

January
2025
Newsletter

JAPANESE GOVERNMENT BONDS

Ministry of Finance, Japan



(Cover photo) A snowman in Ginzan Onsen, Yamagata.

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

In Japan, the New Year is traditionally treated as a special occasion, and most office workers are given several days off to refresh themselves to welcome it. During this time, family gatherings and visits to shrines or temples for hatsumode, the first prayer of the year to pray for good fortune, are common everywhere. Another aspect of Japanese culture in such shrines or temples is drawing an “omikujii” fortune slip to predict your luck for the year. I was fortunate enough to draw the best luck, “Daikichi!” Why not try drawing your own fortune for the year as well? We hope that 2025 will be a great year for all of you.

For this newsletter, we covered several events relevant to JGB investors. First, on December 27, 2024, the MOF announced the JGB Issuance Plan for FY2025, and also released the basic product features of the New Floating-rate JGBs. Second, on December 26, 2024, the MOF released the “Issuance of the Inflation-Indexed Bonds (JGBi) in January-March 2025” and “Issuance Amounts for Liquidity Enhancement Auctions in January-March 2025.” Third, on December 18, 2024, the BOJ released its Flow of Funds Accounts for the 3rd Quarter of 2024. Finally, we look back at our IR activities in 2024.

Table of contents**What’s New:**

| | |
|---|------|
| JGB Issuance Plan for FY2025 | p. 2 |
| JGBi and Liquidity Enhancement Auctions in January-March 2025 | p. 4 |

Monthly Topic:

| | |
|--|------|
| JGB and T-Bill Holdings (as of the end of Sep. 2024) | p. 5 |
|--|------|

IR Office:

| | |
|-----------------------|------|
| IR activities in 2024 | p. 6 |
|-----------------------|------|

Statistics

| | |
|---|-------|
| JGB Primary Market: Auction Results | p. 7 |
| JGB Primary Market: Auction Calendar | p. 8 |
| Liquidity Enhancement Auctions and JGB Buy-Back | p. 9 |
| JGB Secondary Market | p. 10 |
| Investor Trends and JGB Outstanding | p. 12 |
| Economic and Financial Trends | p. 16 |
| Information | p. 17 |

What's New 1: JGB Issuance Plan for FY2025

On December 27, 2024, the MOF announced the JGB Issuance Plan for FY2025.

[Highlights of FY2025 Debt Management Policy]

<JGB Issuance Plan>

- The total amount is set at 176.9 trillion yen and decreases by 5.1 trillion yen compared with FY2024 (Initial).
- Based on market conditions, the market issuance by periodic auctions is set at 172.3 trillion yen. Short-term and medium-term bonds are increased and super long-term bonds are decreased.

<Initiatives to increase JGB holdings (Note)>

- Prepare for the issuance of new floating-rate JGBs linked to short-term interest rates in order to meet investment demands from banks, etc.
- Consider selling “JGBs for Retail Investors” to non-profit corporations and unlisted companies in order to expand stable holders.

(Note) Floating-rate JGBs are expected to be available for issuance during FY2026 at the earliest, given that it takes a certain time for authorities and market participants to improve systems and establish frameworks. The actual start of issuance will be decided based on future market conditions and advice from market participants. Sales targets of JGBs for Retail Investors are expected to expand during FY2026.

<Breakdown by Legal Grounds>

(trillion yen)

| | FY2025 (Initial) | |
|--|------------------|------------------------------|
| | | Changes from FY2024(Initial) |
| Newly-Issued Bonds (Construction Bonds and Special Deficit-Financing Bonds) | 28.6 | -6.8 |
| Reconstruction Bonds | 0.1 | -0.0 |
| GX Economy Transition Bonds | 0.7 | +0.1 |
| Children Special Bonds | 1.1 | +0.9 |
| FILP Bonds | 10.0 | — |
| Refunding Bonds | 136.2 | +0.7 |
| Total | 176.9 | -5.1 |

<Market Issuance Plan by Issue>

(trillion yen)

| | FY2025 (Initial) | |
|--------------------------------------|------------------|------------------------------|
| | | Changes from FY2024(Initial) |
| Market Issuance by Periodic Auctions | 172.3 | +1.3 |
| 40-Year | 3.0 | -1.2 |
| 30-Year | 9.6 | -1.2 |
| 20-Year | 12.0 | — |
| 10-Year | 31.2 | — |
| 5-Year | 28.8 | +1.2 |
| 2-Year | 31.2 | — |
| TBs | 40.8 | +2.4 |
| 10-Year Inflation-Indexed | 1.0 | — |
| Japan Climate Transition Bonds | 1.2 | -0.2 |
| Liquidity Enhancement Auction | 13.5 | +0.3 |
| Sales for Household | 4.6 | +1.1 |
| Others | -0.0 | -7.5 |
| Total | 176.9 | -5.1 |

☛ (Source) MOF https://www.mof.go.jp/english/policy/jgbs/debt_management/plan/highlight241227.pdf

Below is the Basic Product Features of the New Floating-rate JGBs referred to on the previous page.

