

SUMMARY

What's New: The FY2021 Budget

p. 2

- ✓ On March 26, the Diet enacted the FY2021 budget.

What's New: Issuance Amount of Inflation-Indexed Bonds, etc.

p. 3-4

- ✓ The MOF decided on the "Issuance and reopening schedule of the 10-year, 20-year, 30-year and 40-year Bonds (FY2021)", "Issuance Amount of Inflation-Indexed Bonds in the April-June quarter 2021" and "Issuance Amount for Liquidity Enhancement Auctions in the April-June quarter 2021" following the discussions at the 93rd Meeting of JGB Market Special Participants and the 86th Meeting of JGB Investors, which were both held on March 23, 2021.

Monthly Topics: JGB Holders (Dec 2020) and BOJ's TANKAN (Mar 2021), etc.

p. 5-6

- ✓ On March 17, the Bank of Japan (BOJ) released the Flow of Funds Accounts of the 4th Quarter 2020. The shares of JGB holders were updated.
- ✓ On March 19, the BOJ released "Further Effective and Sustainable Monetary Easing".
- ✓ On April 1, the BOJ released the TANKAN ("Short-Term Economic Survey of Enterprises in Japan"), a quarterly survey of more than 9,000 enterprises.

IR Office: IR activities in March

p. 7-8

- ✓ In the second half of March, we had virtual meetings with foreign investors in Southeast Asia.

Statistics

<u>JGB Primary Market</u>	...	p. 9	<u>Liquidity Enhancement Auctions and JGB Buy-Back</u>	...	p. 10
<u>JGB Secondary Market</u>	...	p. 11	<u>Investor Trends and JGB Outstanding</u>	...	p. 13
<u>Economic and Financial Trends</u>	...	p. 17	<u>Information</u>	...	p. 18

The Ministry of Finance

www.mof.go.jp

What's New

1. The FY2021 Budget

The FY2021 budget was enacted on March 26, 2021 by Diet.

Highlights of the FY2021 Budget

Together with the third supplementary budget, the budget will take;

- all possible measures to contain the spread of the infection
- measures for medium- and long-term issues (digital and green society, vibrant local communities, all-generation social security system including measures to prevent birthrate decline, etc.).

Containment measures for COVID-19

- In order to prepare for unexpected changes in the situation, 5 trillion yen are secured for the contingency fund for the COVID-19 in the FY2020 budget, and **another 5 trillion yen of the fund** will be set aside in the FY2021 budget.
- In the 3rd supplementary budget, measures will be taken to **secure hospital beds and accommodations**, and to **develop the COVID-19 vaccination system and inoculations**. In addition, the following measures will be taken to prevent the spread of the infection.
 - Development of an infectious crisis management system and public health center system
 - Temporary measures for medical fees to combat infectious diseases
 - Enhancement of domestic production capacity of medical equipment, etc.

Realizing Digital and Green Society

- In September 2021, the **Digital Agency** with strong overall coordination functions **will be established**. About 500 highly-specialized personnel will be gathered from both of the public and private sectors. 300 billion yen has been set aside through **consolidating information system budgets** to centrally manage the government's entire information system. In addition, **the acquisition of "My Number Card"** by providing system supports to municipalities will be promoted. The integration of driver's licenses and My Number Card will be promoted.
- In order to realize green society, **low-interest loan system linked to outcome for companies that ambitiously reduce CO₂ emissions will be established** (1 trillion yen in loans over the next three years) and the attraction support of ESG investments will be implemented. R&D and introduction of renewable energy and energy saving will be supported. Through the 3rd supplementary budget, **the development of innovative technologies** for carbon neutrality will also be supported.

Creating Vibrant Local Communities

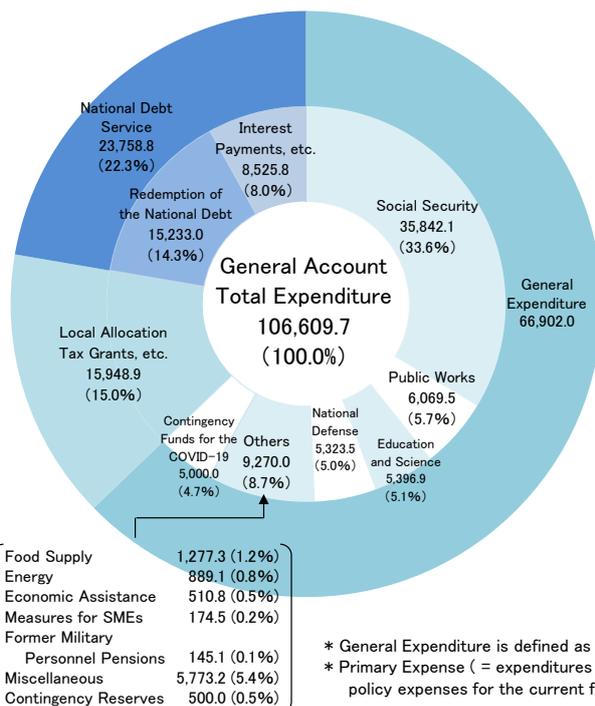
Construction of all-generation social security system including measures to prevent birthrate decline

Continue Efforts for Expenditure Reforms

- The government **continues to implement the expenditure reforms** set forth in the "Basic Policy on Economic and Fiscal Management and Reform" and **achieved the benchmark**. The quality of the budget was also improved.
 - Social security expenditure: about +¥150.7bn (Real growth from the previous year's base based on medical cost trends is about +350 billion yen)
 - Non-social security expenditure: about +¥33bn (Continue efforts of expenditure reforms thus far)

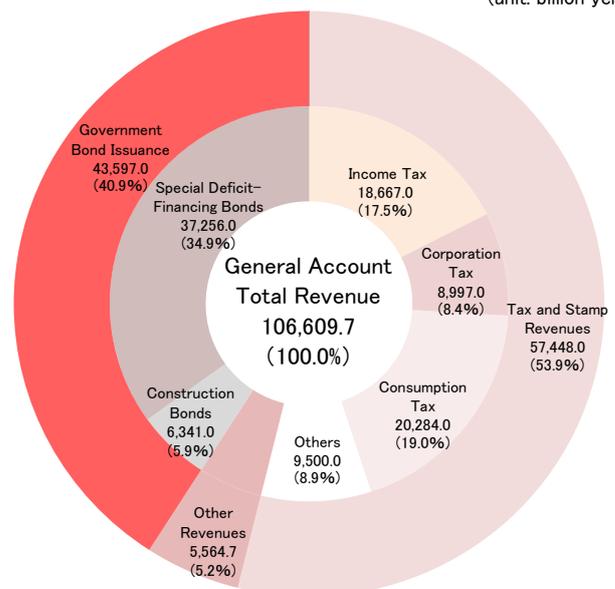
The FY2021 Budget: Expenditure and Revenue

General Account Expenditure



General Account Revenue

(unit: billion yen)



* General Expenditure is defined as Total Expenditure minus National Debt Service and Local Allocation Tax Grants, etc.
 * Primary Expense (= expenditures excluding a portion of National Debt Service from the Total Expenditure. An indicator of policy expenses for the current fiscal year.) is 83,374.4 (78.2%).

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

(Note 2) Social security related expenditures account for 53.6% of the general expenditure.

For more details, please refer to the following link:

<https://www.mof.go.jp/english/budget/budget/fy2021/01.pdf>

2. Issuance and Reopening schedule (FY2021) , Inflation-Indexed Bonds and Liquidity Enhancement Auction (the April-June quarter 2021)

The MOF decided on the “Issuance and reopening schedule of the 10-year, 20-year, 30-year and 40-year Bonds (FY2021)”, “Issuance Amount of Inflation-Indexed Bonds in the April-June quarter 2021” and “Issuance Amount for Liquidity Enhancement Auctions in the April-June quarter 2021” following the discussions at the 93rd Meeting of JGB Market Special Participants and the 86th Meeting of JGB Investors, which were both held on March 23, 2021.

<Issuance and reopening schedule of the 10-year, 20-year, 30-year and 40-year Bonds (FY2021) >

Maturity	Issue Month	Apr-2021	May-2021	Jun-2021	Jul-2021	Aug-2021	Sep-2021
10 ([○])	Issue No.	No.362			No.363		
	Maturity Month	Mar-2031			Jun-2031		
20	Issue No.	No.176			No.177		
	Maturity Month	Mar-2041			Jun-2041		
30	Issue No.	No.70			No.71		
	Maturity Month	Mar-2051			Jun-2051		
40	Issue No.	-	No.14	-	No.14	-	No.14
	Maturity Month	-	Mar-2061	-	Mar-2061	-	Mar-2061

Maturity	Issue Month	Oct-2021	Nov-2021	Dec-2021	Jan-2022	Feb-2022	Mar-2022
10 ([○])	Issue No.	No.364			No.365		
	Maturity Month	Sep-2031			Dec-2031		
20	Issue No.	No.178			No.179		
	Maturity Month	Sep-2041			Dec-2041		
30	Issue No.	No.72			No.73		
	Maturity Month	Sep-2051			Dec-2051		
40	Issue No.	-	No.14	-	No.14	-	No.14
	Maturity Month	-	Mar-2061	-	Mar-2061	-	Mar-2061

(*) As an exception to the schedule above, reopening shall not be applied to 10-year Bonds and a new issue shall be undertaken when the gap between the coupon rate and market rate on the auction day is more than 0.30%.

(Note 1) In FY2021, 10-year Bonds, 20-year Bonds and 30-year Bonds will be issued every month.

(Note 2) Auction method for 40-year Bonds is Dutch-style-yield-competitive auction (0.5bp bidding scale).

(Note 3) The plan could be changed owing to market conditions and others.

(Source) MOF https://www.mof.go.jp/english/jgbs/topics/press_release/20210324-01e.htm

<Issuance of Inflation-Indexed Bonds in April-June 2021>

- ✓ Issuance amount in May 2021: Approximately 200 billion yen.
- ✓ The auction schedule for Buy-Back Program of Inflation-Indexed Bonds in April-June 2021 was determined as below:

Auction Month	Auction Amount
April 2021	Buy-Back: Approximately 50 billion yen
May 2021	Issuance: Approximately 200 billion yen Buy-Back: Approximately 50 billion yen
June 2021	Buy-Back: Approximately 50 billion yen

(Reference) Issuance method of the Inflation-Indexed Bonds in FY2021

- ✓ Reopening: 1 issue (No.26, Maturity: March 10, 2031, Reference CPI: December 2020)
- ✓ Auction month: May, August, November 2021 and February 2022
- ✓ Auction method: Dutch-style-price-competitive auction (0.05 yen bidding scale).

(Source) MOF https://www.mof.go.jp/english/jgbs/topics/press_release/20210324-02e.htm

<Issuance Amounts for Liquidity Enhancement Auctions in April-June 2021>

- ✓ The Auction schedule of Liquidity Enhancement Auctions in the April-June quarter 2021 was determined as below:

	April 2021	May 2021	June 2021
(1) Issues with remaining maturities of 1-5 years	-	Approximately 400 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	-	Approximately 500 billion yen

(Source) MOF https://www.mof.go.jp/english/jgbs/topics/press_release/20210324-03e.htm

The League Table of JGB Market Special Participants (PDs)

The MOF updated the league table of the top 10 PDs for successful bids in the JGB auctions which is updated quarterly.

