3	2020 4~6	2020 7~9	2020 10~12	2020 10~12
Gross Domestic Product	-1.8	-0.6	-8.3	5.3	2.8	11.7
Domestic Demand	(-2.5)	(-0.2)	(-5.2)	(2.6)	1.7	7.1
Private Demand	-3.4	-0.2	-7.2	2.6	1.7	7.2
Private Consumption	-3.1	-0.6	-8.4	5.1	2.2	9.0
Consumption of Households	-3.3	-0.7	-8.7	5.1	2.2	9.0
Excluding Imputed Rent	-3.9	-0.9	-10.5	6.3	2.6	11.0
Private Residential Investment	-1.9	-3.7	0.5	-5.7	0.0	0.2
Private Non-Resi. Investment	-4.5	1.4	-5.9	-2.4	4.3	18.2
Change in Private Inventories	(-0.1)	(0.1)	(0.1)	(-0.2)	***	(-0.6)
Public Demand	0.5	-0.2	0.6	2.5	1.7	7.1
Government Consumption	0.4	-0.3	0.2	2.9	1.8	7.6
Public Investment	0.6	0.1	2.2	0.9	1.5	6.1
Change in Public Inventories	(0.0)	(0.0)	(-0.0)	(0.0)	***	(-0.0)
Net Exports of Goods & Services	(0.6)	(-0.4)	(-3.1)	(2.6)	***	(1.1)

Note1: Change from the previous quarter (seasonally adjusted)

Note2: Annual rate

Note3: The Figures in ( ) indicate contributions to Changes in GDP.

(Source) Cabinet Office

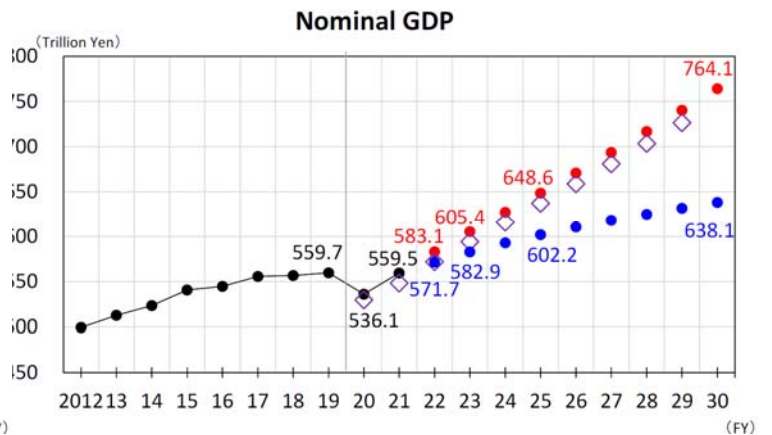
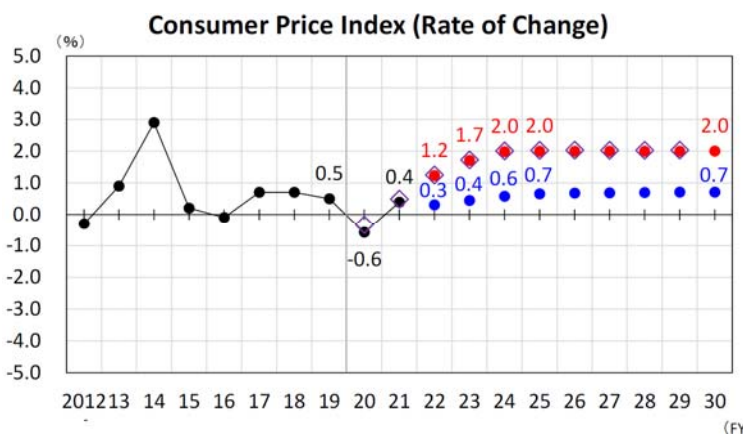
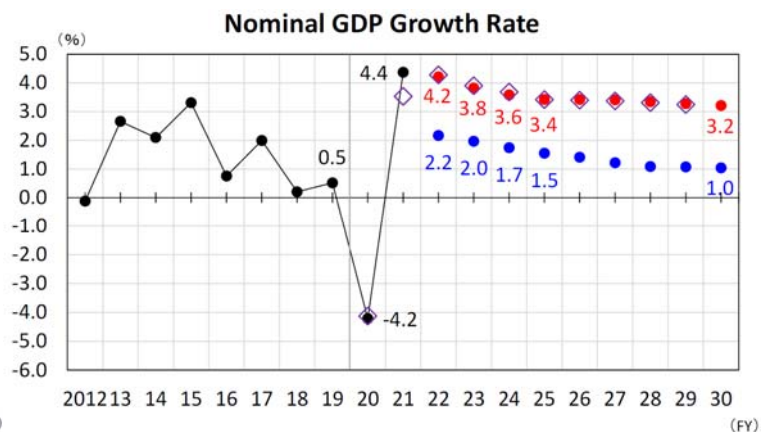
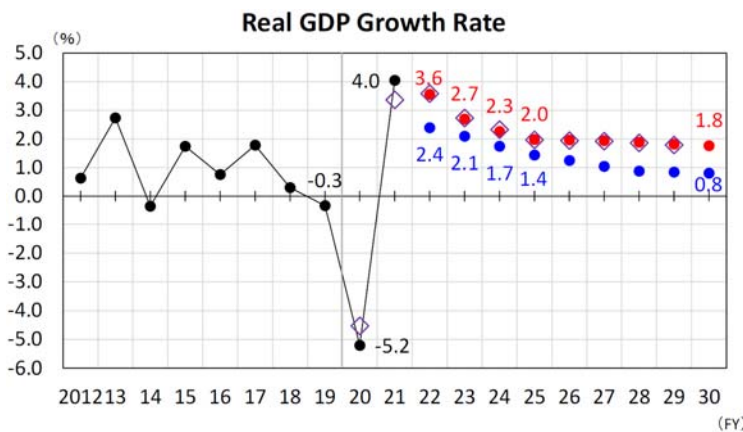
## 2. Economic and Fiscal Projections for Medium to Long Term Analysis (Jan. 21, 2021)

On January 21, 2021, the Cabinet Office presented its latest “Economic and Fiscal Projections for Medium to Long Term Analysis” at the Council on Economic and Fiscal Policy.

Summary of its analysis is as follows:

### Projections of the Macro Economy

- In the Economic Growth Achieved Case, while GDP is projected to recover steadily with a rebound from the economic slowdown due to the disease infections and new demands in the post-Corona era, in the medium to long term, the GDP growth rate is projected to achieve around 2% in real terms and over around 3% in nominal terms with solid productivity growth through promoting digitalization, realizing a green society, developing human resources and re-building businesses of firms including SMEs. Although the impact of the disease on the economy needs to be carefully examined, nominal GDP is projected to achieve 600 trillion yen in around FY2023. The Government will steadily take the economy back to a private demand-led growth path by strengthening growth potential as well as containing the spread of infection through implementation of the FY2021 budget and the Comprehensive Economic Measures.



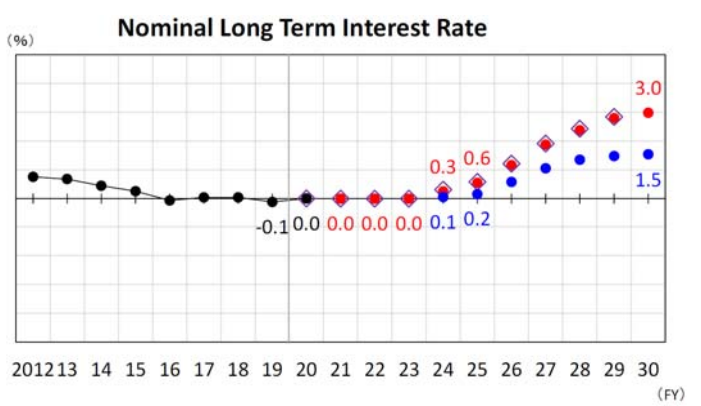
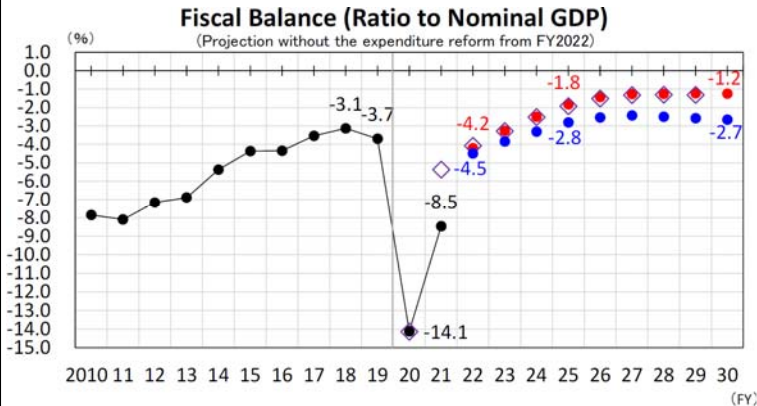
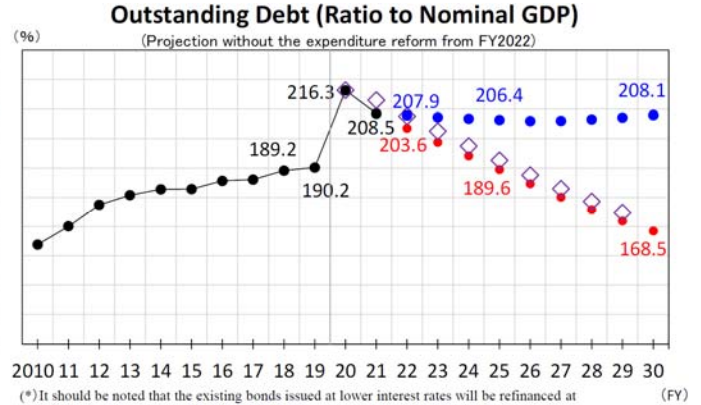
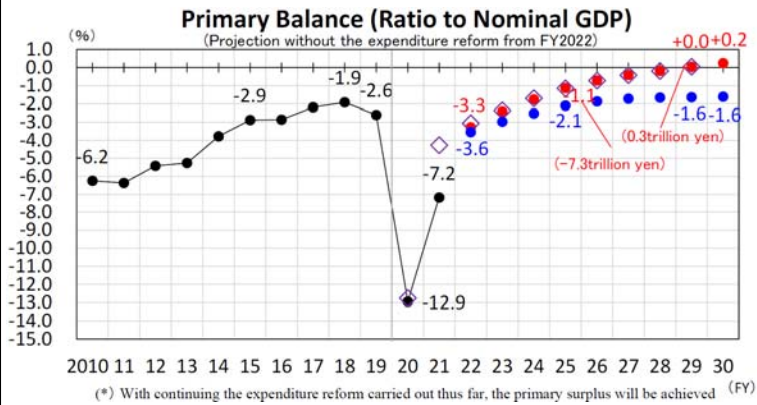
● Economic Growth Achieved Case ● Baseline Case ◇ Economic Growth Achieved Case (July 2020)

(Source) Cabinet Office



# Projections of the Central and Local Governments' Public Finances

While the primary deficit will temporarily widen due to increases in expenditures of the supplementary budgets and deceleration in revenues caused by the economic slowdown originating from the disease infections, in the Economic Growth Achieved Case, without the expenditure reforms, it is projected to be around 1.1% in FY2025 and turn to surplus in FY2029, the same as the previous projection. It is important, more than ever before, to realize high quality economic growth led by private demand and continue improvement both from the expenditure and revenue sides as well as ensure the overcoming deflation and economic revitalization. Although the outstanding debt to GDP ratio will increase in FY2020, it is projected to decline steadily in the period of the projection.