[Basic Product Features of the New Floating-rate JGBs]

| | |
|------------------------------------|---|
| Coupon rate | Reference rate + Spread ^(Note 1) (Coupon rate is set in percentage with 3 decimal places and the lowest coupon rate is 0%.) |
| Reference rate ^(Note 2) | 6-month T-Bill issue yield (Average issue yield of the 6-month T-Bill auction held immediately prior to the rate decision, rounded off the yield to 4 decimal places.) |
| Issuance methods | Dutch-style competitive auction in which each competitive tender specifies a Spread (which can be positive, zero, or negative, expressed in 0.1bp) |
| Tenor | 2- or 5-Year |
| Maturity date | 2-year bonds: the 1 st day of the month of the issuance in the year of maturity 5-year bonds: the 20 th day of the final month in the preceding quarter of the issuance date, namely March, June, September, or December, in the year of maturity ^(Note 3) . |
| Interest Payment dates | Every six months until maturity |
| Day Count Convention | Same as existing T-Bills |
| Min. face value unit | 50,000 yen |
| STRIPS Eligible | No |
| Reopening | To be decided |
| Other items | Non-Price Competitive Auction II is offered. Non-Competitive Auction, Non-Price Competitive Auction I, Liquidity Enhancement Auction, and Buy-back program are NOT offered. Security codes for the new Floating-rate JGBs will be announced later by the Securities Identification Code Committee. |

(Note 1) Spread is set in the auction and stays until maturity.

(Note 2) Reference rate is determined before each interest calculation period starts and revised semi-annually.

(Note 3) Maturity date of the 5-year bonds may also be the 1st day of the month of the issuance, as with the 2-year bonds, depending on the issue frequency and issue amount.

(Note 4) The above points may change during the course of future discussions.



For more information, please refer to the following link:

https://www.mof.go.jp/english/policy/jgbs/debt_management/plan/20241227.html

What's New 2: JGBi and Liquidity Enhancement Auctions in January-March 2025

On December 26, 2024, the MOF released the “Issuance of the Inflation-Indexed Bonds (JGBi) in January-March 2025” and “Issuance Amounts for Liquidity Enhancement Auctions in January-March 2025.” Please see below.

(1) Issuance of JGBi

- Issuance amount in February 2025: Approximately 250 billion yen.
- The auction schedule for the Buy-Back Program of JGBi in January-March 2025: Approximately 20 billion yen each month.

| Auction Month | Auction Amount |
|---------------|---|
| January 2025 | Buy-Back: Approximately 20 billion yen |
| February 2025 | Issuance: Approximately 250 billion yen Buy-Back: Approximately 20 billion yen |
| March 2025 | Buy-Back: Approximately 20 billion yen |

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

Note 2: Issues eligible for the buy-backs in January will be those from issue numbers 20 to 29, and in February and March will be those from issue numbers 21 to 29.

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

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

☛ (Source) MOF https://www.mof.go.jp/english/policy/jgbs/topics/press_release/20241226-01e.htm

(2) Issuance Amounts for Liquidity Enhancement Auctions

- The auction schedule of Liquidity Enhancement Auctions in January-March 2025 was determined as below:

| | January 2025 | February 2025 | March 2025 |
|--|-------------------------------|-------------------------------|-------------------------------|
| (1) Issues with remaining maturities of 1-5 years | Approximately 500 billion yen | - | Approximately 500 billion yen |
| (2) Issues with remaining maturities of 5-15.5 years | Approximately 650 billion yen | Approximately 650 billion yen | Approximately 650 billion yen |
| (3) Issues with remaining maturities of 15.5-39 years | - | Approximately 400 billion yen | - |

Note 1: Remaining maturities are calculated as of December 31, 2024, except for 2-year JGBs.

Note 2: Eligible issues for 2-year JGBs in (1) zone will be those with remaining maturities of more than one year as of December 31, 2024, for the January auction and as of February 28, 2025, for the March auction, including the issues to be newly issued in the auction months.

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

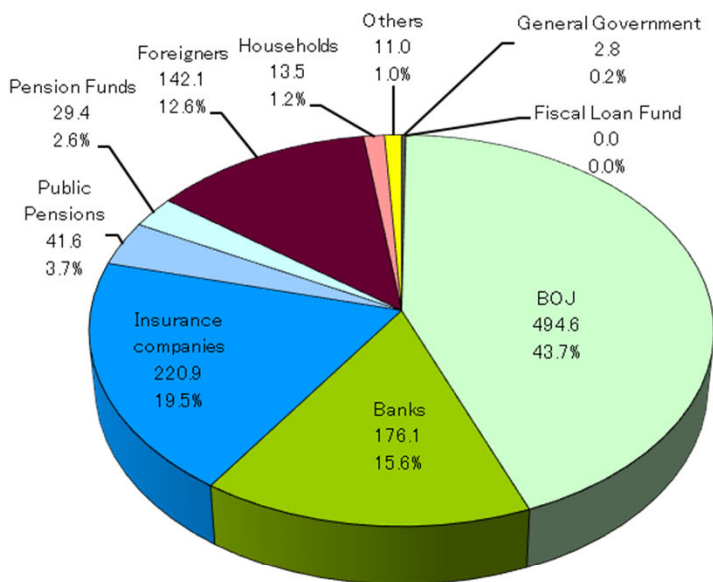
☛ (Source) MOF https://www.mof.go.jp/english/policy/jgbs/topics/press_release/20241226-02e.htm

Monthly Topic: JGB and T-Bill Holdings (as of the end of Sep. 2024)

On December 18, 2024, the BOJ released its Flow of Funds Accounts for the 3rd Quarter of 2024, which shows the breakdown of JGB and T-Bill (hereinafter referred to as “JGBs”) holders. Here are the key statistics:

- The total amount of JGBs outstanding was 1,223.6 trillion yen as of the end of September 2024. The Bank of Japan, domestic investors, and foreign investors hold JGBs worth 571.8 trillion yen (46.7% of the total), 505.6 trillion yen (41.3%), and 146.2 trillion yen (12.0%), respectively.
- From December 2019 (before the COVID-19 pandemic) to September 2024, the total amount of JGBs outstanding increased by 91.6 trillion yen.