Top 10 PDs for Successful Bids in Auctions (Weighted by Duration) (Oct. 2020 - Mar. 2021)

1 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	4 JPMorgan Securities Japan Co., Ltd.
	5 Mizuho Securities Co., Ltd.
2 Daiwa Securities Co. Ltd.	6 Goldman Sachs Japan Co., Ltd.
	7 SMBC Nikko Securities Inc.
3 Nomura Securities Co., Ltd.	8 Deutsche Securities Inc.
	9 Morgan Stanley MUFG Securities Co., Ltd.
	10 BNP Paribas Securities (Japan) Limited

Top 5 PDs for Successful Bids of Inflation-Indexed Bond (FY2020)

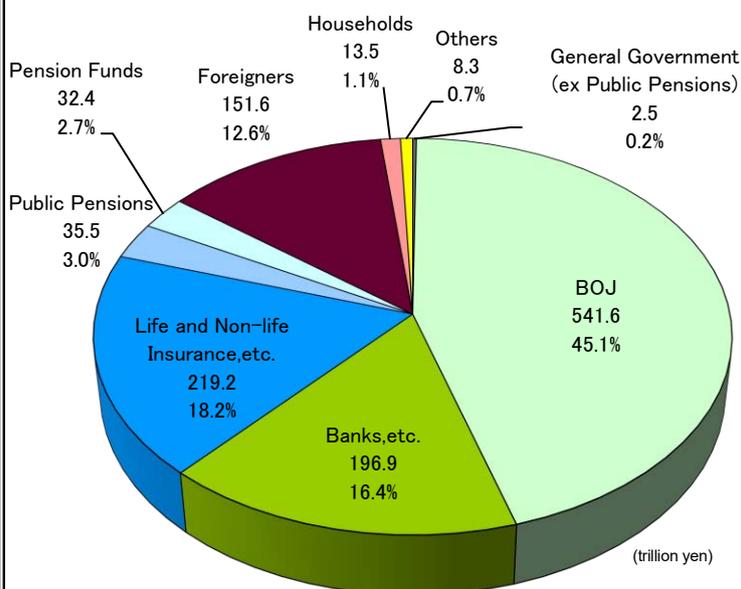
1 Goldman Sachs Japan Co., Ltd.
2 JPMorgan Securities Japan Co., Ltd.
3 Mizuho Securities Co., Ltd.
4 Barclays Securities Japan Limited
5 Nomura Securities Co., Ltd.

1. Breakdown by JGB (including T-Bills) Holders (end of December 2020)

On March 17, the Bank of Japan (BOJ) released the Flow of Funds Accounts of the 4th Quarter 2020. The shares of JGB (including T-Bills, hereinafter referred to as “JGBs”) holders were updated as follows:

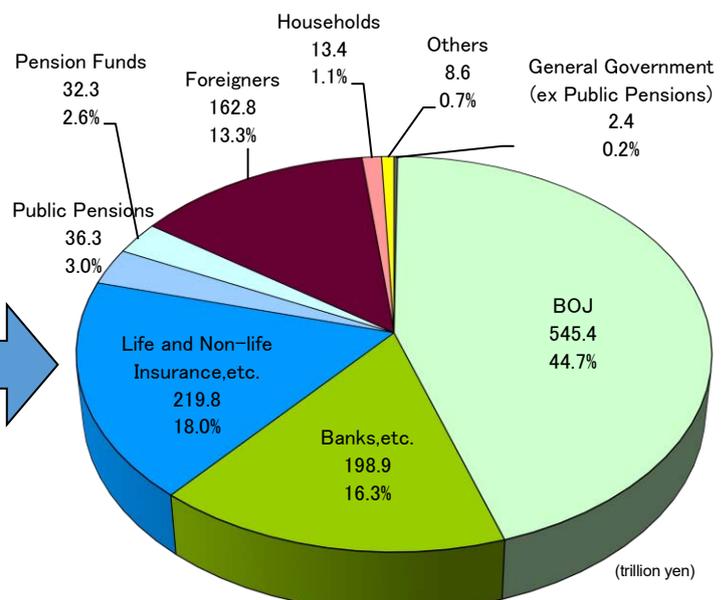
- The total amount of JGBs outstanding increased by 18.6 trillion yen to 1,219.9 trillion yen.
- The BOJ increased its holdings of JGBs by 3.8 trillion yen to 545.4 trillion yen.
- The amount of JGBs held by domestic banks in Q4 increased by 2.0 trillion yen to 198.9 trillion yen.
- The amount of JGBs held by foreign investors in Q4 increased by 11.2 trillion yen to 162.8 trillion yen.

The end of Sept. 2020



Total ¥1,201.3 trillion

The end of Dec. 2020
(Preliminary Figures)



Total ¥1,219.9 trillion

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

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

2. Further Effective and Sustainable Monetary Easing

“Further Effective and Sustainable Monetary Easing” was released by the Bank of Japan on March 19, 2021.

Details: https://www.boj.or.jp/en/announcements/release_2021/k210319a.pdf

3. The Bank of Japan's *TANKAN* (March 2021 Survey)

On April 1, the Bank of Japan (BOJ) released the *TANKAN* ("Short-Term Economic Survey of Enterprises in Japan"), a quarterly survey of more than 9,000 enterprises. The main points are as follows:

- The diffusion index for all enterprises rose from -15 to -8 in March. In particular, the index for large enterprises in the manufacturing sector showed big improvement. This index rose from -10 to 5, returning to positive territory.
- Business sentiment improved for a third straight quarter in March. However, June forecast figures indicate that the pace of improvement will slow down in the next quarter.

(Diffusion index of "Favorable" minus "Unfavorable", % points)

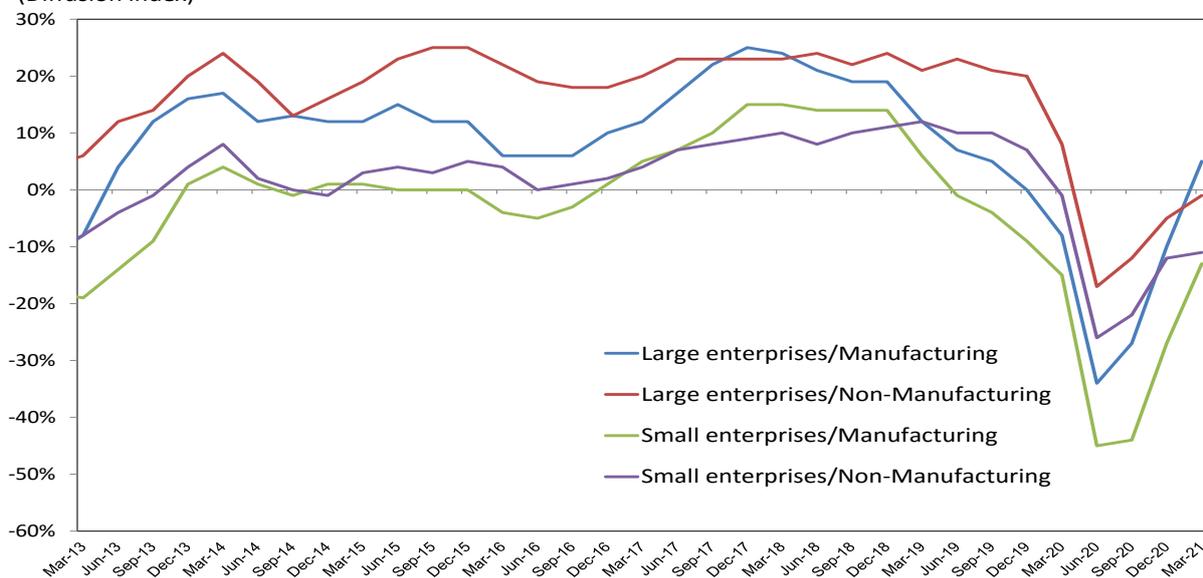
	Dec. 2020	Mar. 2021	Change between Dec. and Mar.	June 2021 (Forecast)	Change between Mar. and June
[Large Enterprises]					
Manufacturing	-10	5	15	4	-1
Non-manufacturing	-5	-1	4	-1	0
[Medium-sized Enterprises]					
Manufacturing	-17	-2	15	-6	-4
Non-manufacturing	-14	-11	3	-12	-1
[Small Enterprises]					
Manufacturing	-27	-13	14	-12	1
Non-manufacturing	-12	-11	1	-16	-5
[All Enterprises]					
Manufacturing	-20	-6	14	-7	-1
Non-manufacturing	-11	-9	2	-12	-3
All industries	-15	-8	7	-10	-2

(Source) Bank of Japan "Tankan"

For more information, see

<http://www.boj.or.jp/en/statistics/tk/index.htm/>

(Diffusion index)



(Source) Bank of Japan "Tankan"

- Hi! Hope you're well. This month we are focusing on our sixth virtual IR activities.

In the second half of March, we had virtual meetings with foreign investors in Southeast Asia. Meeting schedules were flexible because their time zones were almost same as ours.

In the meetings, we explained the Japanese government's responses to COVID-19, the recent economic situation in Japan, the Japanese fiscal condition, and our approach toward debt management. Then, we exchanged views and heard their current and potential investment attitudes toward JGBs.

We received questions regarding our fiscal consolidation efforts from these investors. Also, this time they seemed to be paying close attention to BOJ monetary policy because during the period of this time's virtual IR, the BOJ's Monetary Policy Meeting was held on March 18 and 19. Through discussions, we could also get their background information and understand their interest in JGBs.

We really appreciate them sharing their time with us and answering our questions.

- In Japan, cherry blossoms, called sakura in Japanese, reached full bloom. Sakura typically signifies the arrival of spring. Thousands of beautiful tiny flowers also attract many people but they are in bloom for only a couple of weeks, which reminds us of the fundamental philosophy that "things are ephemeral in this world". This is why sakura is one of the best-loved flowers in Japan.



Which flower is the most beloved one in your country? We are looking forward to seeing flowers in your country when we overcome this pandemic and are able to visit.

- It's finally April. Most Japanese believe that spring is the perfect time to start new things. Schools start new grades and classes from April. Many Japanese companies typically welcome new employees on April 1.

We also welcomed new members. Today, we are pleased to announce new members of our IR team! KURITA Daichi, MATSUYAMA Yasuhiro and TAKAI Kazuhiro have joined our team since the beginning of this April. They have a variety of backgrounds in both fixed income and global markets. Their experiences and passion will be a great addition to our team.

We, as a new IR team, are looking forward to seeing you and promoting good relationships with you.