● Economic Growth Achieved Case   ● Baseline Case   ◇ Economic Growth Achieved Case (July 2020)

(Source) Cabinet Office

For more detailed information, see: <https://www5.cao.go.jp/keizai3/projection-e.html>



- From February to early March, we conducted our fifth virtual IR activities and held virtual meetings with investors in the United States. Although days and nights are almost reversed between Japan and the U.S., we were able to meet various investors. They shared their time during their evening hours with us. We appreciate all of their support. While the Super Bowl Game was heating up in Florida, we also had exciting moments with the investors online.

We exchanged views on the Japanese economy and debt management policy and heard their current and potential investment attitudes toward JGBs. Discussions with them helped us understand how they viewed the JGB market and the Japanese economy. We also had opportunities to answer a wide range of questions from them during the meetings. For example, some of them asked about our approach toward the average maturity of JGBs, given the situation that flow-based average maturity shortened after the supplementary budgets in FY2020 took effect. You may find this topic covered in the Q&A section of this newsletter. As usual, their perspectives and their questions gave us opportunities to review our debt management. We appreciate them and look forward to seeing them again.

- Unfortunately, two of our members, Mr. ARAKI Kazuma and Mr. KAJIKAWA Hiroshi, are going to leave our IR team at the end of March 2021. They were dedicated to promoting IR activities and met many investors all over the world. IR staffers in the Ministry of Finance are detailed there typically for one to two years before being rotated to other departments. Some of them are rotated at the end of March while most of them are rotated in June or July. We will welcome our new colleagues this April. We look forward to meeting you with our new members.



*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 28 February 2021)

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)
12/1/2020	10-year	360	9/20/2030	0.1%	7,177.0	2,095.6	0.021%	0.019%	0.331	503.2	212.4
12/3/2020	30-year	68	9/20/2050	0.6%	2,531.1	725.9	0.650%	0.648%	-	173.4	71.4
12/8/2020	5-year	145	9/20/2025	0.1%	8,055.6	2,035.3	▲0.114%	▲0.118%	-	464.0	39.9
12/10/2020	20-year	174	9/20/2040	0.4%	2,936.4	975.1	0.372%	0.366%	-	224.5	0.0
12/24/2020	2-year	420	1/1/2023	0.1%	10,709.7	2,562.4	▲0.127%	▲0.129%	-	436.8	41.8
1/6/2021	10-year	361	12/20/2030	0.1%	7,184.2	2,110.3	0.022%	0.019%	1.265	487.3	0.0
1/8/2021	30-year	69	12/20/2050	0.7%	2,175.6	730.8	0.652%	0.648%	-	168.0	74.4
1/13/2021	5-year	146	12/20/2025	0.1%	7,773.5	2,030.2	▲0.105%	▲0.111%	-	469.0	0.0
1/19/2021	20-year	175	12/20/2040	0.5%	3,272.7	978.0	0.448%	0.443%	-	221.1	9.9
1/26/2021	40-year	13	3/20/2060	0.5%	1,430.0	499.2	0.685%	-	-	-	47.2
1/28/2021	2-year	421	2/1/2023	0.1%	12,112.4	2,436.2	▲0.124%	▲0.127%	-	562.7	128.4
2/2/2021	10-year	361	12/20/2030	0.1%	7,255.0	2,122.1	0.054%	0.053%	0.455	476.7	241.3
2/4/2021	30-year	69	12/20/2050	0.7%	2,552.7	734.8	0.665%	0.662%	-	164.4	72.8
2/8/2021	10-year Inflation-Indexed Bonds	25	3/10/2030	0.2%	613.3	199.8	▲0.121%	-	-	-	-
2/16/2021	5-year	146	12/20/2025	0.1%	7,153.5	2,049.4	▲0.097%	▲0.101%	-	450.1	0.0
2/18/2021	20-year	175	12/20/2040	0.5%	3,055.9	977.3	0.488%	0.482%	-	221.9	74.2
2/26/2021	2-year	422	3/1/2023	0.1%	10,500.3	2,456.4	▲0.097%	▲0.099%	-	543.0	148.1

## Auction Results (Treasury Discount Bills)

(Until 28 February 2021)

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)
12/4/2020	3-month	956	3/15/2021	16,341.05	6,133.45	▲0.0837%	▲0.0889%	1,416.50
12/9/2020	6-month	957	6/10/2021	11,235.90	3,108.68	▲0.0861%	▲0.0882%	691.30
12/11/2020	3-month	958	3/22/2021	18,206.10	5,936.14	▲0.0837%	▲0.0867%	1,363.80
12/15/2020	6-month	959	6/16/2021	12,928.90	3,105.97	▲0.0902%	▲0.0922%	694.00
12/16/2020	1-year	960	12/20/2021	11,685.10	2,850.98	▲0.1081%	▲0.1101%	649.00
12/17/2020	3-month	961	3/29/2021	15,765.22	5,931.54	▲0.0893%	▲0.0942%	1,368.40
1/5/2021	3-month	962	4/5/2021	16,965.41	5,940.04	▲0.0820%	▲0.0861%	1,359.90
1/7/2021	6-month	963	7/12/2021	12,564.20	3,094.94	▲0.0866%	▲0.0886%	705.00
1/8/2021	3-month	964	4/12/2021	18,432.09	5,935.13	▲0.0851%	▲0.0883%	1,364.80
1/15/2021	3-month	965	4/19/2021	18,292.69	5,446.82	▲0.0902%	▲0.0926%	1,253.10
1/19/2021	1-year	966	1/20/2022	9,946.31	2,845.96	▲0.1108%	▲0.1128%	654.00
1/20/2021	6-month	967	7/26/2021	12,457.82	3,089.97	▲0.0962%	▲0.0982%	710.00
1/22/2021	3-month	968	4/26/2021	17,235.19	5,446.84	▲0.0882%	▲0.0922%	1,253.10
1/29/2021	3-month	969	5/10/2021	20,611.83	5,443.43	▲0.0875%	▲0.0919%	1,256.50
2/5/2021	3-month	970	5/17/2021	20,776.00	5,563.72	▲0.0912%	▲0.0942%	1,136.20
2/9/2021	6-month	971	8/10/2021	12,638.00	2,771.65	▲0.1027%	▲0.1048%	628.30
2/12/2021	3-month	972	5/24/2021	20,194.28	5,462.59	▲0.0949%	▲0.0979%	1,237.30
2/18/2021	1-year	973	2/21/2022	11,907.90	2,853.64	▲0.1221%	▲0.1221%	646.30
2/19/2021	3-month	974	5/31/2021	20,217.86	5,461.90	▲0.0986%	▲0.1020%	1,238.00
2/24/2021	6-month	975	8/25/2021	12,388.98	2,771.62	▲0.1068%	▲0.1088%	628.30
2/26/2021	3-month	976	6/7/2021	19,599.88	5,461.93	▲0.1023%	▲0.1050%	1,238.00

## Auction Calendar for Mar. 2021 – May 2021

Auction Date	Issue	Auction Date	Issue	Auction Date	Issue	Auction Date	Issue
3/2(Tue)	10-year	3/25(Thu)	40-year	4/19(Mon)	T-Bills (1-year)	5/19(Wed)	T-Bills (1-year)
3/4(Thu)	30-year	3/26(Fri)	T-Bills (3-month)	4/20(Tue)	20-year	5/19(Wed)	5-year
3/5(Fri)	T-Bills (3-month)	3/30(Tue)	2-year	4/22(Thu)	T-Bills (6-month)	5/21(Fri)	T-Bills (3-month)
3/9(Tue)	T-Bills (6-month)	4/1(Thu)	10-year	4/23(Fri)	T-Bills (3-month)	5/21(Fri)	20-year
3/9(Tue)	5-year	4/2(Fri)	T-Bills (3-month)	4/28(Wed)	2-year	5/24(Mon)	T-Bills (6-month)
3/11(Thu)	20-year	4/6(Tue)	30-year	5/6(Thu)	T-Bills (6-month)	5/25(Tue)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)
3/12(Fri)	T-Bills (3-month)	4/8(Thu)	T-Bills (6-month)	5/7(Fri)	T-Bills (3-month)	5/27(Thu)	40-year
3/16(Tue)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)	4/8(Thu)	5-year	5/7(Fri)	Liquidity Enhancement Auction (remaining maturities of 1-5 years)	5/28(Fri)	T-Bills (3-month)
3/17(Wed)	T-Bills (1-year)	4/9(Fri)	T-Bills (3-month)	5/11(Tue)	10-year	5/31(Mon)	2-year
3/18(Thu)	T-Bills (3-month)	4/13(Tue)	Liquidity Enhancement Auction (remaining maturities of 15.5-39 years)	5/13(Thu)	30-year		
3/23(Tue)	Liquidity Enhancement Auction (remaining maturities of 1-5 years)	4/15(Thu)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)	5/14(Fri)	T-Bills (3-month)		
3/24(Wed)	T-Bills (6-month)	4/16(Fri)	T-Bills (3-month)	5/17(Mon)	10-year Inflation-Indexed Bonds		

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 (Weighted by Duration) (July 2020~Dec. 2020)

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

### Top 5 PDs for Successful Bids of Inflation-Indexed Bond (FY2019)

1	JPMorgan Securities Japan Co., Ltd.
2	Mizuho Securities Co., Ltd.
3	Goldman Sachs Japan Co., Ltd.
4	BofA Securities Japan Co., Ltd.
5	Nomura Securities Co., Ltd.