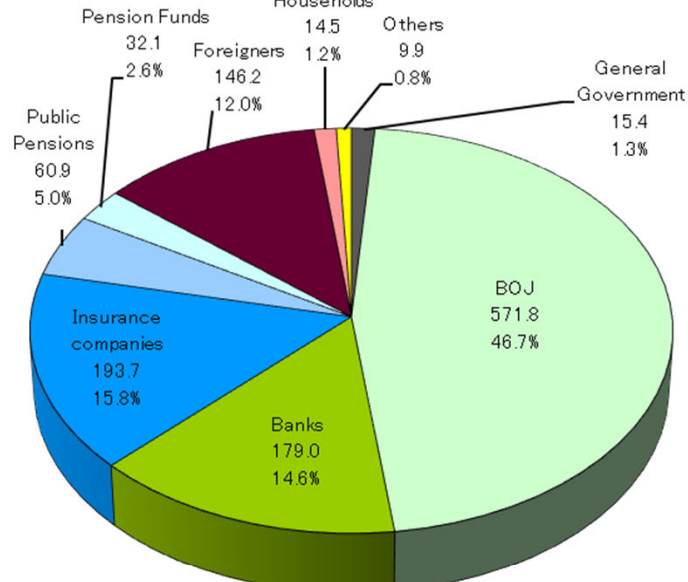
**The end of Dec. 2019
(Before the COVID-19 Pandemic)**



(Unit: trillion yen)

Total 1,132.0 trillion yen

**The end of Sep. 2024
(Preliminary Figures)**



(Unit: trillion yen)

Total 1,223.6 trillion yen

- Note 1: “JGB” includes “FILP Bonds.”
- Note 2: “Banks” includes “Japan Post Bank,” “Securities investment trusts,” “Securities companies,” etc.
- Note 3: “Insurance companies” includes “Life insurance,” “Nonlife insurance,” and “Mutual aid insurance.”
- Note 4: “General Government” excludes “Public Pensions.”
- Note 5: Figures may not sum up to total because of rounding.

For more detailed data, please refer to the following link:
BOJ Time Series Data Search: https://www.stat-search.boj.or.jp/index_en.html

IR Office

IR activities in 2024

Happy New Year from all of us on the JGB IR team and thank you for your continued support! In the first article of this year, we will look back at our IR activities in 2024.

In 2024, we visited North America, Europe, the Middle East, and Asia to meet with foreign investors, and received various questions about the debt management policy, the impact of interest rate hikes on fiscal policy and trends in JGBs, and macroeconomic trends such as wages and price conditions. We also gave presentations and provided information at several international conferences and seminars, such as the OECD Global Forum, the Asian Regional Forum on Investment Management of Foreign Exchange Reserves, the ICMA Annual General Meeting and Conference, and the Bloomberg seminar.

We have also conducted IR activities especially focusing on Japan Climate Transition Bonds (JCTBs), the world's first sovereign transition bonds, with the Ministry of Economy, Trade and Industry (METI) since the release of its framework in November 2023. These IR activities were also supported by the external reviewers (JCR and DNV) and some securities firms. Please note that the next auction for 5-year JCTBs worth of about 350 billion yen will be conducted on January 29, 2025.

Moreover, as the environment surrounding JGBs such as monetary policy has been changing, it is much more important that we strengthen our IR activities for all JGBs including JCTBs and make opportunities for various investors to understand the Japanese circumstances more deeply. Therefore, in July 2024, we newly selected 12 financial institutions^(*) as JGB/GX Promoter, which are the experts in JGB market. We are cooperating with them to promote further JGB holdings by both domestic and foreign investors through investor meetings and seminars.

(*) JGB/GX Promoter: <https://www.mof.go.jp/english/policy/jgbs/IR/promoter.html>

Also, we created a new web page^(*) focusing on IR activities in English and Japanese languages. You can download the JGB Investor Presentation (Basic Information) and directly access our annual debt management report, monthly newsletter, and budget information from this site.

(*) JGB Investor Relations: <https://www.mof.go.jp/english/policy/jgbs/IR/index.html>

In 2025, we will continue to diversify our approach to investors. We wish you a wonderful New Year filled with success, happiness, and great opportunities. We look forward to seeing you in the future!



JGB Primary Market: Auction Results

Bonds

(Until 31 December 2024)