«KURITA Daichi»



«MATSUYAMA Yasuhiro»



«TAKAI Kazuhiro»

JGB Primary Market

Auction Results (Bonds)

(Until 31 March 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)
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
3/2/2021	10-year	361	12/20/2030	0.1%	6,662.5	2,122.1	0.134%	0.131%	0.360	476.8	244.8
3/4/2021	30-year	69	12/20/2050	0.7%	2,037.4	736.6	0.700%	0.691%	-	162.1	0.0
3/9/2021	5-year	146	12/20/2025	0.1%	6,685.5	2,056.8	▲0.054%	▲0.062%	-	442.8	0.0
3/11/2021	20-year	175	12/20/2040	0.5%	3,300.7	970.6	0.519%	0.513%	-	228.3	101.3
3/25/2021	40-year	13	3/20/2060	0.5%	1,399.9	500.0	0.675%	-	-	-	48.4
3/30/2021	2-year	423	4/1/2023	0.005%	8,892.7	2,453.9	▲0.119%	▲0.126%	-	545.0	12.5

Auction Results (Treasury Discount Bills)

(Until 31 March 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)
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
3/5/2021	3-month	977	6/14/2021	17,251.22	5,461.92	▲0.1005%	▲0.1035%	1,238.00
3/9/2021	6-month	978	9/10/2021	13,893.90	2,771.64	▲0.1030%	▲0.1070%	628.30
3/12/2021	3-month	979	6/21/2021	17,898.04	5,461.45	▲0.0930%	▲0.0964%	1,238.50
3/17/2021	1-year	980	3/22/2022	9,802.10	2,853.68	▲0.1288%	▲0.1298%	646.30
3/18/2021	3-month	981	6/28/2021	17,958.63	5,475.36	▲0.0986%	▲0.1009%	1,224.60
3/24/2021	6-month	982	9/27/2021	10,665.80	2,778.86	▲0.1098%	▲0.1117%	621.10
3/26/2021	3-month	983	7/5/2021	15,767.40	5,474.83	▲0.0930%	▲0.0990%	1,225.10

Auction Calendar for Apr. 2021 – June 2021

Auction Date	Issue	Auction Date	Issue	Auction Date	Issue	Auction Date	Issue
4/1(Thu)	10-year	4/23(Fri)	T-Bills (3-month)	5/21(Fri)	20-year	6/15(Tue)	T-Bills (6-month)
4/2(Fri)	T-Bills (3-month)	4/28(Wed)	2-year	5/24(Mon)	T-Bills (6-month)	6/15(Tue)	Liquidity Enhancement Auction (remaining maturities of 15.5-39 years)
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)	6/16(Wed)	T-Bills (1-year)
4/8(Thu)	T-Bills (6-month)	5/7(Fri)	T-Bills (3-month)	5/27(Thu)	40-year	6/17(Thu)	T-Bills (3-month)
4/8(Thu)	5-year	5/7(Fri)	Liquidity Enhancement Auction (remaining maturities of 1-5 years)	5/28(Fri)	T-Bills (3-month)	6/22(Tue)	5-year
4/9(Fri)	T-Bills (3-month)	5/11(Tue)	10-year	5/31(Mon)	2-year	6/24(Thu)	20-year
4/13(Tue)	Liquidity Enhancement Auction (remaining maturities of 15.5-39 years)	5/13(Thu)	30-year	6/3(Thu)	10-year	6/25(Fri)	T-Bills (3-month)
4/15(Thu)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)	5/14(Fri)	T-Bills (3-month)	6/4(Fri)	T-Bills (3-month)	6/29(Tue)	2-year
4/16(Fri)	T-Bills (3-month)	5/17(Mon)	10-year Inflation-Indexed Bonds	6/8(Tue)	30-year		
4/19(Mon)	T-Bills (1-year)	5/19(Wed)	T-Bills (1-year)	6/9(Wed)	T-Bills (6-month)		
4/20(Tue)	20-year	5/19(Wed)	5-year	6/10(Thu)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)		
4/22(Thu)	T-Bills (6-month)	5/21(Fri)	T-Bills (3-month)	6/11(Fri)	T-Bills (3-month)		

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) (Oct. 2020~Mar. 2021)

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	Nomura Securities Co., Ltd.	8	Deutsche Securities Inc.
4	JPMorgan Securities Japan Co., Ltd.	9	Morgan Stanley MUFG Securities Co., Ltd.
5	Mizuho Securities Co., Ltd.	10	BNP Paribas Securities (Japan) Limited

Top 5 PDs for Successful Bids of Inflation-Indexed Bond (FY2020)

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

Liquidity Enhancement Auctions and JGB Buy-Back

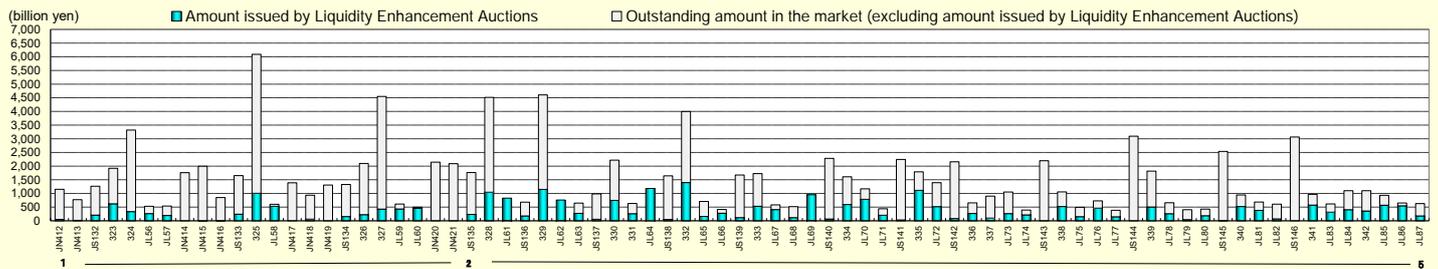
Results of Liquidity Enhancement Auctions

(Until 31 March 2021)

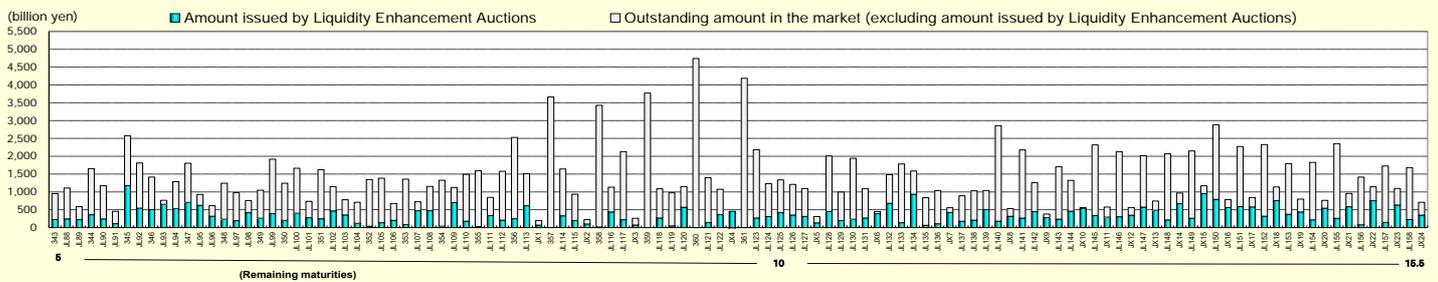
Auction Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Average Accepted Spread	Highest Accepted Spread	Issues Re-opened
1/15/2021	2,287.6	497.6	▲0.008%	▲0.008%	10-year(342,344,345,346,348,353) 20-year(85,86,87,88,89,90,91,92,93,94,146,153,154,157) 30-year(22,23)
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)
3/16/2021	1,825.4	498.2	▲0.008%	▲0.007%	10-year(343,350,354,357,358) 20-year(88,93,94,98,101,109,110,131,138,143,144,145,146,147,148,150,153,154,155,156,157) 30-year(8,13,15,17,20,23)
3/23/2021	1,596.1	399.1	▲0.003%	▲0.002%	5-year(132,135,136,137,138,139,140,141,143) 10-year(322,324,328,329,330,331,332,333,334,335,336,337,338,339) 20-year(57,58,60,61,62,66,67,68,69,74,75,76,77,79,80,82)

Target Zones of Liquidity Enhancement Auctions for the First Quarter of FY 2021

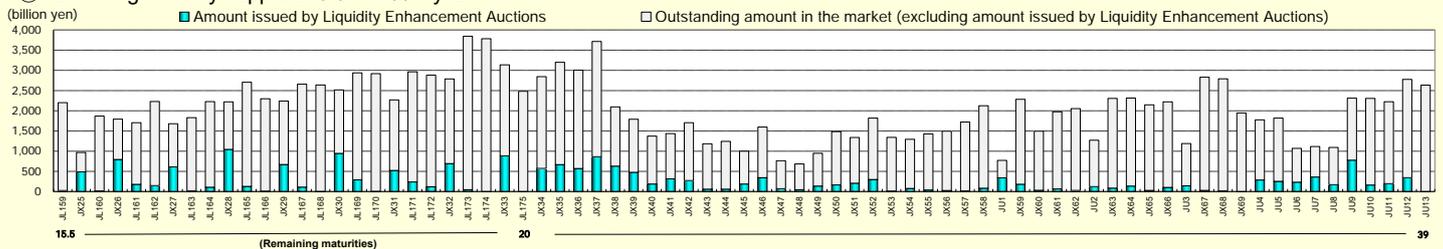
① Remaining maturity : approx. 1 - ~5 - year



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

10-year Inflation-Indexed

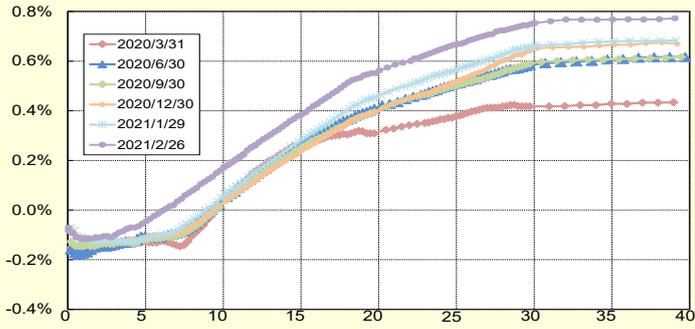
Buy-Back Results

(Until 31 March 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
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
3/5/2021	166.4	50.2	▲0.16	▲0.08	18, 21, 23, 24, 25

JGB Secondary Market

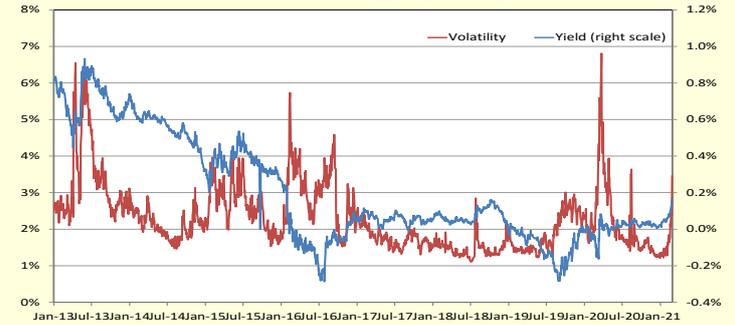
JGB Yield Curves



Source: Japan Bond Trading Co.,Ltd.