# Liquidity Enhancement Auctions and JGB Buy-Back

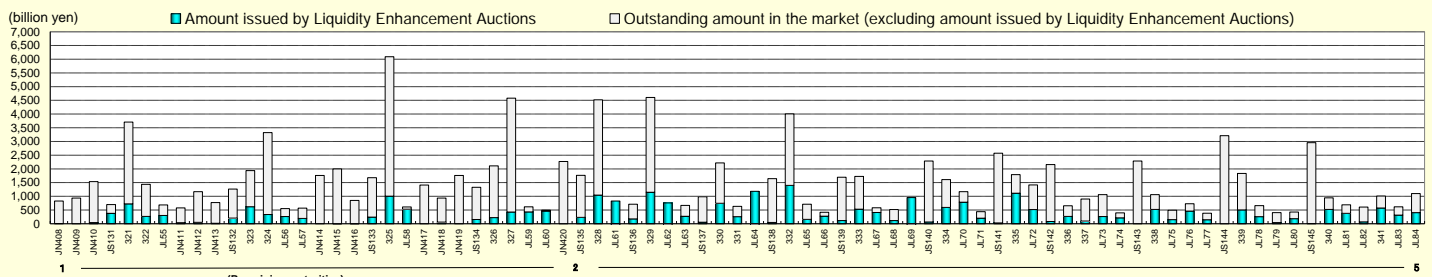
## Results of Liquidity Enhancement Auctions

(Until 28 February 2021)

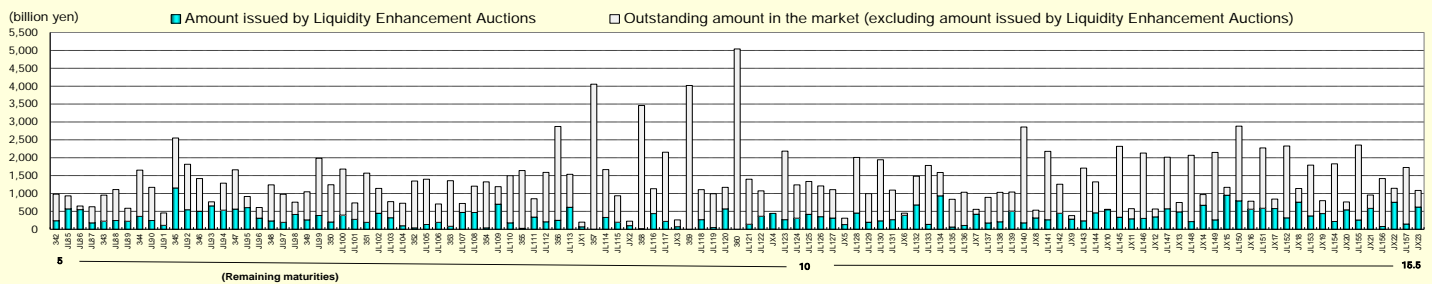
Auction Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Average Accepted Spread	Highest Accepted Spread	Issues Re-opened
12/15/2020	1,957.4	498.0	▲0.008%	▲0.007%	10-year(341,342,345,347) 20-year(83,85,122,125,126,127,128,129,130,131,132,133,134,136,137,142,143,148,149,150,151,154,156) 30-year(14,20)
12/22/2020	1,313.6	498.2	▲0.002%	0.000%	20-year(160,161,162,163,164) 30-year(27,29,30,32,33,34,35,36,37,39,45,46,48,50,52,53,54,55,58,66,67) 40-year(1,2,3,4,7,8,9,12)
1/15/2021	2,287.6	497.6	▲0.008%	▲0.008%	10-year(342,344,345,346,348,353) 20-year(85,86,87,88,89,90,91,92,93,94,146,153,154,157) 30-year(22,23)
1/22/2021	1,905.3	398.5	▲0.002%	0.002%	2-year(408,411,412,416,418) 5-year(132,133,134,136,137,138,139,140,141,142,145) 10-year(330,331,332,333,334,335,338,339,340) 20-year(59,63,64,68,70,75,77,78,80,82)
2/10/2021	1,548.6	498.8	0.002%	0.003%	20-year(158,161) 30-year(31,32,33,41,42,43,44,46,51,53,54,55,56,63,68) 40-year(3,4,5,6,7,8,9,10)
2/24/2021	2,522.6	498.5	0.000%	0.002%	10-year(342,345,347,348,351,354) 20-year(86,95,96,98,99,100,101,102,103,104,105,106,107,108,130,131) 30-year(4,7,23)

## Target Zones of Liquidity Enhancement Auctions for the Fourth Quarter of FY 2020

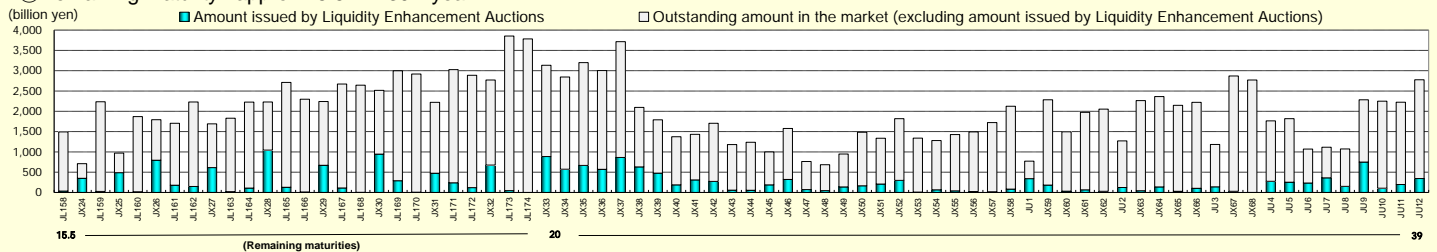
① Remaining maturity : approx. 1 - ~5 - year



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 January 2021.  
Note2 : All issues in the graph above will be eligible afterward.

## 10-year Inflation-Indexed

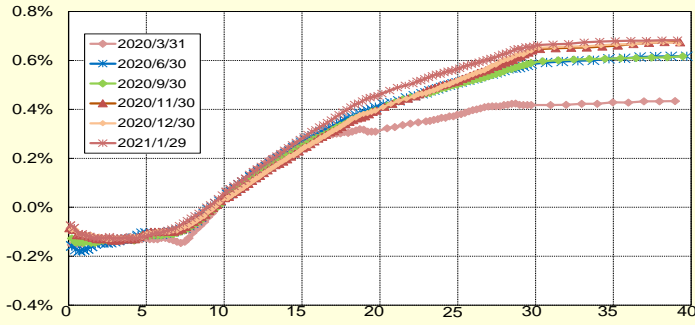
## Buy-Back Results

(Until 28 February 2021)

Auction Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Average Accepted Spread (yen)	Highest Accepted Spread (yen)	Issue Numbers
11/17/2020	216.2	50.1	▲0.038	0.00	18, 21, 22, 25
12/4/2020	176.7	50.1	0.019	0.14	18, 19, 20, 21, 22, 23, 24, 25
1/20/2021	126.2	50.3	▲0.18	▲0.06	17, 18, 19, 20, 21, 23, 24, 25
2/3/2021	166.8	50.0	▲0.031	0.11	18, 19, 20, 21, 23, 24, 25

# JGB Secondary Market

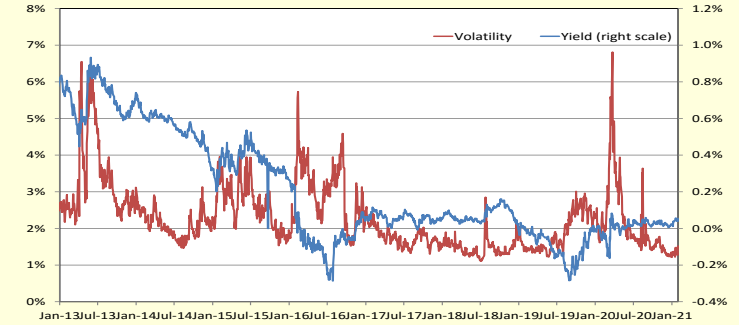
## JGB Yield Curves



Source: Japan Bond Trading Co.,Ltd.

## Yield and Volatility (10Yr)

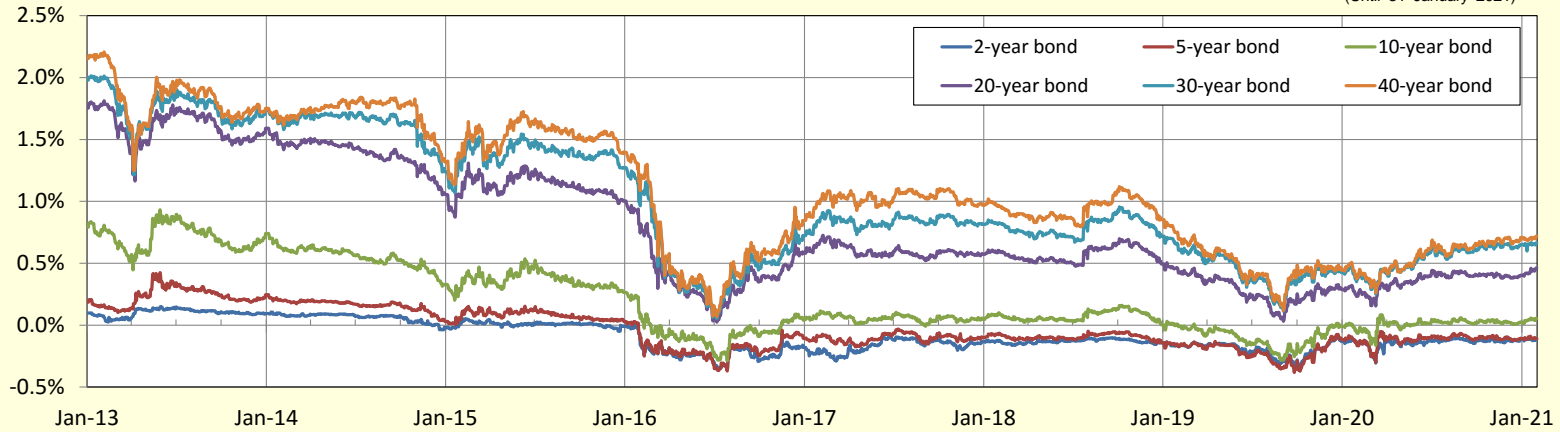
(Until 31 January 2021)