| Auction Date | Type of Security | Issue Number | Maturity Date | Nominal Coupon | Amounts of Competitive Bids (billion yen) | Amounts of Bids Accepted (billion yen) | Yield at the Lowest Accepted Price | Yield at the Average Price | Amounts of Non-Competitive Bids Tendered /Accepted (billion yen) | Amounts of Bids Accepted at the Non-price-competitive Auction I (billion yen) | Amounts of Bids Accepted at the Non-price-competitive Auction II (billion yen) |
|--------------|--|--------------|---------------|----------------|---|--|------------------------------------|----------------------------|--|---|--|
| 10/3/2024 | 10-year | 376 | 9/20/2034 | 0.9% | 6,920.7 | 1,961.2 | 0.873% | 0.871% | 2.338 | 635.5 | 211.4 |
| 10/8/2024 | 30-year | 84 | 9/20/2054 | 2.1% | 2,272.8 | 679.7 | 2.157% | 2.152% | - | 219.5 | 47.0 |
| 10/10/2024 | 5-year | 173 | 9/20/2029 | 0.6% | 6,513.6 | 1,744.7 | 0.568% | 0.562% | 1.070 | 553.5 | 0.0 |
| 10/22/2024 | 10-year Japan Climate Transition Bonds | 2 | 3/20/2034 | 1.0% | 1,160.0 | 350.0 | 0.943% | - | - | - | - |
| 10/24/2024 | 20-year | 190 | 9/20/2044 | 1.8% | 2,361.5 | 777.6 | 1.820% | 1.800% | - | 222.0 | 0.0 |
| 10/29/2024 | 2-year | 466 | 11/1/2026 | 0.5% | 9,897.8 | 2,030.8 | 0.457% | 0.454% | 0.000 | 568.6 | 146.3 |
| 11/7/2024 | 10-year | 376 | 9/20/2034 | 0.9% | 6,376.1 | 2,034.9 | 1.002% | 0.997% | 0.322 | 564.3 | 0.0 |
| 11/11/2024 | 10-year Inflation-Indexed Bonds | 29 | 3/10/2034 | 0.005% | 885.0 | 249.8 | -0.362% | - | - | - | - |
| 11/13/2024 | 30-year | 84 | 9/20/2054 | 2.1% | 2,404.0 | 699.8 | 2.280% | 2.271% | - | 199.5 | 18.3 |
| 11/15/2024 | 5-year | 174 | 9/20/2029 | 0.7% | 6,664.1 | 1,750.5 | 0.710% | 0.706% | 0.350 | 548.4 | 29.2 |
| 11/21/2024 | 20-year | 190 | 9/20/2044 | 1.8% | 2,662.9 | 755.8 | 1.907% | 1.898% | - | 243.3 | 79.3 |
| 11/27/2024 | 40-year | 17 | 3/20/2064 | 2.2% | 1,564.6 | 699.6 | 2.550% | - | - | - | 68.9 |
| 11/29/2024 | 2-year | 467 | 12/1/2026 | 0.6% | 7,184.5 | 1,979.4 | 0.589% | 0.582% | 0.150 | 620.0 | 0.0 |
| 12/3/2024 | 10-year | 376 | 9/20/2034 | 0.9% | 6,210.7 | 1,993.4 | 1.089% | 1.084% | 0.418 | 605.8 | 214.2 |
| 12/5/2024 | 30-year | 84 | 9/20/2054 | 2.1% | 2,351.6 | 680.5 | 2.294% | 2.287% | - | 218.8 | 8.0 |
| 12/10/2024 | 5-year | 174 | 9/20/2029 | 0.7% | 7,734.0 | 1,750.7 | 0.736% | 0.734% | 0.000 | 548.4 | 229.2 |
| 12/17/2024 | 20-year | 190 | 9/20/2044 | 1.8% | 2,552.5 | 755.5 | 1.883% | 1.879% | - | 243.3 | 50.3 |
| 12/26/2024 | 2-year | 468 | 1/1/2027 | 0.6% | 7,899.8 | 2,001.5 | 0.605% | 0.602% | 0.000 | 598.1 | 0.0 |

Treasury Discount Bills

(Until 31 December 2024)

| Auction Date | Type of Security | Issue Number | Maturity Date | Amounts of Competitive Bids (billion yen) | Amounts of Bids Accepted (billion yen) | Yield at the Lowest Accepted Price | Yield at the Average Price | Amounts of Bids Accepted at the Non-price-competitive Auction I (billion yen) |
|--------------|------------------|--------------|---------------|---|--|------------------------------------|----------------------------|---|
| 10/4/2024 | 3-month | 1260 | 1/14/2025 | 12,021.00 | 3,514.16 | 0.0202% | 0.0073% | 1,085.80 |
| 10/9/2024 | 6-month | 1261 | 4/10/2025 | 8,978.50 | 2,793.98 | 0.0862% | 0.0702% | 706.00 |
| 10/11/2024 | 3-month | 1262 | 1/20/2025 | 10,976.70 | 3,242.48 | 0.0131% | 0.0067% | 1,057.50 |
| 10/17/2024 | 1-year | 1263 | 10/20/2025 | 7,620.00 | 2,510.49 | 0.2987% | 0.2886% | 689.50 |
| 10/18/2024 | 3-month | 1264 | 1/27/2025 | 10,541.10 | 3,360.05 | 0.0074% | 0.0026% | 939.90 |
| 10/25/2024 | 3-month | 1265 | 2/3/2025 | 10,727.30 | 3,360.03 | 0.0074% | 0.0011% | 939.90 |
| 11/1/2024 | 3-month | 1266 | 2/10/2025 | 9,587.20 | 3,380.26 | 0.0150% | 0.0086% | 919.70 |
| 11/7/2024 | 6-month | 1267 | 5/12/2025 | 8,601.50 | 2,767.78 | 0.2007% | 0.1886% | 732.20 |
| 11/8/2024 | 3-month | 1268 | 2/17/2025 | 8,094.00 | 3,366.38 | 0.0502% | 0.0257% | 933.60 |
| 11/15/2024 | 3-month | 1269 | 2/25/2025 | 9,269.30 | 3,249.98 | 0.1419% | 0.1276% | 1,050.00 |
| 11/19/2024 | 1-year | 1270 | 11/20/2025 | 7,736.40 | 2,463.68 | 0.4449% | 0.4379% | 736.30 |
| 11/22/2024 | 3-month | 1271 | 3/3/2025 | 8,674.10 | 3,274.15 | 0.1341% | 0.1210% | 1,025.80 |
| 11/29/2024 | 3-month | 1272 | 3/10/2025 | 8,960.00 | 3,274.20 | 0.1434% | 0.1270% | 1,025.80 |
| 12/6/2024 | 3-month | 1273 | 3/17/2025 | 8,961.80 | 3,274.15 | 0.1583% | 0.1475% | 1,025.80 |
| 12/9/2024 | 6-month | 1274 | 6/10/2025 | 8,343.80 | 2,775.49 | 0.3073% | 0.2952% | 724.50 |
| 12/13/2024 | 3-month | 1275 | 3/24/2025 | 8,614.80 | 3,249.96 | 0.1546% | 0.1453% | 1,050.00 |
| 12/18/2024 | 1-year | 1276 | 12/22/2025 | 11,181.40 | 2,541.77 | 0.4857% | 0.4796% | 658.20 |
| 12/20/2024 | 3-month | 1277 | 3/31/2025 | 8,335.10 | 3,314.77 | 0.1453% | 0.1255% | 985.20 |