Yield and Volatility (10Yr)

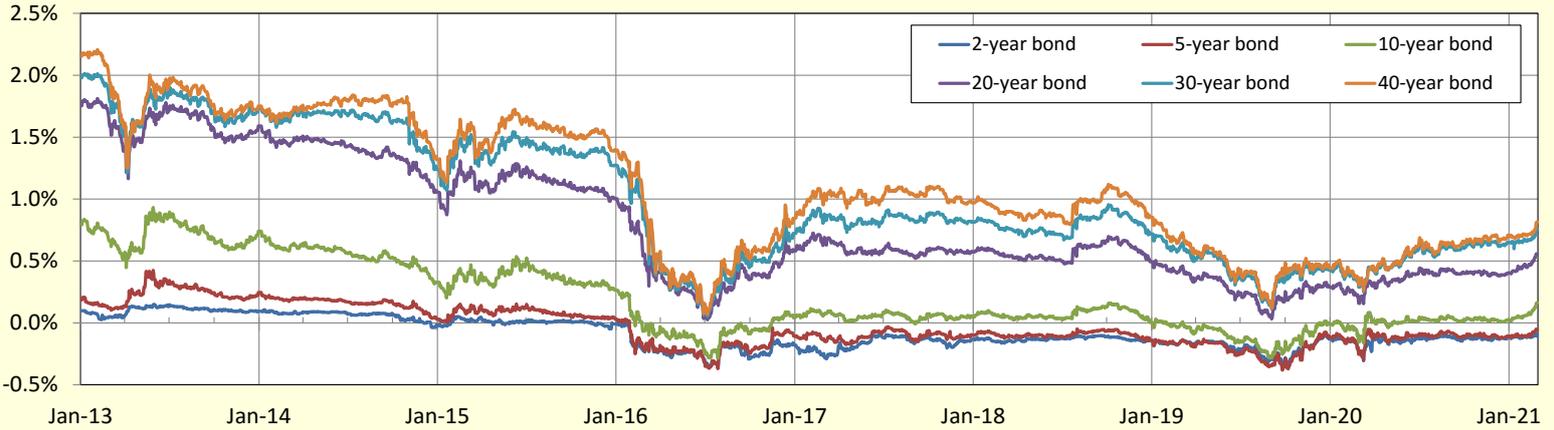
(Until 28 February 2021)



Source: Bloomberg

Yields of JGB

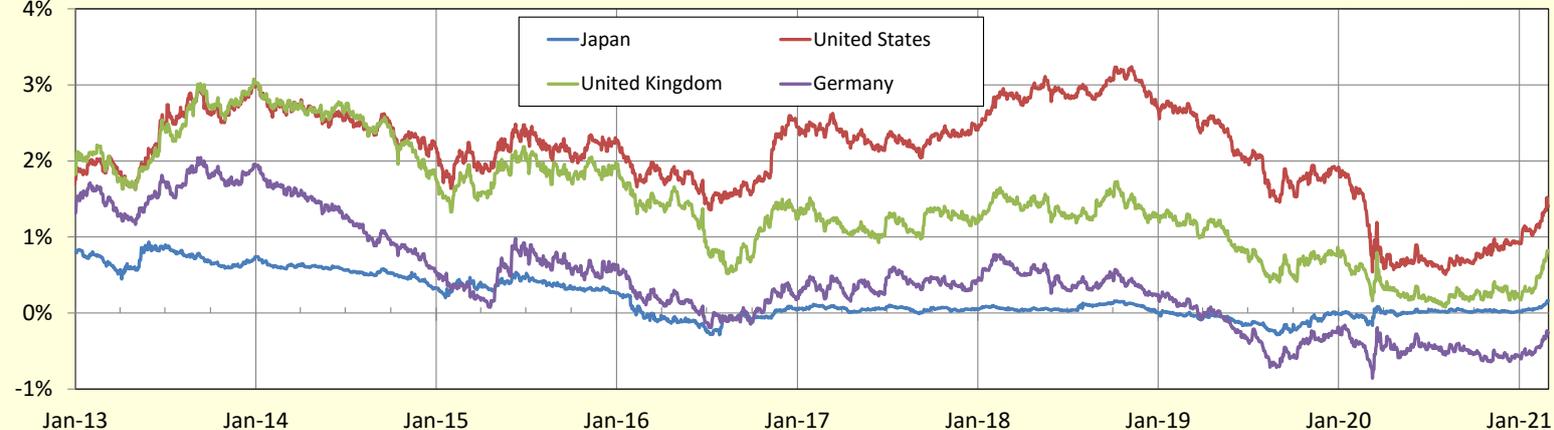
(Until 28 February 2021)



Source: Bloomberg

Long - Term Interest Rates (10Yr)

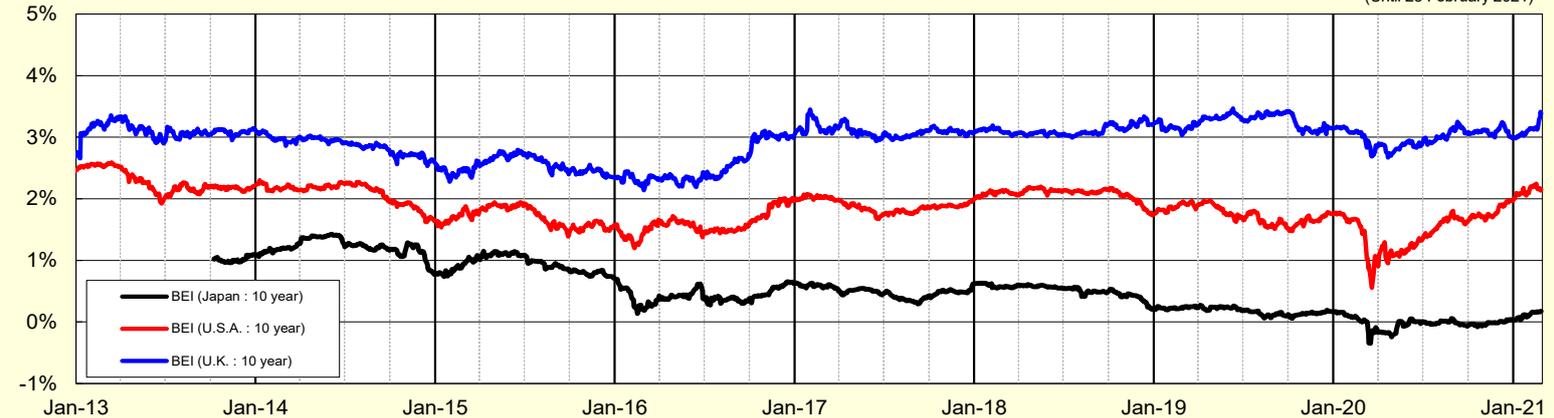
(Until 28 February 2021)



Source: Bloomberg

Break-Even Inflation Rates

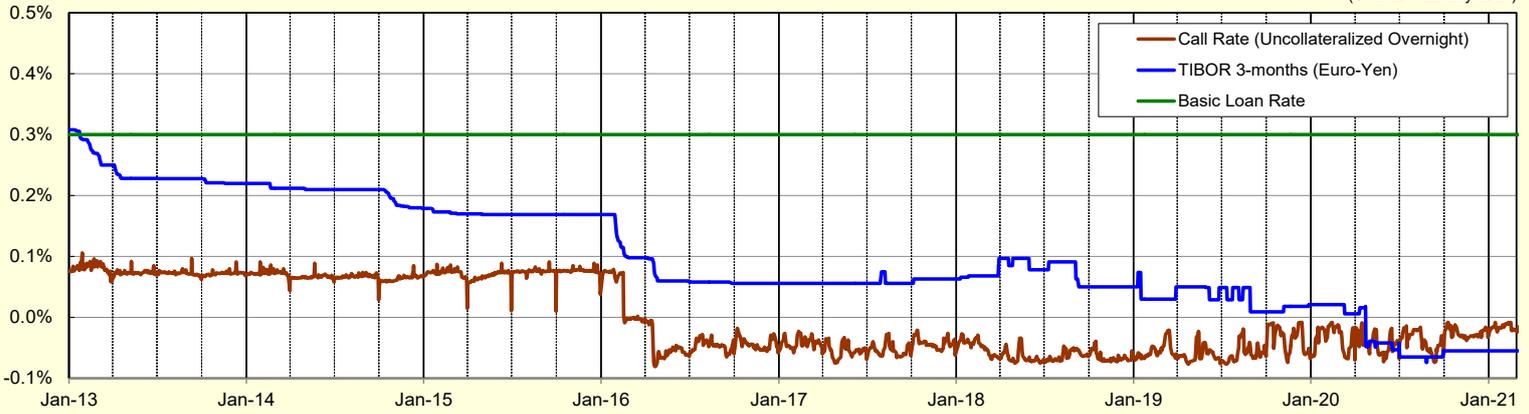
(Until 28 February 2021)



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

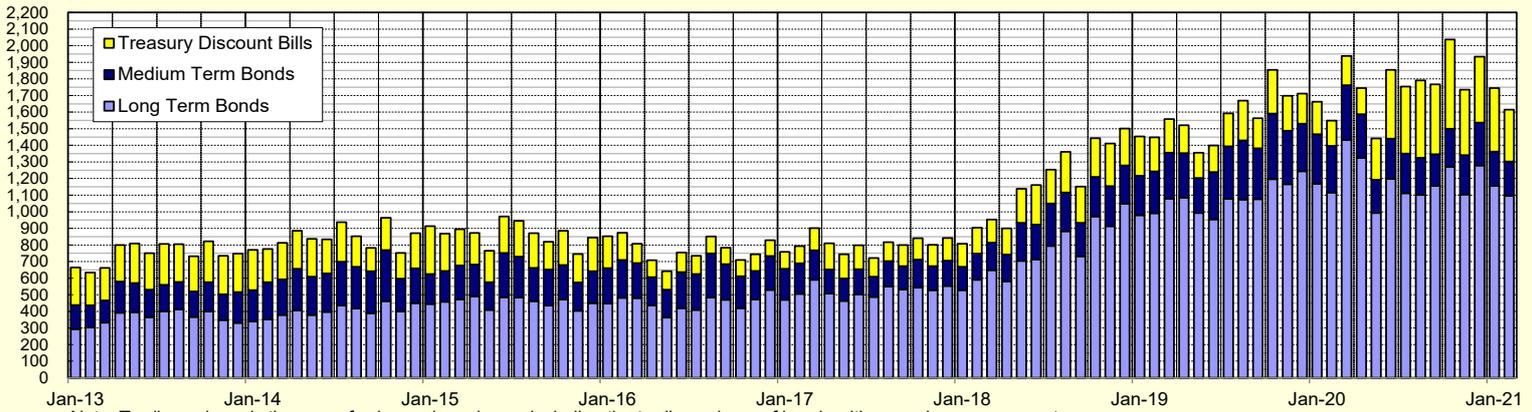
(Until 28 February 2021)