Source: Bloomberg

## Yields of JGB

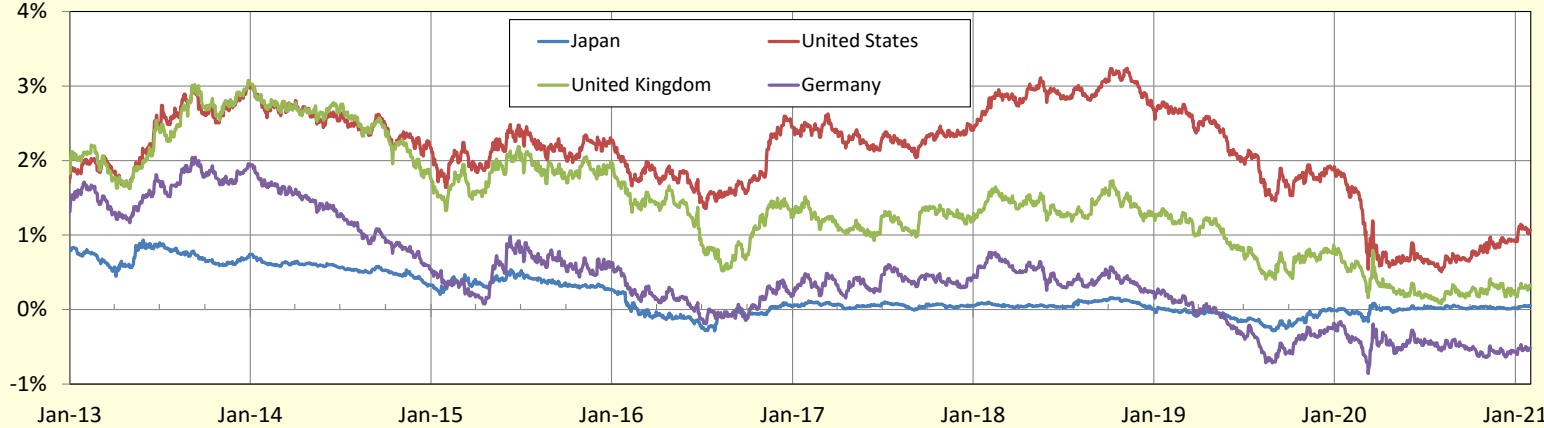
(Until 31 January 2021)



Source: Bloomberg

## Long - Term Interest Rates (10Yr)

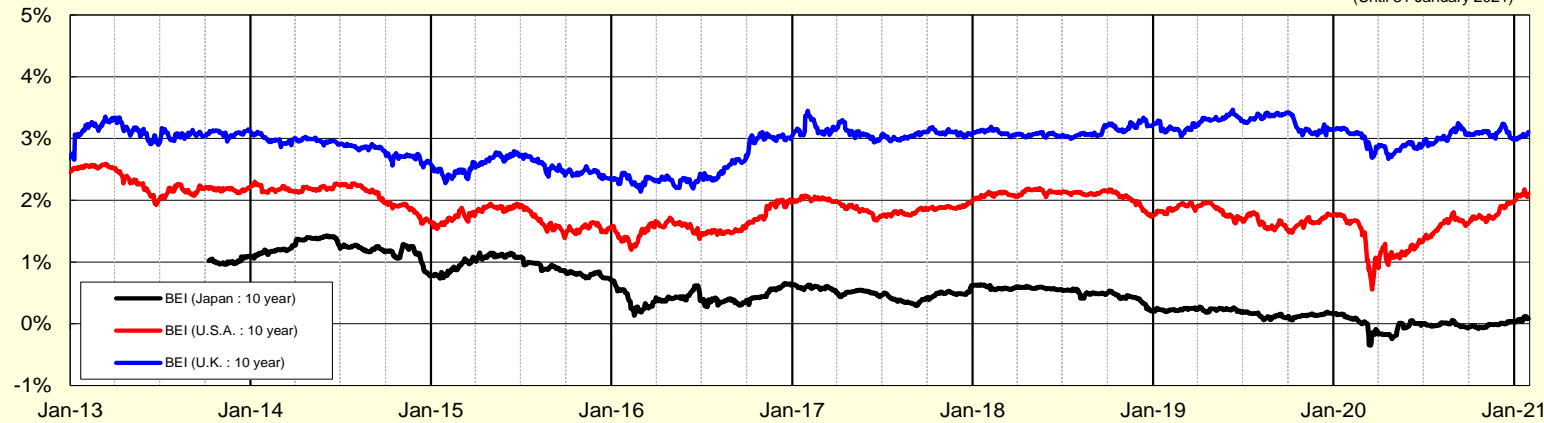
(Until 31 January 2021)



Source: Bloomberg

## Break-Even Inflation Rates

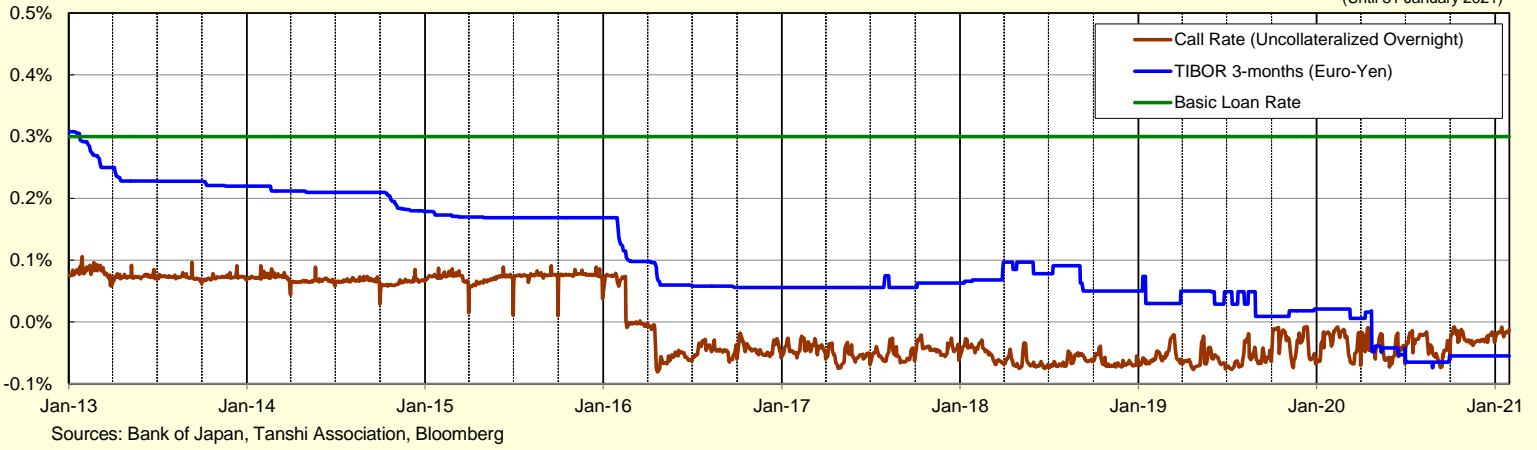
(Until 31 January 2021)



Note: BEI (Japan: 10 year) is calculated based on the compound interest rate of the new Inflation-Indexed Bonds and the 10-Year Bonds  
Sources: Japan: Calculation by the Ministry of Finance based on the information on interest rates offered by NIKKEI QUICK.  
U.S.A., U.K.: Bloomberg.

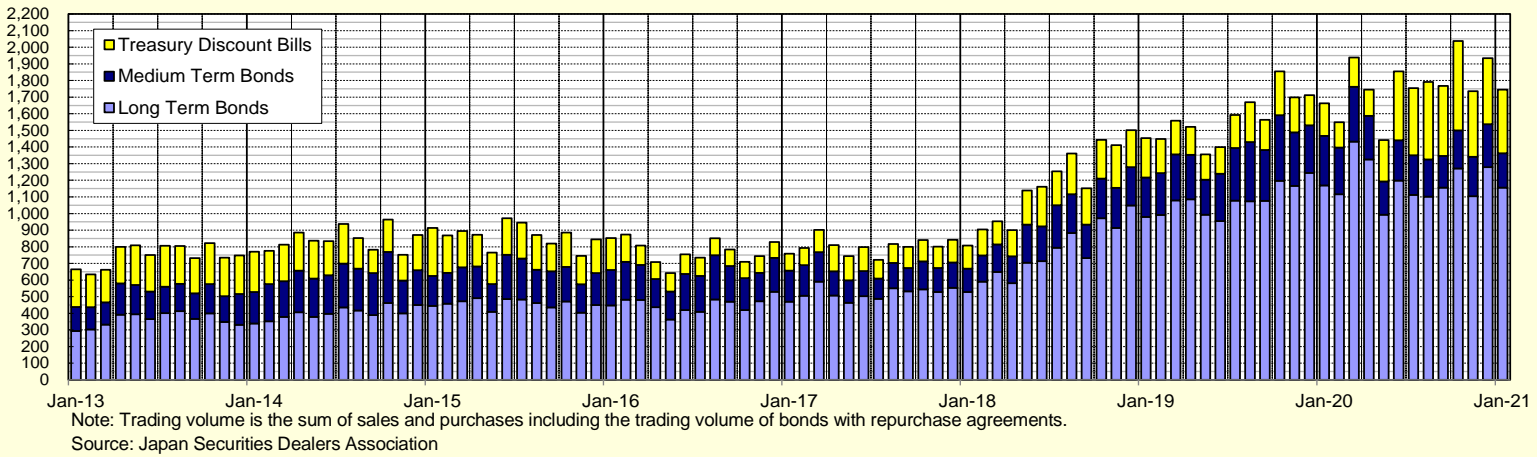
## Short-Term Interest Rates

(Until 31 January 2021)



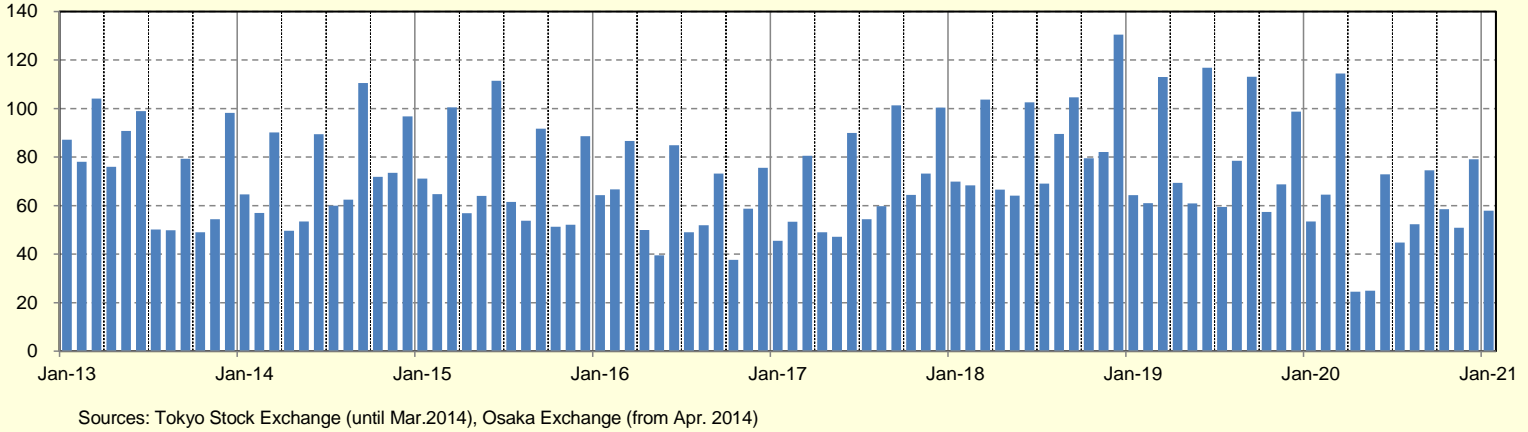
## JGB Over-the-Counter Trading Volume (TOKYO)

(trillion yen)