JGB Primary Market: Auction Calendar

January 2025

| Auction Date | Issue |
|--------------|--|
| 1/7 | T-Bills (3-month) |
| 1/7 | 10-year |
| 1/9 | T-Bills (6-month) |
| 1/9 | 30-year |
| 1/10 | T-Bills (3-month) |
| 1/14 | 5-year |
| 1/16 | T-Bills (1-year) |
| 1/16 | 20-year |
| 1/17 | T-Bills (3-month) |
| 1/21 | 40-year |
| 1/23 | T-Bills (3-month) |
| 1/23 | Liquidity Enhancement Auction (remaining maturities of 1-5 years) |
| 1/27 | Liquidity Enhancement Auction (remaining maturities of 5-15.5 years) |
| 1/29 | 5-year Japan Climate Transition Bonds |
| 1/31 | T-Bills (3-month) |
| 1/31 | 2-year |

February 2025

| Auction Date | Issue |
|--------------|---|
| 2/4 | 10-year |
| 2/6 | T-Bills (6-month) |
| 2/6 | 30-year |
| 2/7 | T-Bills (3-month) |
| 2/12 | 10-year Inflation-Indexed Bonds |
| 2/14 | T-Bills (3-month) |
| 2/14 | 5-year |
| 2/18 | 20-year |
| 2/19 | T-Bills (1-year) |
| 2/20 | Liquidity Enhancement Auction (remaining maturities of 5-15.5 years) |
| 2/21 | T-Bills (3-month) |
| 2/25 | Liquidity Enhancement Auction (remaining maturities of 15.5-39 years) |
| 2/27 | 2-year |
| 2/28 | T-Bills (3-month) |

March 2025

| Auction Date | Issue |
|--------------|--|
| 3/4 | 10-year |
| 3/6 | T-Bills (6-month) |
| 3/6 | 30-year |
| 3/7 | T-Bills (3-month) |
| 3/10 | 5-year |
| 3/12 | 20-year |
| 3/14 | T-Bills (3-month) |
| 3/14 | Liquidity Enhancement Auction (remaining maturities of 1-5 years) |
| 3/18 | T-Bills (1-year) |
| 3/21 | T-Bills (3-month) |
| 3/25 | Liquidity Enhancement Auction (remaining maturities of 5-15.5 years) |
| 3/27 | 40-year |
| 3/28 | T-Bills (3-month) |
| 3/31 | 2-year |

Note 1: The above calendar may be changed or added in light of changes in circumstances. In such cases, it will be announced in advance.
 Note 2: Each issue amount will be announced about one week prior to each auction date.

Top10 PDs for Successful Bids in Auctions (Weighted by Duration) Jul. 2024 - Dec. 2024

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

Top5 PDs for Successful Bids of JGBi FY2023

| |
|--|
| 1 Mizuho Bank, Ltd. |
| 2 Goldman Sachs Japan Co., Ltd. |
| 3 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. |
| 4 Morgan Stanley MUFG Securities Co., Ltd. |
| 5 SMBC Nikko Securities Inc. |

Top5 PDs for Successful Bids of Japan Climate Transition Bonds FY2023

| |
|--|
| 1 Daiwa Securities Co. Ltd. |
| 2 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. |
| 3 JPMorgan Securities Japan Co., Ltd. |
| 4 SMBC Nikko Securities Inc. |
| 5 Nomura Securities Co., Ltd. |

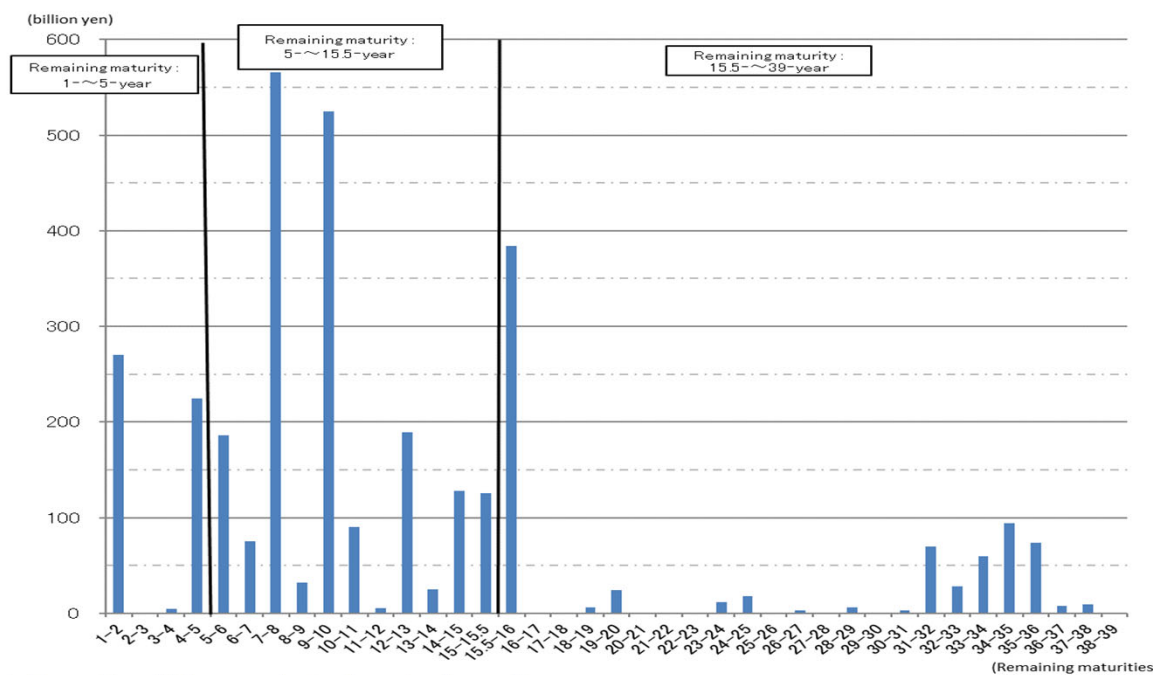
Liquidity Enhancement Auctions and JGB Buy-Back