Sources: Bank of Japan, Tanshi Association, Bloomberg

JGB Over-the-Counter Trading Volume (TOKYO)

(trillion yen)

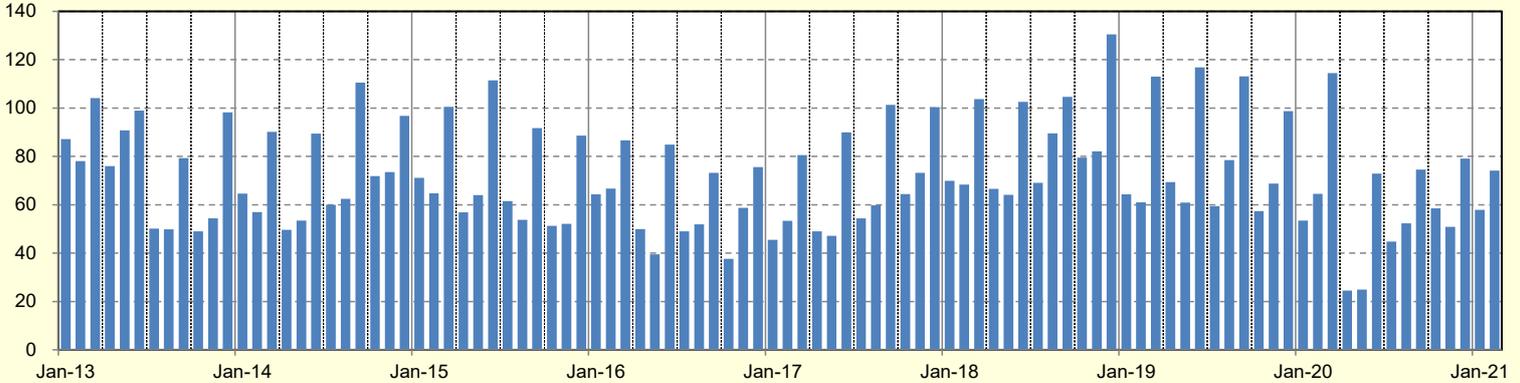


Note: Trading volume is the sum of sales and purchases including the trading volume of bonds with repurchase agreements.

Source: Japan Securities Dealers Association

Trading Volume of 10-Year JGB Futures

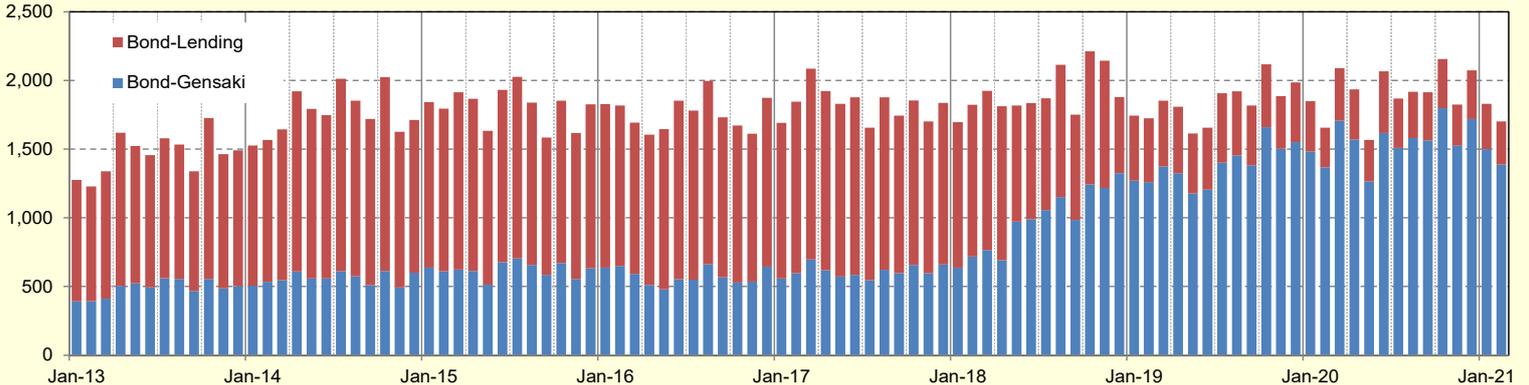
(trillion yen)



Sources: Tokyo Stock Exchange (until Mar.2014), Osaka Exchange (from Apr. 2014)

Repurchase Transactions

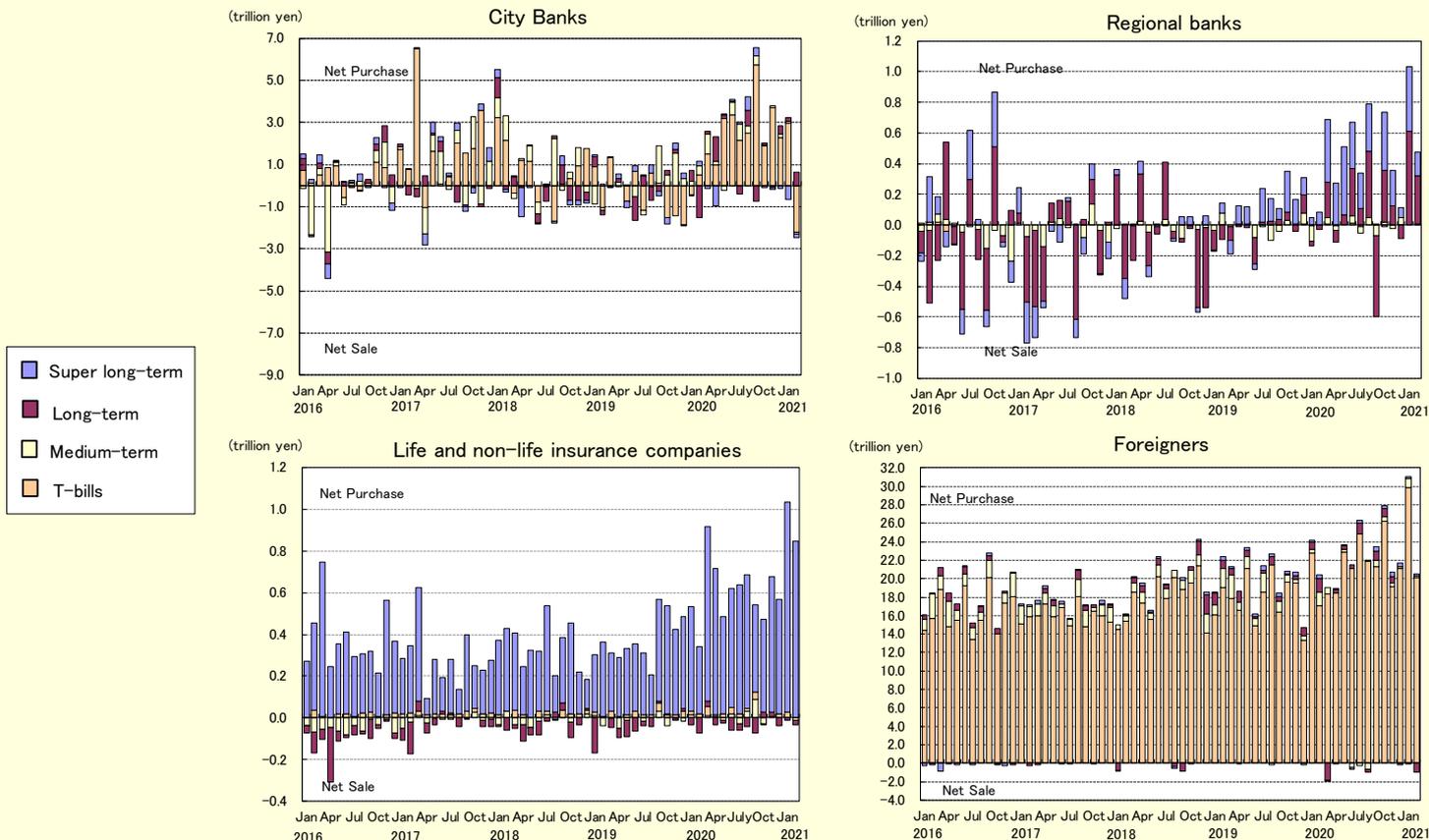
(trillion yen)



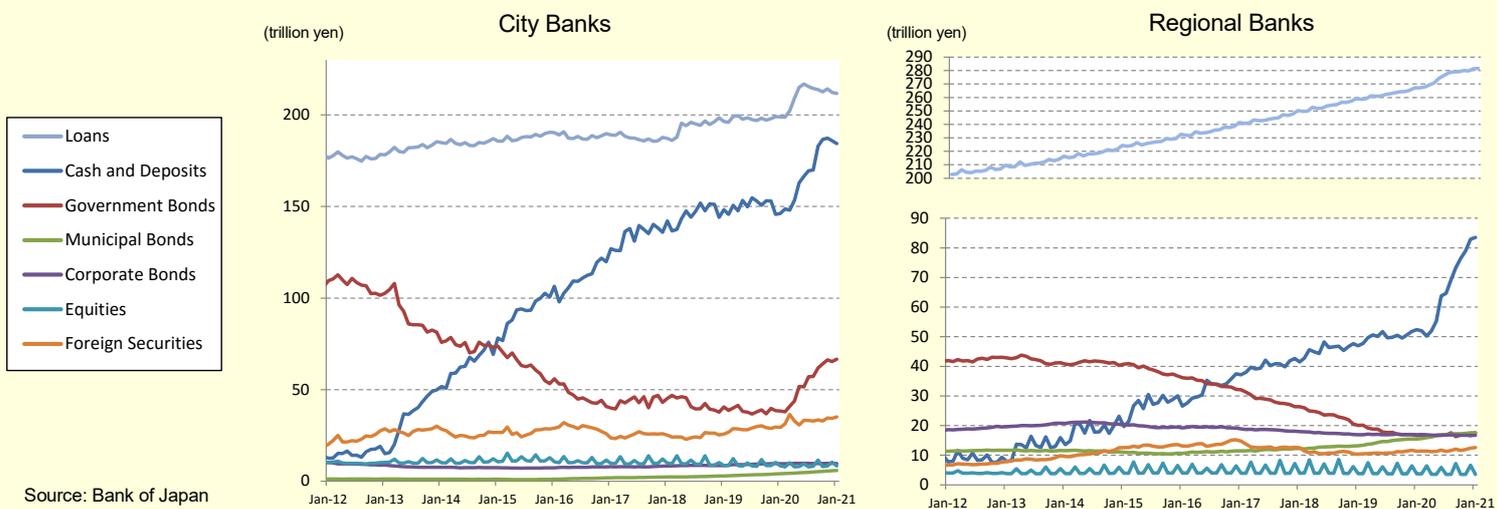
Source: Japan Securities Dealers Association

Investor Trends and JGB Outstanding

Trends in JGBs Transactions (by investor type)