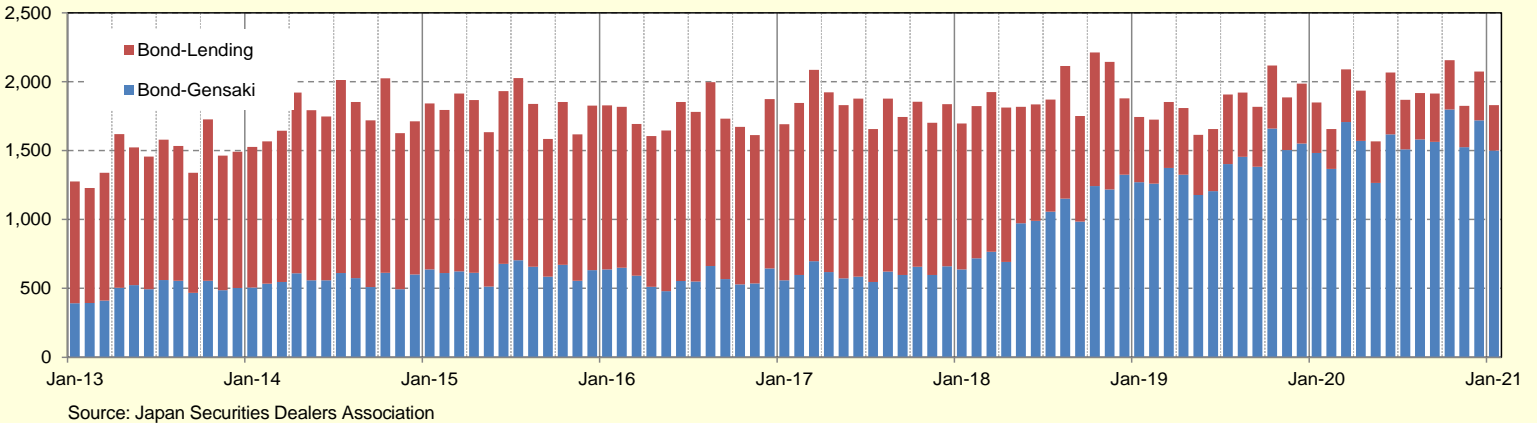
## Trading Volume of 10-Year JGB Futures

(trillion yen)



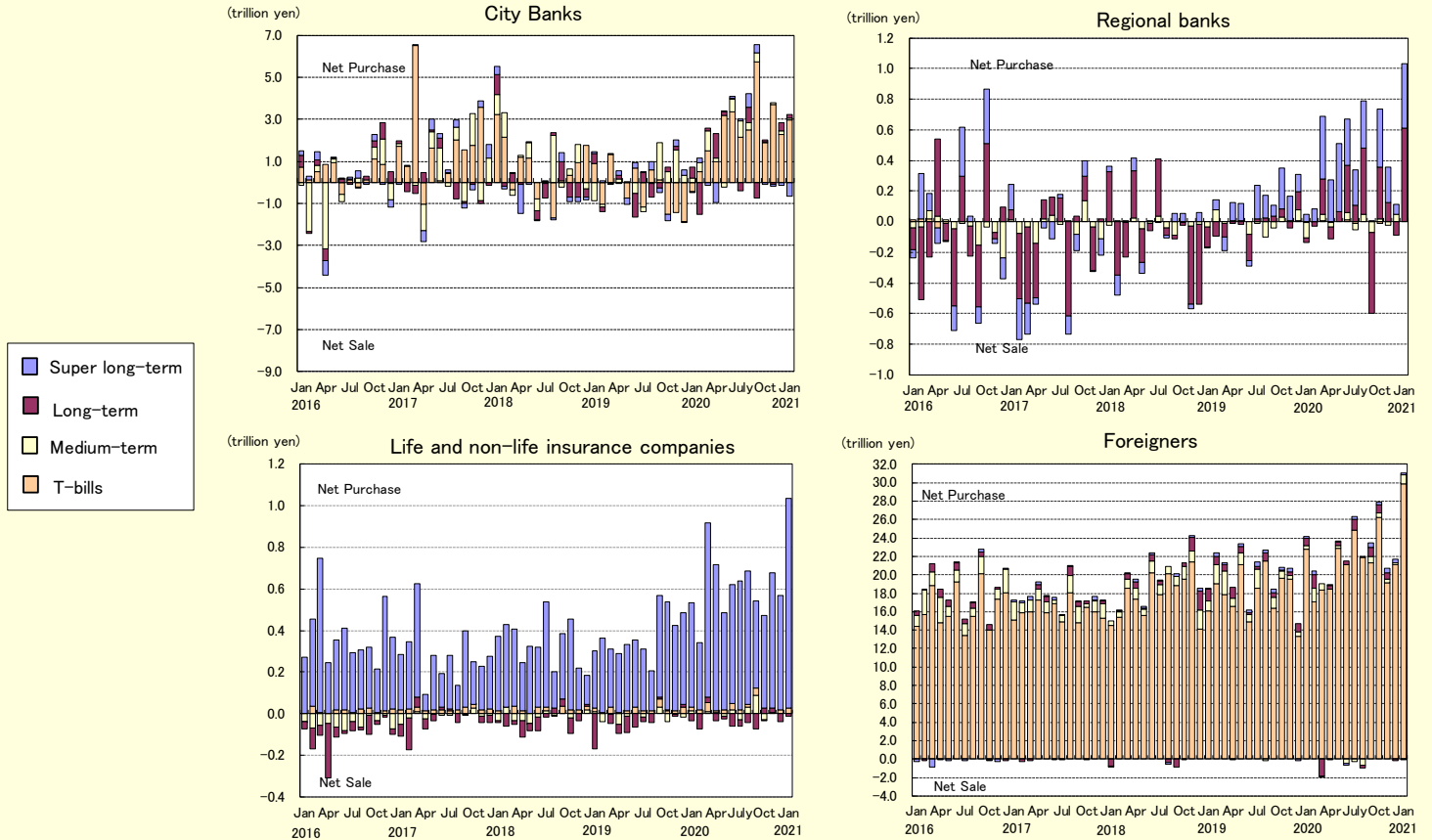
## Repurchase Transactions

(trillion yen)