Results of Liquidity Enhancement Auctions

(Until 31 December 2024)

| Auction Date | Amounts of Competitive Bids (billion yen) | Amounts of Bids Accepted (billion yen) | Average Accepted Spread | Highest Accepted Spread | Issues Re-opened |
|--------------|---|--|-------------------------|-------------------------|---|
| 10/15/2024 | 1,636.8 | 649.3 | 0.006% | 0.009% | 10-year (357,358,359,365,366) 20-year (115,117,125,127,130,131,156,161,162,164,166,167,168) 30-year (6,7,19,27,30,31,32) |
| 10/17/2024 | 1,278.7 | 399.3 | -0.017% | -0.017% | 20-year (173,174) 30-year (44,79) 40-year(8,9,11,12,13,15) |
| 11/19/2024 | 2,197.2 | 648.7 | -0.015% | -0.013% | 10-year (357,358,359,361,362,363,365,366,367) 20-year (115,116,117,128,152,154,161,162,166,170,171,172) 30-year (27,29,31,32) |
| 11/25/2024 | 1,953.6 | 499.2 | -0.009% | -0.008% | 5-year (147) 10-year (341,342,350,351,353,354,355,356) 20-year(83,87,113) 30-year (1) |
| 12/12/2024 | 2,309.2 | 648.5 | 0.005% | 0.005% | 10-year (358,371,373,374) 20-year (115,116,117,119,145,146,147,148,149,150,152,153) 30-year (4,6,9,12,13) |
| 12/24/2024 | 1,263.3 | 398.9 | -0.017% | -0.016% | 20-year (173,174,175) 30-year (43,44,59,60,61,62,63,72,73,79) 40-year (9,10,11,12,13,14) |

Issuance Amounts by Remaining Maturity for Liquidity Enhancement Auctions (October-December 2024)



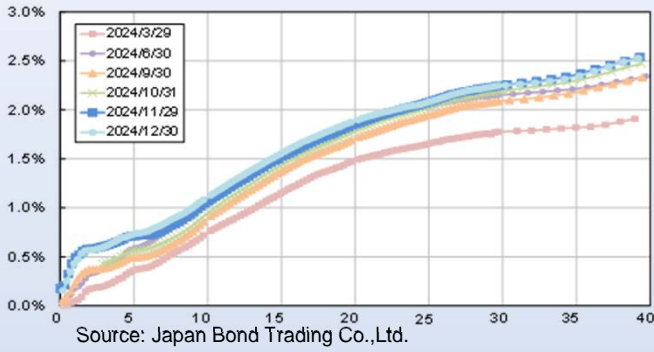
Buy-Back Results (10-year Inflation-Indexed)

(Until 31 December 2024)

| Auction Date | Amounts of Competitive Bids (billion yen) | Amounts of Bids Accepted (billion yen) | Average Accepted Spread (yen) | Highest Accepted Spread (yen) | Issue Numbers |
|--------------|---|--|-------------------------------|-------------------------------|-------------------|
| 9/11/2024 | 72.6 | 20.0 | -0.32 | -0.32 | 26,27 |
| 10/9/2024 | 81.4 | 20.0 | 0.102 | 0.18 | 20,21,22,23,28,29 |
| 11/6/2024 | 91.6 | 20.0 | -0.162 | -0.11 | 23,28 |
| 12/4/2024 | 54.5 | 20.0 | -0.029 | 0.03 | 25,29 |