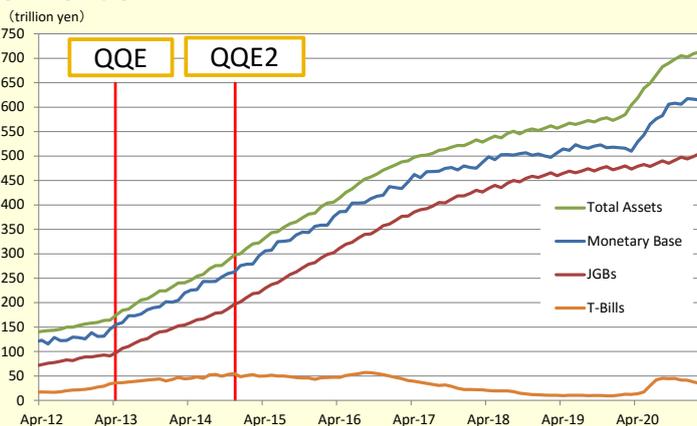


Trends in Bank Assets by Types



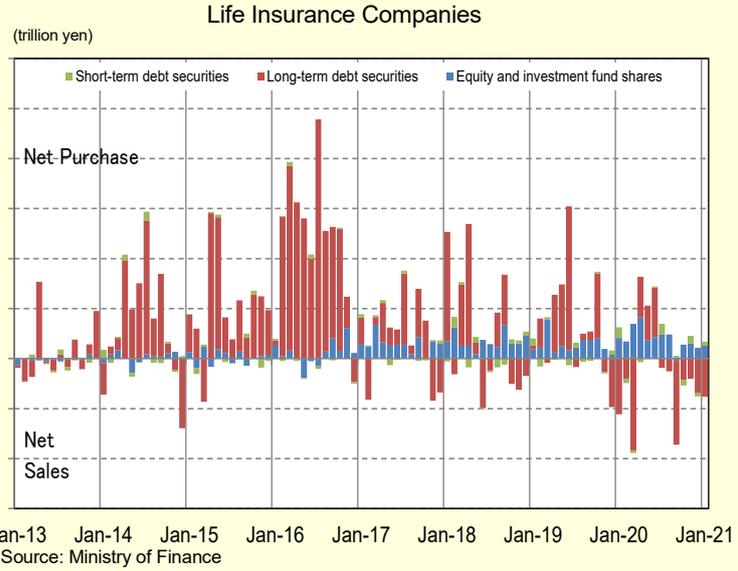
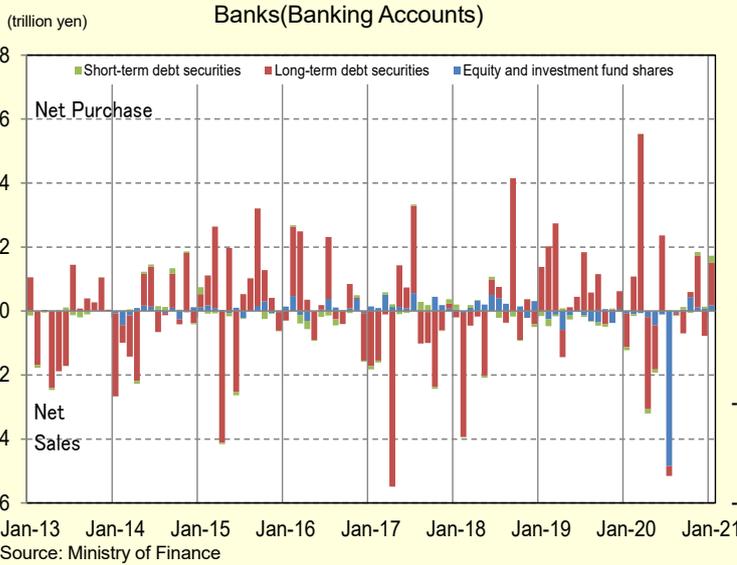
BOJ Trends

	Apr 2013 (Actual)	Feb 2021 (Actual)
Monetary Base	155	615
JGBs	98	505
T-Bills	36	35
CP	1.4	4.3
Corporate Bonds	2.9	7.3
ETFs	1.7	35.7
J-REITs	0.13	0.66
Total Assets	175	713

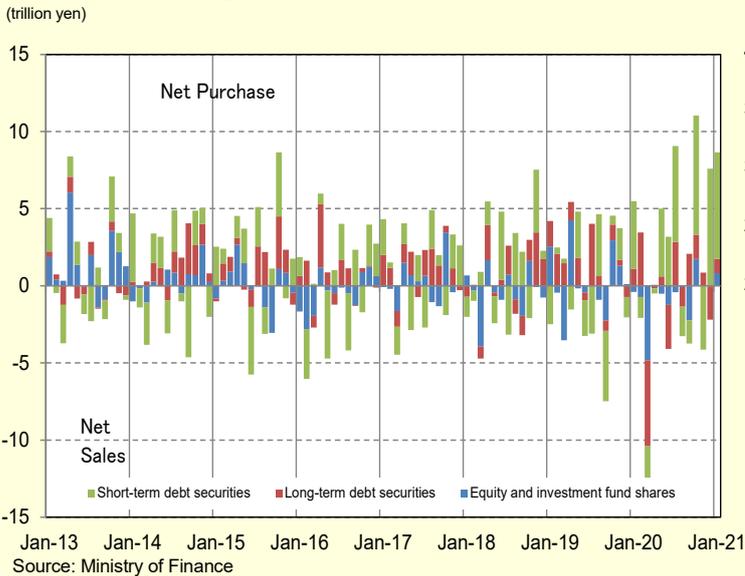


Source: Bank of Japan

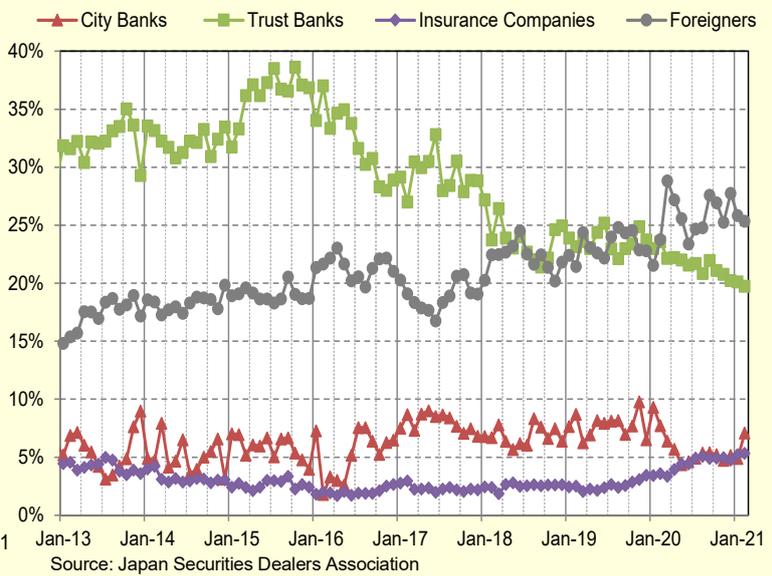
Transactions of Foreign Securities by Residents (by Investor types)



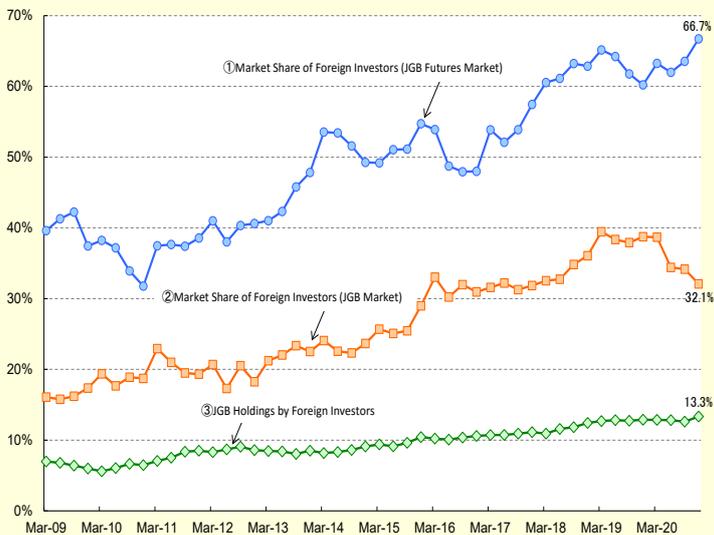
Transactions of Domestic Securities by Non-Residents



Outstanding of Repurchase Agreements (by Investor types)