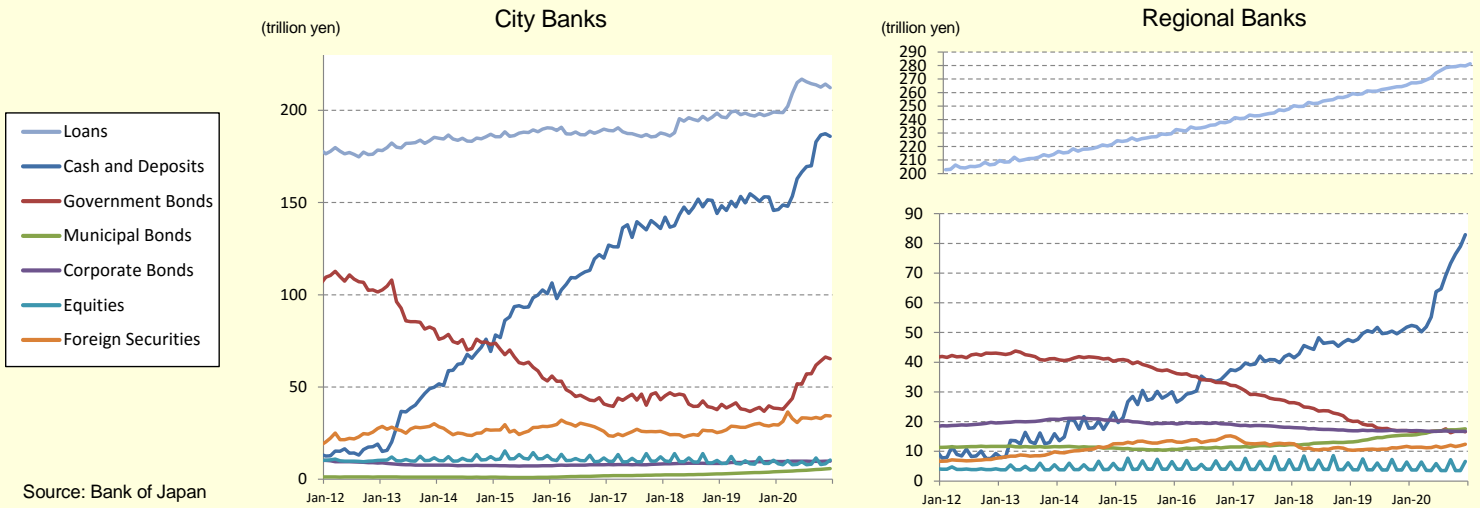


# Investor Trends and JGB Outstanding

## Trends in JGBs Transactions (by investor type)

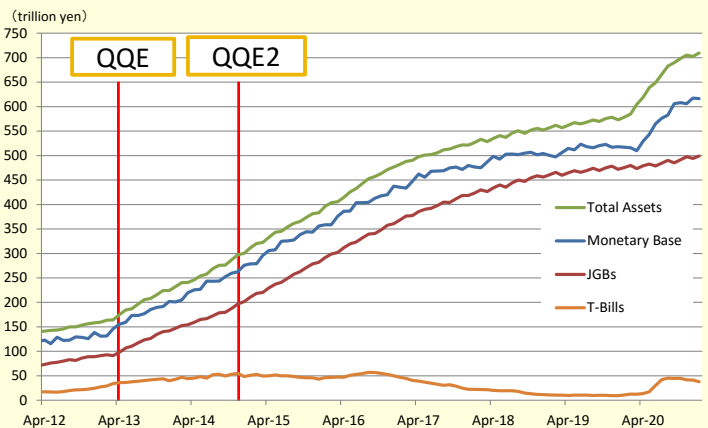


## Trends in Bank Assets by Types



## BOJ Trends

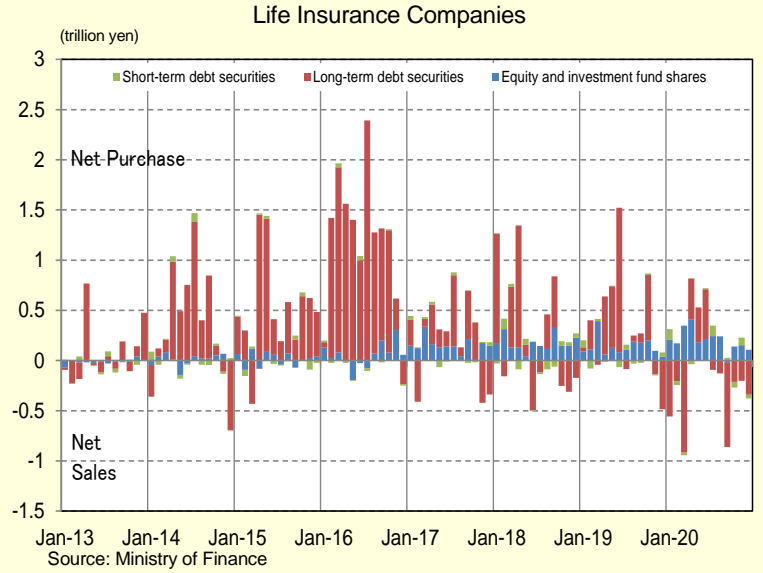
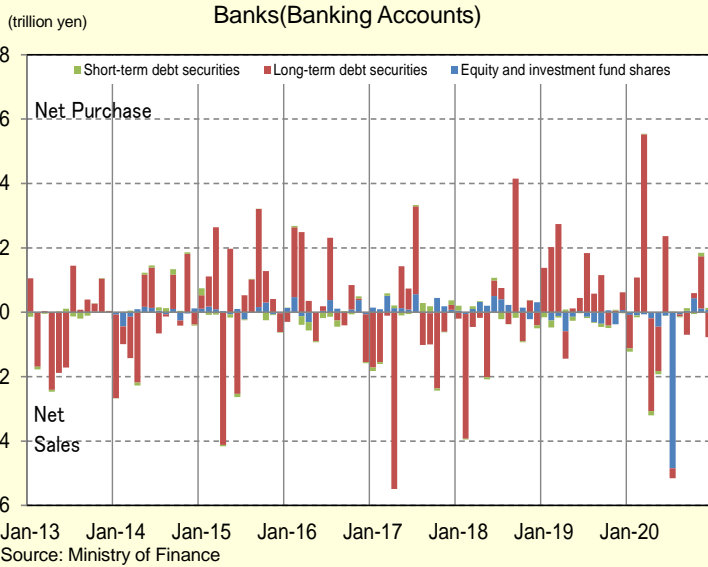
	Apr 2013 (Actual)	Jan 2021 (Actual)
Monetary Base	155	617
JGBs	98	499
T-Bills	36	38
CP	1.4	4.5
Corporate Bonds	2.9	6.9
ETFs	1.7	35.6
J-REITs	0.13	0.65
<b>Total Assets</b>	<b>175</b>	<b>709</b>



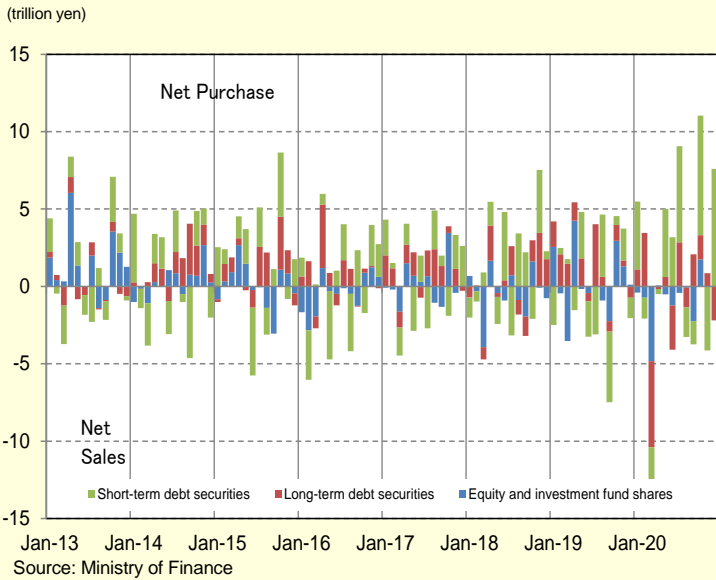
Source: Bank of Japan



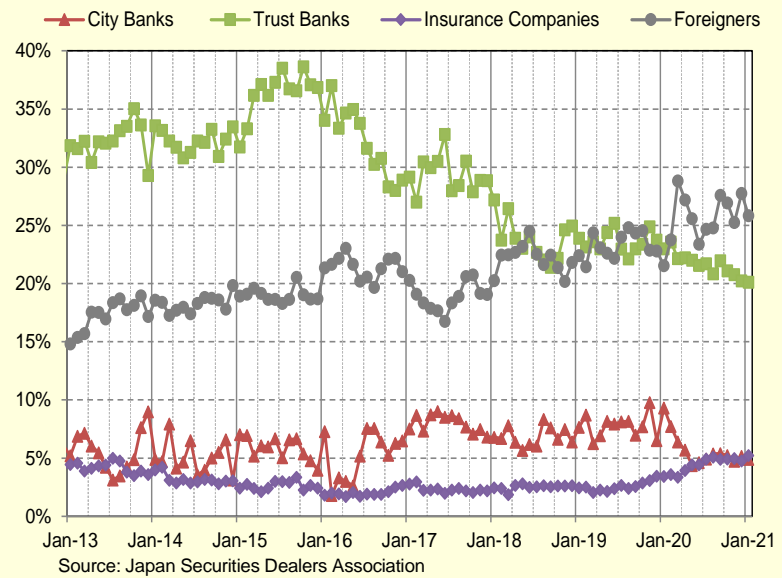
# Transactions of Foreign Securities by Residents (by Investor types)



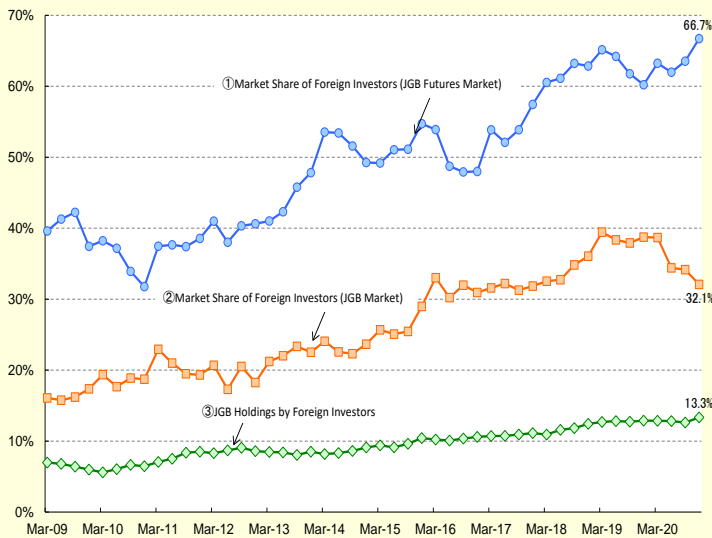
## Transactions of Domestic Securities by Non-Residents