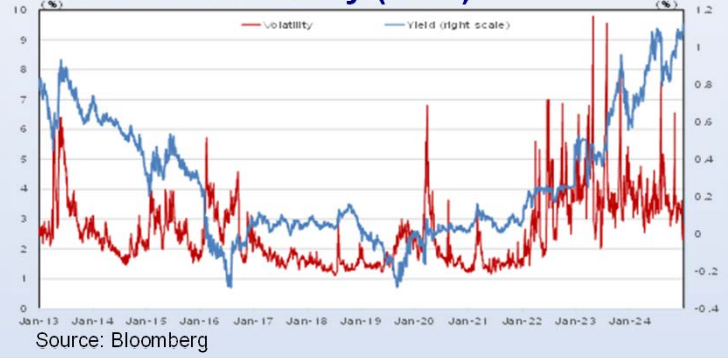
JGB Secondary Market

JGB Yield Curves

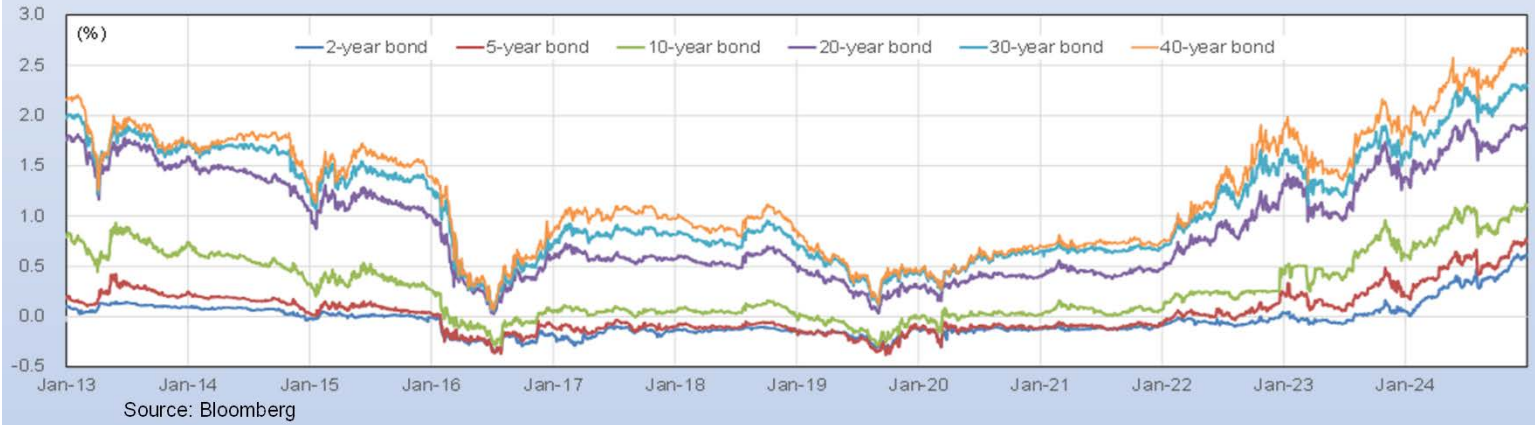


Yield and Volatility (10Yr)

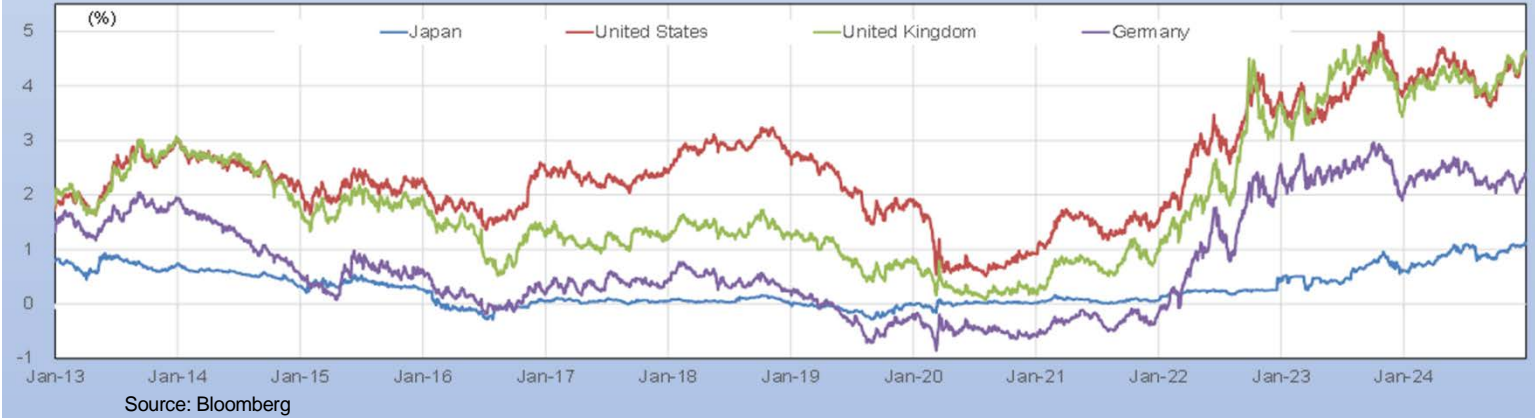
(Until 31 December 2024)