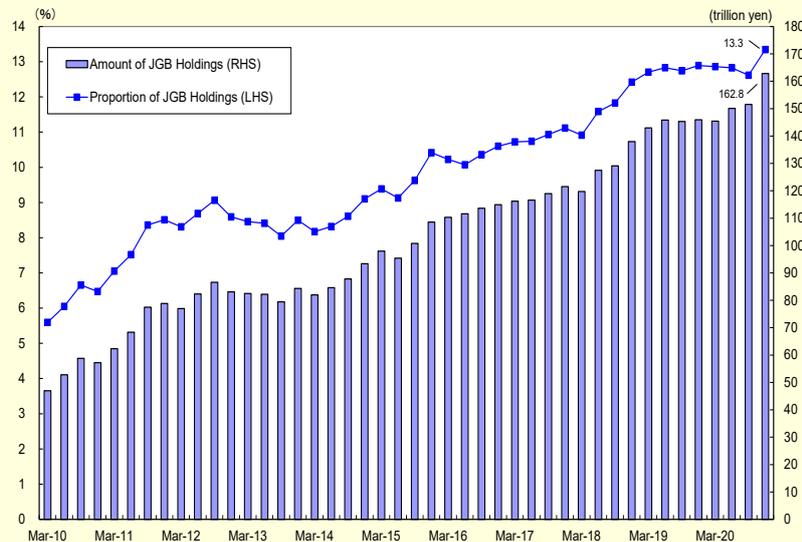


Foreign Investors Presence



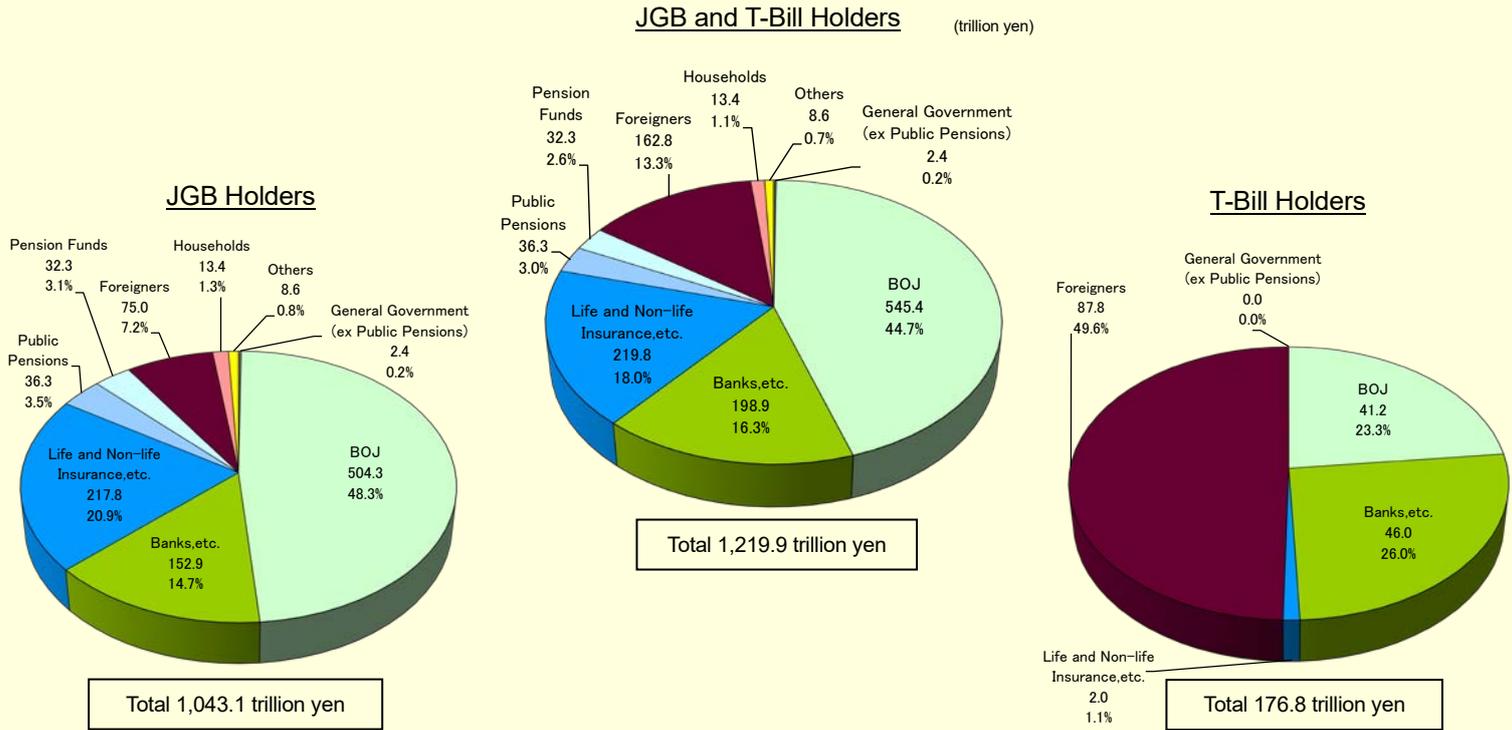
Note.1: Quarterly basis.
 Note.2: "JGB" includes T-Bills. The figures of ② excludes dealers' transactions.
 Sources: Bank of Japan, Japan Securities Dealers Association, Tokyo Stock Exchange, Osaka Exchange

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)



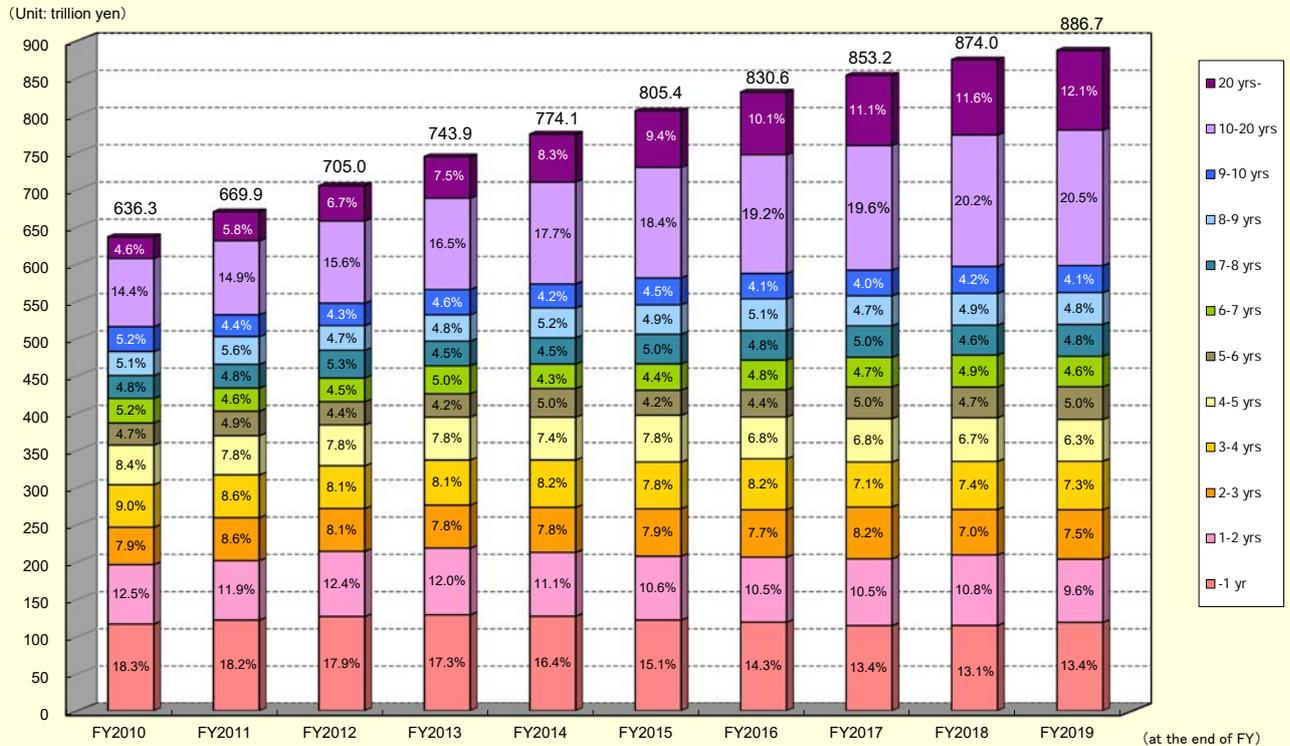
Note1: "JGB" includes "FILP Bonds."

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)"

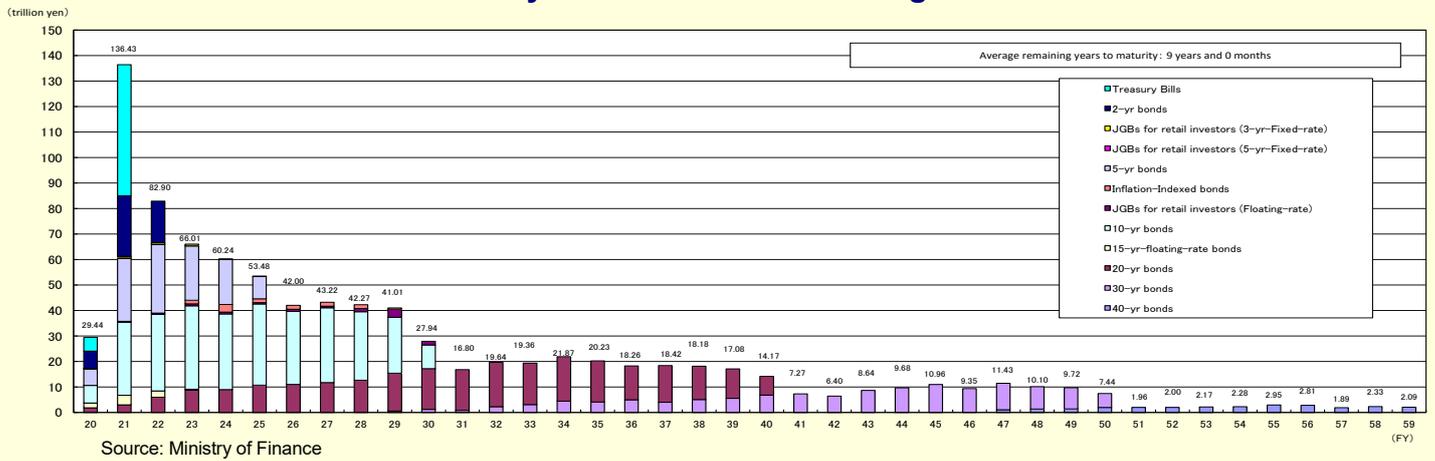
Breakdown of Outstanding Amount of General Bonds by Remaining Years to Maturity



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 April, 2021

(billion yen)

Types	The amount of redemption at maturity	Scheduled redemption date
2-Year Bonds	2,227.7	April 1
Treasury Bills (6-Month)	3,800.0	April 12
Treasury Bills (1-Year)	1,800.0	April 20
Treasury Bills (6-Month)	3,799.9	April 26
Total	11,627.6	

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

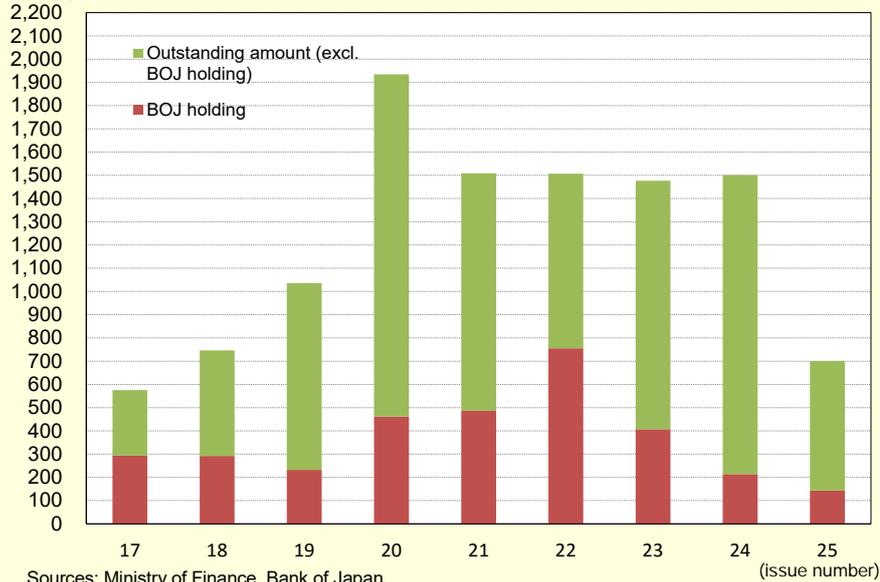
Note.3: The figures do not include "JGB for Retail Investors."