## Outstanding of Repurchase Agreements (by Investor types)

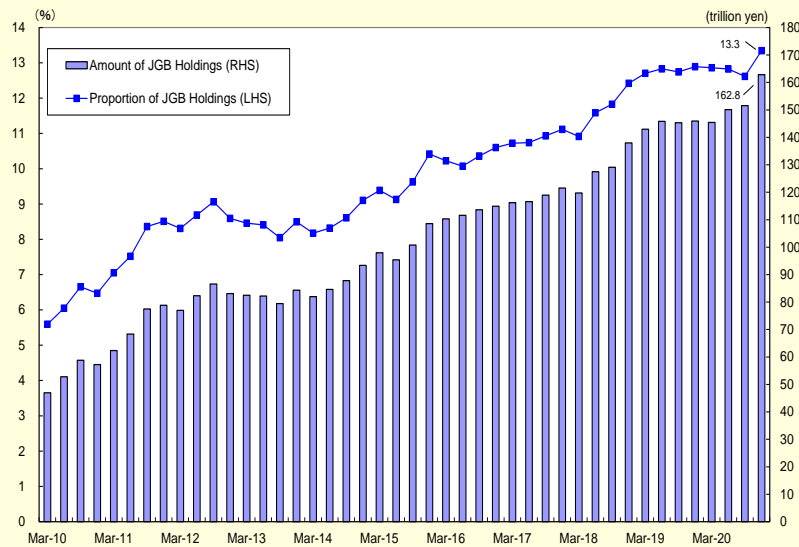


## Foreign Investors Presence



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

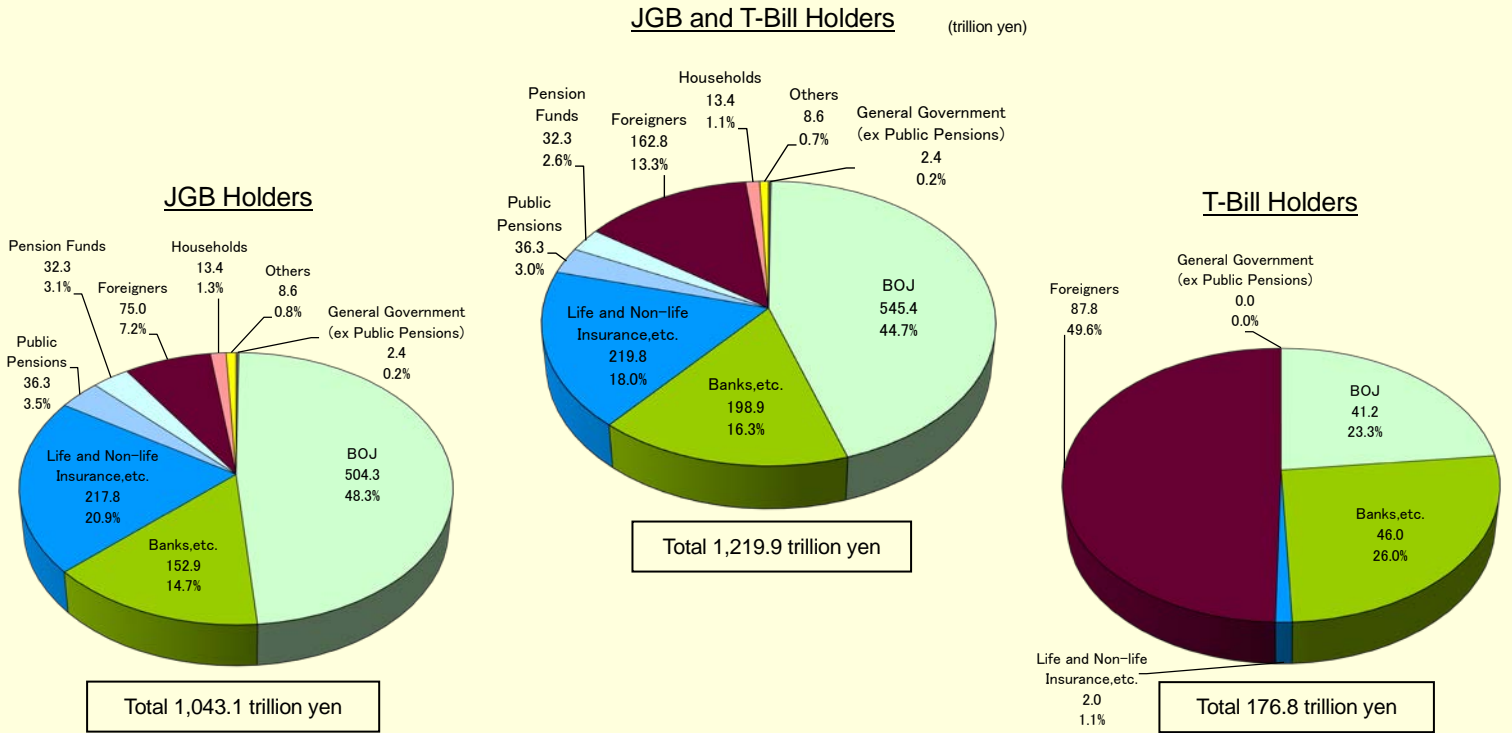
## JGBs Holdings by Foreign Investors



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



## Breakdown by JGB and T-Bill Holders (The end of Dec. 2020 QE)



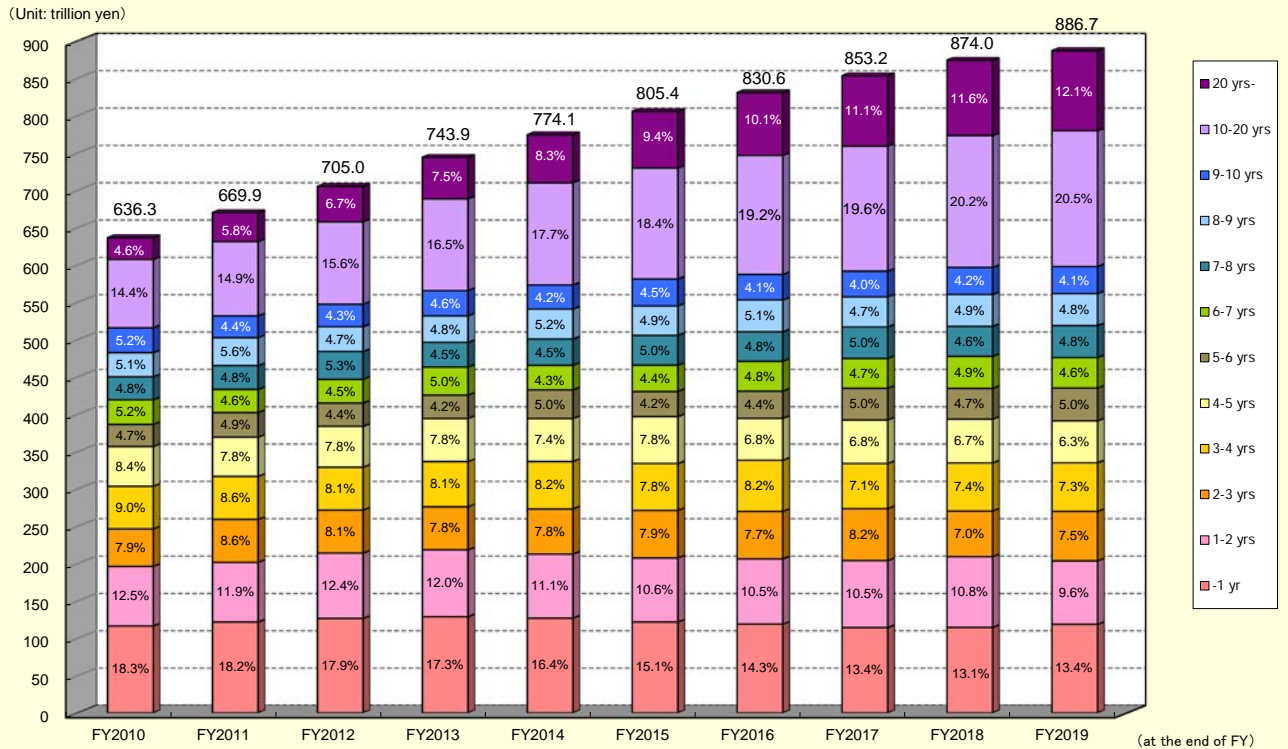
Note1: "JGB" includes "FILP Bonds."

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

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

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

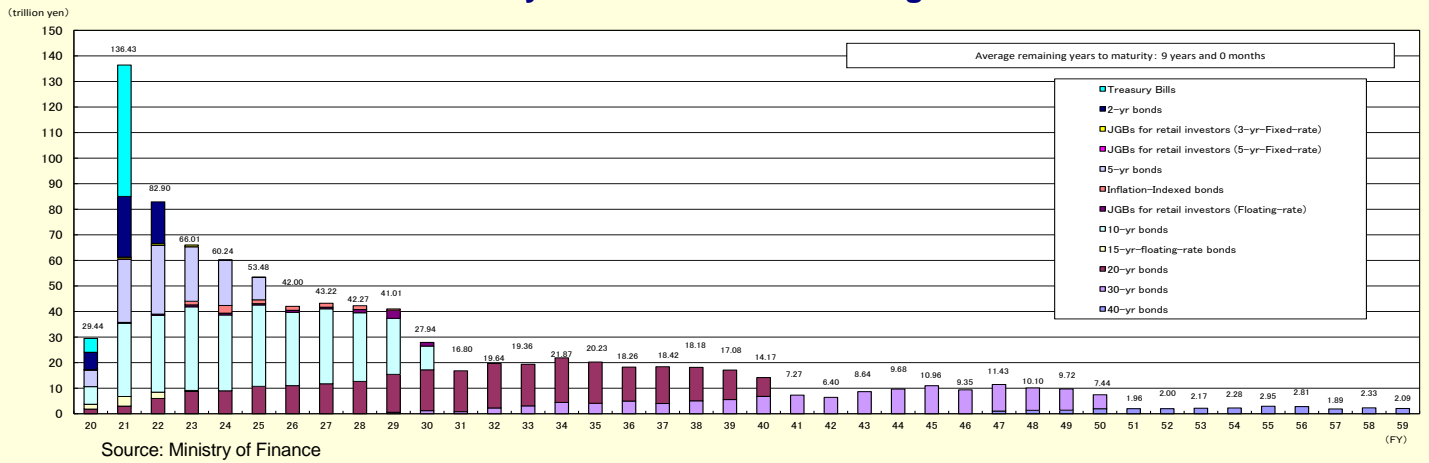
## Breakdown of Outstanding Amount of General Bonds by Remaining Years to Maturity



Average YTM*	6Y8M	7Y0M	7Y3M	7Y7M	8Y0M	8Y5M	8Y7M	8Y10M	9Y0M	9Y2M
Average YTM* (excluding saving bonds)	6Y10M	7Y1M	7Y5M	7Y8M	8Y0M	8Y5M	8Y8M	8Y11M	9Y1M	9Y2M

\*years to maturity

## Time-to-Maturity Structure of Outstanding JGB (Dec. 2020)



## Scheduled redemption of JGB at maturity in March, 2021

(billion yen)

Types	The amount of redemption at maturity	Scheduled redemption date
20-Year Bonds	2,737.2	March 22
15-Year Floating-Rate Bonds	1,095.8	March 20
10-Year Bonds	7,861.7	March 20
5-Year Bonds	8,368.4	March 20
2-Year Bonds	2,110.4	March 1
Treasury Bills	1,800.0	March 22
<b>Total</b>	<b>23,973.5</b>	

Note.1: The figures are based on the outstanding JGBs at the end of January, 2021

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 January, 2021)

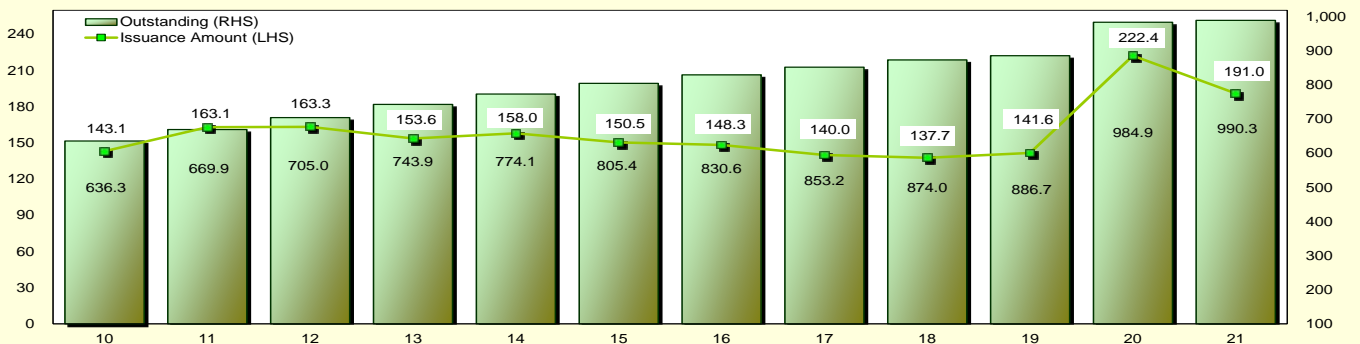
(billion yen)



## General Bonds Issuance Amount and Outstanding

(trillion yen)

(trillion yen)



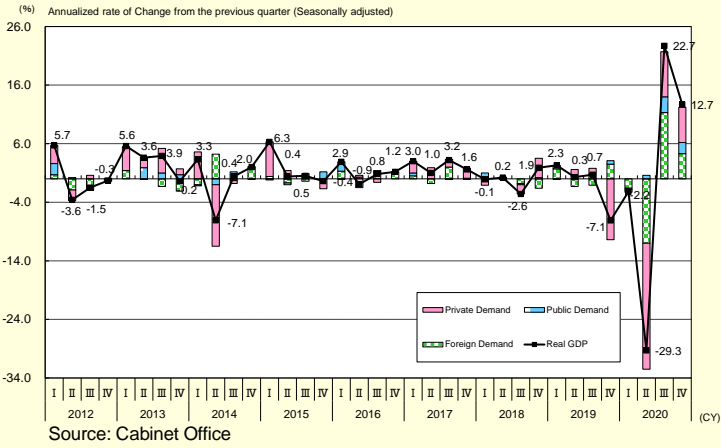
Note 1: Issuance Amount: revenue basis, FY2010-2019: Actual, FY2020: Supplementary budget, FY2021: Initial budget

Note 2: Outstanding: nominal basis, FY2010-2019: Actual, FY2020: Supplementary budget, FY2021: Initial budget