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 February, 2021)

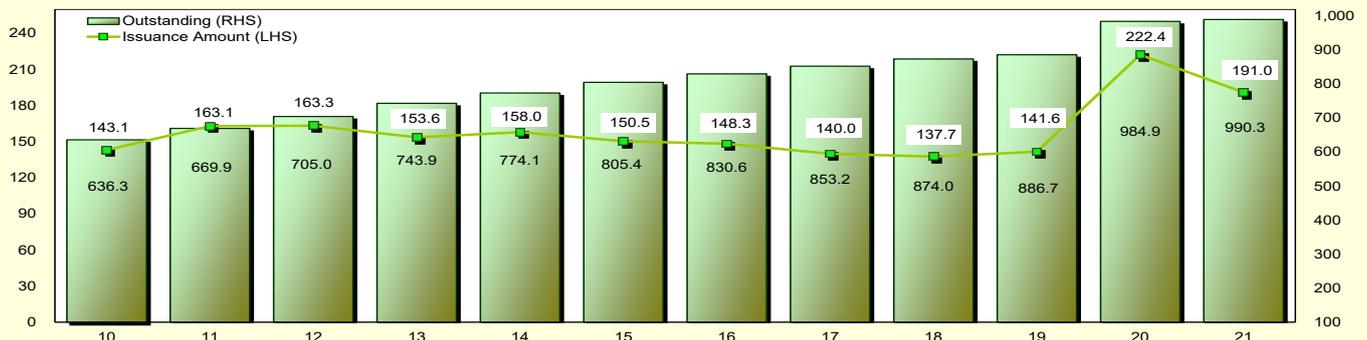
(billion yen)



General Bonds Issuance Amount and Outstanding

(trillion yen)

(trillion yen)



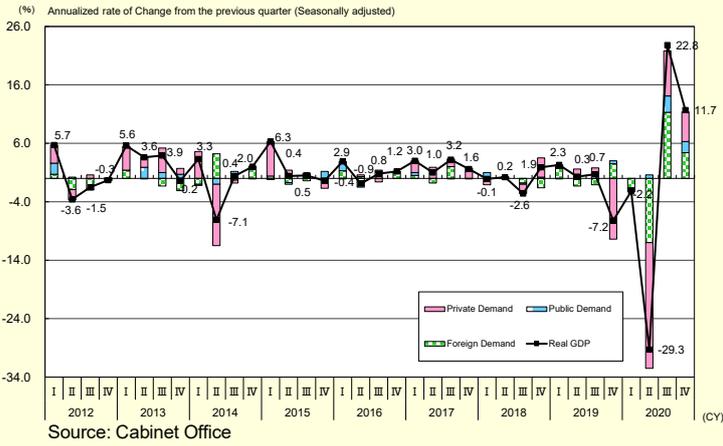
Note 1: Issuance Amount: revenue basis, FY2010-2019: Actual, FY2020: Supplementary budget, FY2021: Initial budget

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

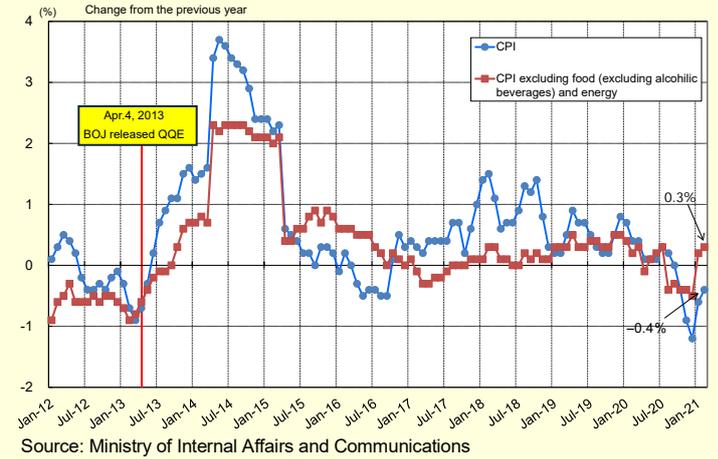
Source: Ministry of Finance

Economic and Financial Trends

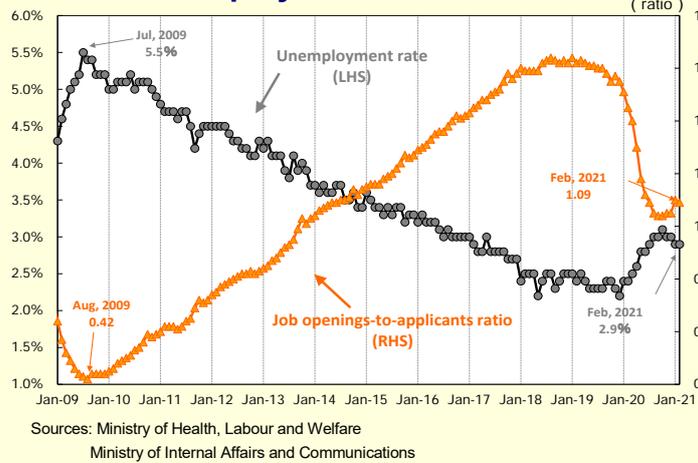
Real GDP Growth Rate



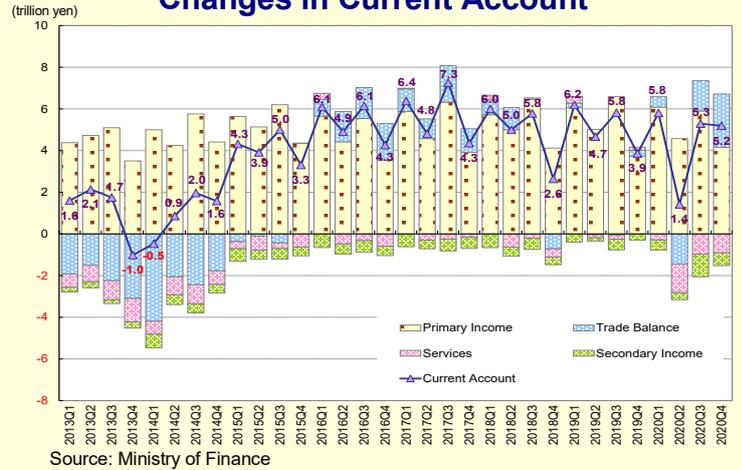
Prices



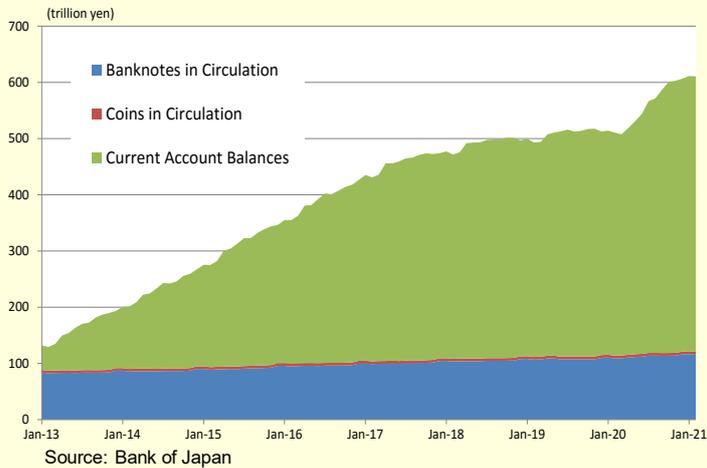
Employment Conditions



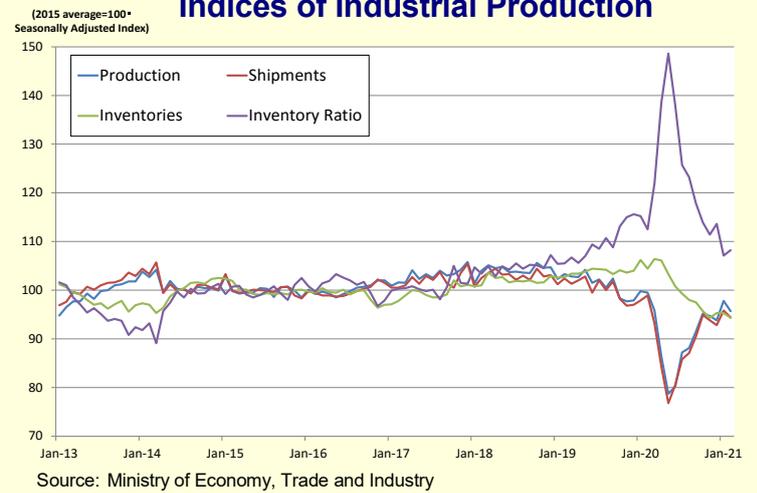
Changes in Current Account



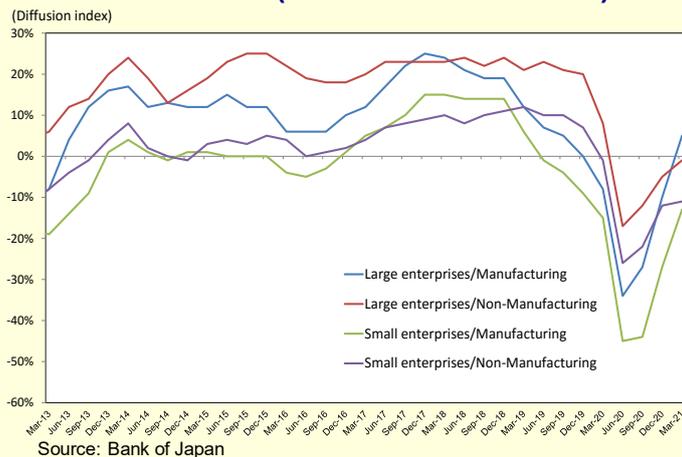
Monetary Base



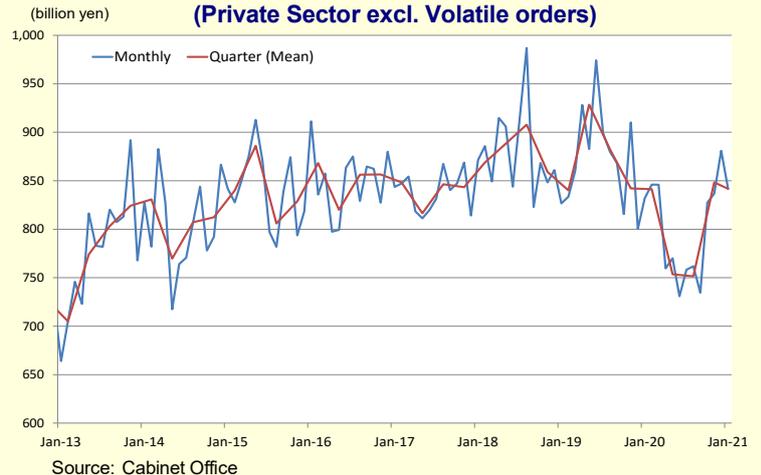
Indices of Industrial Production



TANKAN (Business Conditions)



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



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.html
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/qbb/index.htm
Interest Rate	Daily	https://www.mof.go.jp/english/jgbs/reference/interest_rate/index.htm
STRIPS	Monthly	https://www.mof.go.jp/english/jgbs/reference/jgbstat/index.htm
Dialogue with the market		
Advisory Councils on Government Debt Management	Each Meeting	https://www.mof.go.jp/english/about_mof/councils/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

To subscribe to our Newsletter mailing list,
please email: JGB-IR@mof.go.jp

Debt Management Policy Division, Financial Bureau, Ministry of Finance

3-1-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-8940 Japan

Phone: 81-3-3581-4111

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