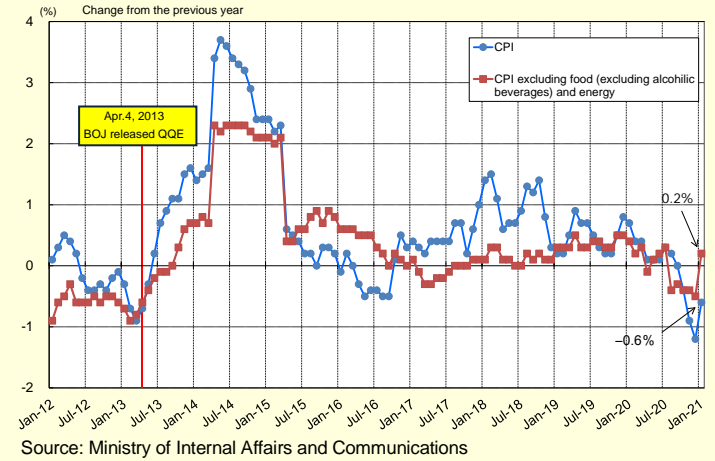
Source: Ministry of Finance

# Economic and Financial Trends

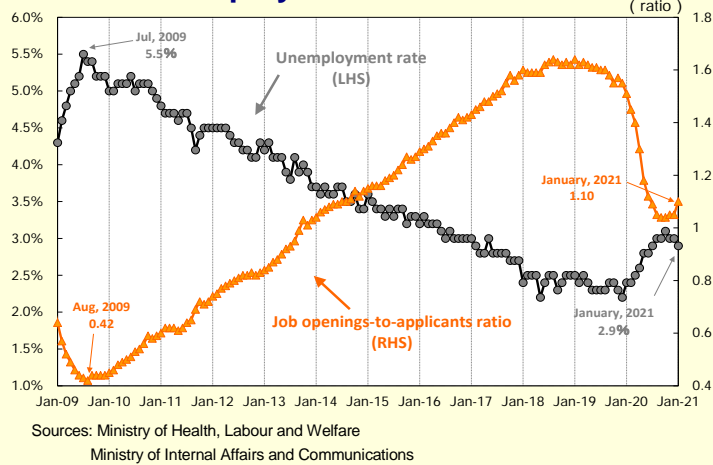
## Real GDP Growth Rate



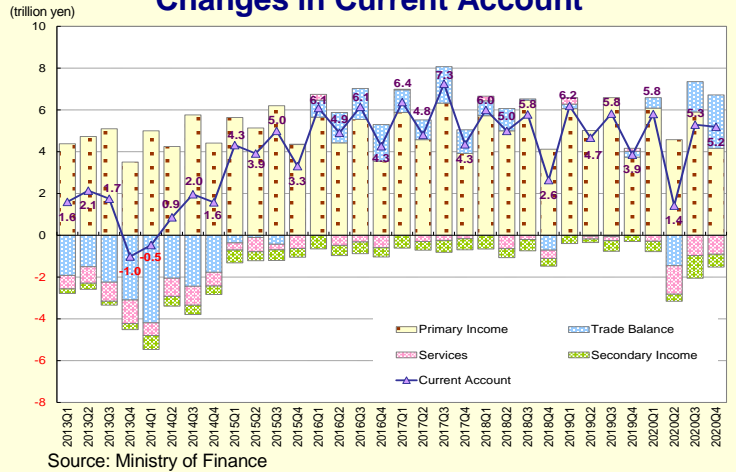
## Prices



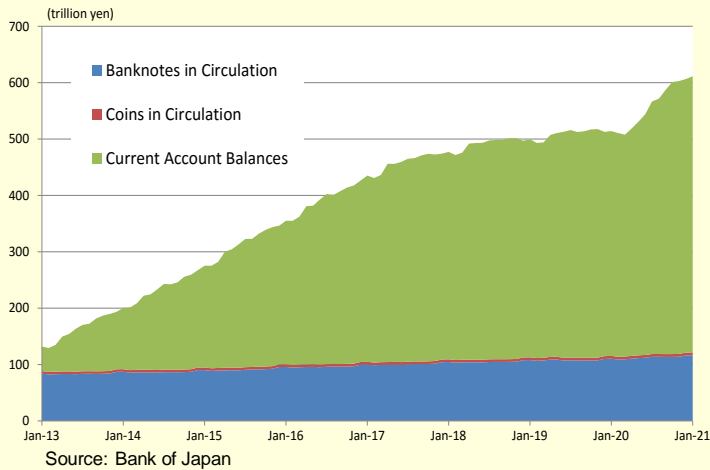
## Employment Conditions



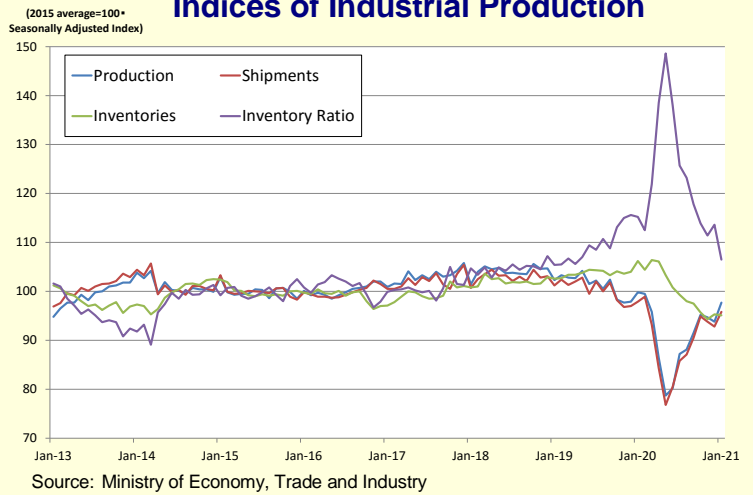
## Changes in Current Account



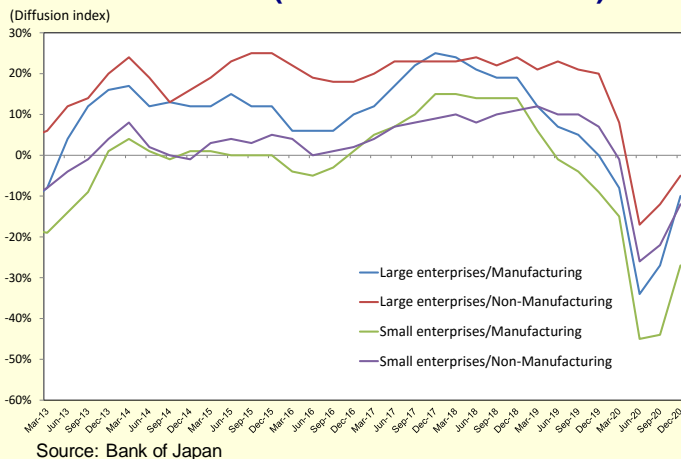
## Monetary Base



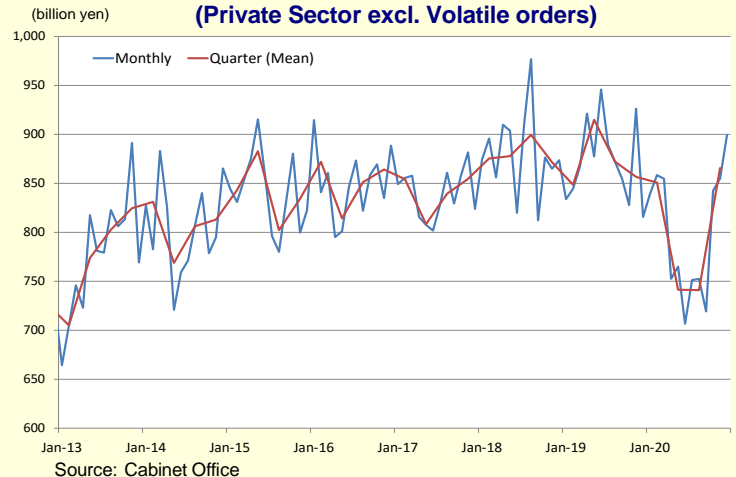
## Indices of Industrial Production



## TANKAN (Business Conditions)



## Total Value of Machinery Orders (Private Sector excl. 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/jqbs/debt_management/message.htm">https://www.mof.go.jp/english/jqbs/debt_management/message.htm</a>
About JGBs	As needed	<a href="https://www.mof.go.jp/english/jqbs/debt_management/guide.htm">https://www.mof.go.jp/english/jqbs/debt_management/guide.htm</a>
About the Debt Management Policy	As needed	<a href="https://www.mof.go.jp/english/jqbs/debt_management/about.htm">https://www.mof.go.jp/english/jqbs/debt_management/about.htm</a>
JGB Issuance Plan	As needed	<a href="https://www.mof.go.jp/english/jqbs/debt_management/plan/index.htm">https://www.mof.go.jp/english/jqbs/debt_management/plan/index.htm</a>
<b>Auction Calendar</b>		
Auction Calendar	Monthly	<a href="https://www.mof.go.jp/english/jqbs/auction/calendar/index.htm">https://www.mof.go.jp/english/jqbs/auction/calendar/index.htm</a>
Historical Data of Auction Results	Monthly	<a href="https://www.mof.go.jp/english/jqbs/auction/past_auction_results/index.html">https://www.mof.go.jp/english/jqbs/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/jqbs/topics/bond/index.html">https://www.mof.go.jp/english/jqbs/topics/bond/index.html</a>
Treasury Discount Bills (T-Bills)	As needed	<a href="https://www.mof.go.jp/english/jqbs/topics/t_bill/index.htm">https://www.mof.go.jp/english/jqbs/topics/t_bill/index.htm</a>
Japanese Government Guaranteed Bonds	Annual	<a href="https://www.mof.go.jp/english/jqbs/topics/gov_quaranteed_bonds/index.htm">https://www.mof.go.jp/english/jqbs/topics/gov_quaranteed_bonds/index.htm</a>
Interest Rate Swap	Semiannual	<a href="https://www.mof.go.jp/english/jqbs/topics/swap/index.htm">https://www.mof.go.jp/english/jqbs/topics/swap/index.htm</a>
Taxation of Government Bonds	As needed	<a href="https://www.mof.go.jp/english/jqbs/topics/taxation2016/index.html">https://www.mof.go.jp/english/jqbs/topics/taxation2016/index.html</a>
For Individual Investors	As needed	<a href="https://www.mof.go.jp/english/jqbs/topics/individual/index.htm">https://www.mof.go.jp/english/jqbs/topics/individual/index.htm</a>
<b>Data</b>		
Central Government Debt	Quarterly	<a href="https://www.mof.go.jp/english/jqbs/reference/qbb/index.htm">https://www.mof.go.jp/english/jqbs/reference/qbb/index.htm</a>
Interest Rate	Daily	<a href="https://www.mof.go.jp/english/jqbs/reference/interest_rate/index.htm">https://www.mof.go.jp/english/jqbs/reference/interest_rate/index.htm</a>
STRIPS	Monthly	<a href="https://www.mof.go.jp/english/jqbs/reference/jqbstat/index.htm">https://www.mof.go.jp/english/jqbs/reference/jqbstat/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/jqbsp/index.html">https://www.mof.go.jp/english/about_mof/councils/jqbsp/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/jqbs/publication/debt_management_report/index.htm">https://www.mof.go.jp/english/jqbs/publication/debt_management_report/index.htm</a>
JGB Newsletter	Monthly	<a href="https://www.mof.go.jp/english/jqbs/publication/newsletter/index.htm">https://www.mof.go.jp/english/jqbs/publication/newsletter/index.htm</a>

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please email: [JGB-IR@mof.go.jp](mailto:JGB-IR@mof.go.jp)

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