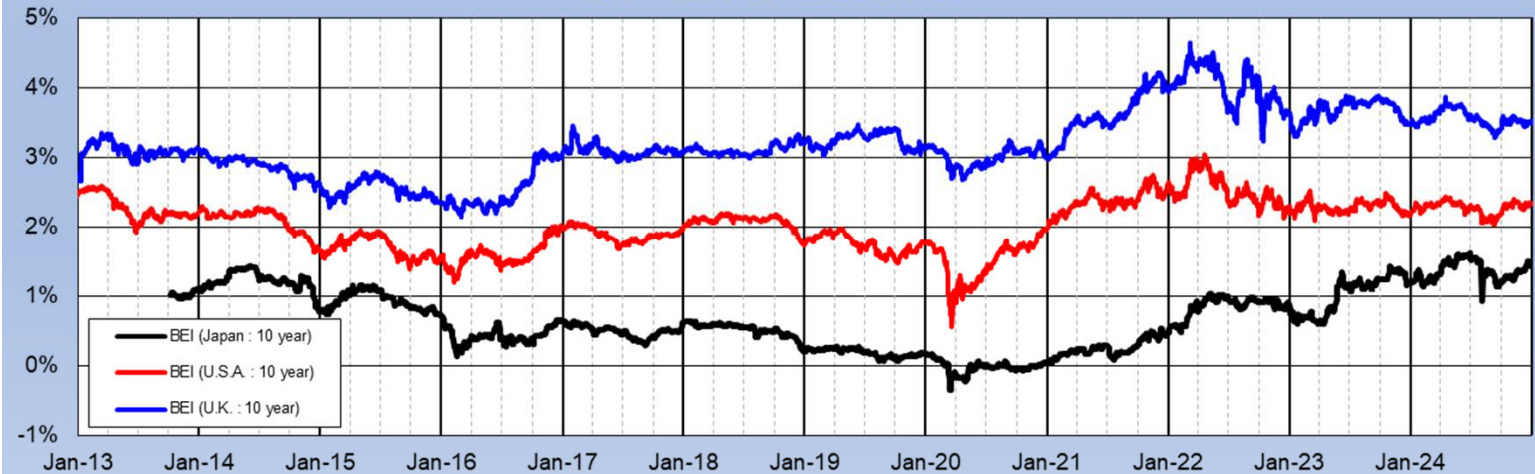
Yields of JGB



Long - Term Interest Rates (10Yr)



Break-Even Inflation Rates

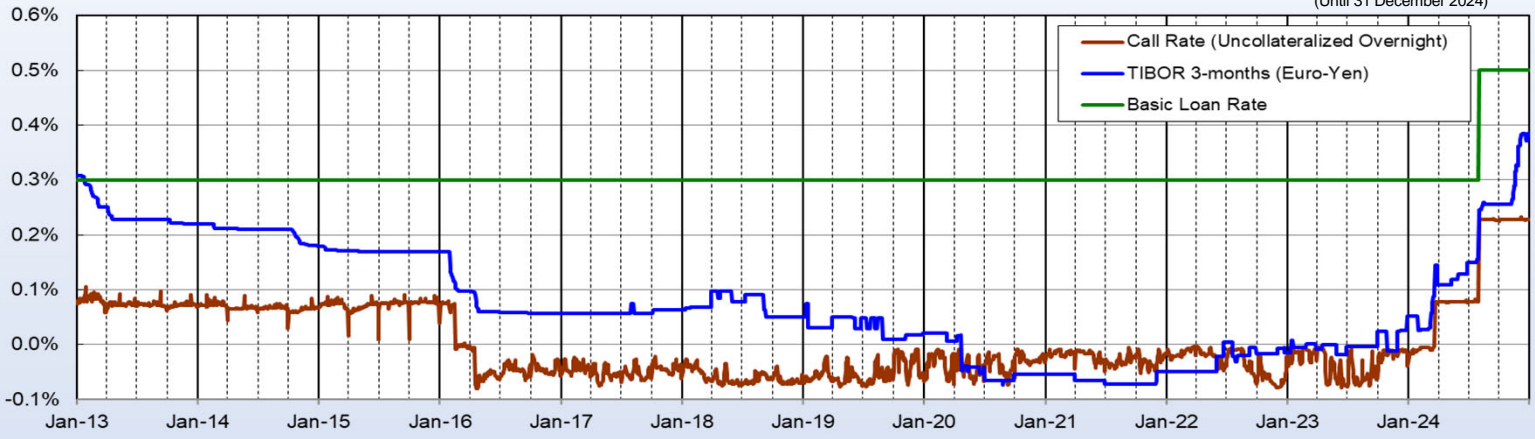


Note: BEI (Japan: 10 year) is calculated based on the compound interest rate of the new Inflation-Indexed Bonds and the 10-Year Bonds

Source: Bloomberg

Short-Term Interest Rates

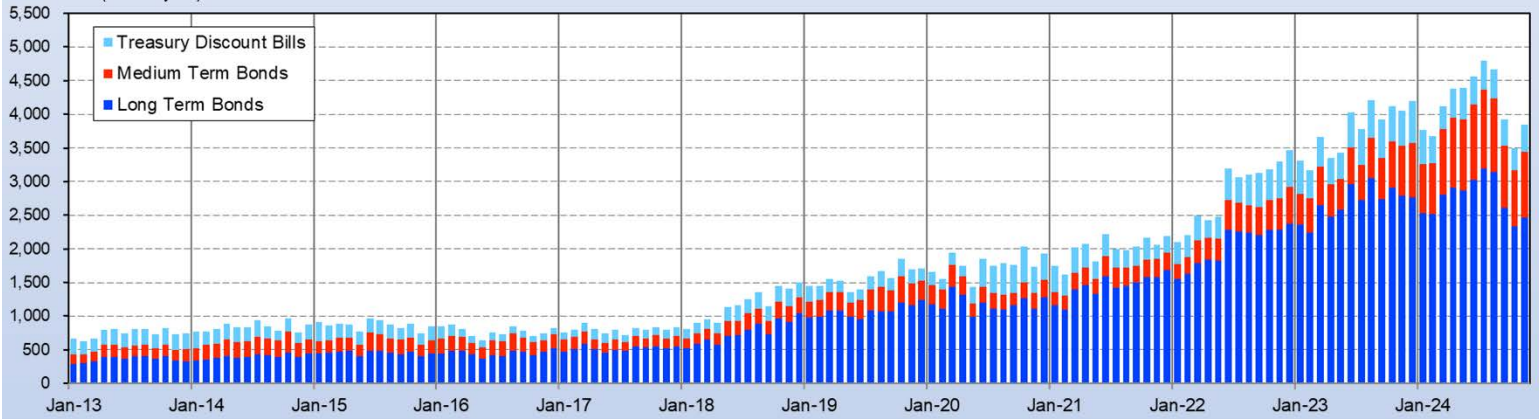
(Until 31 December 2024)



Sources: Bank of Japan, Tanshi Association, Bloomberg

JGB Over-the-Counter Trading Volume (TOKYO)

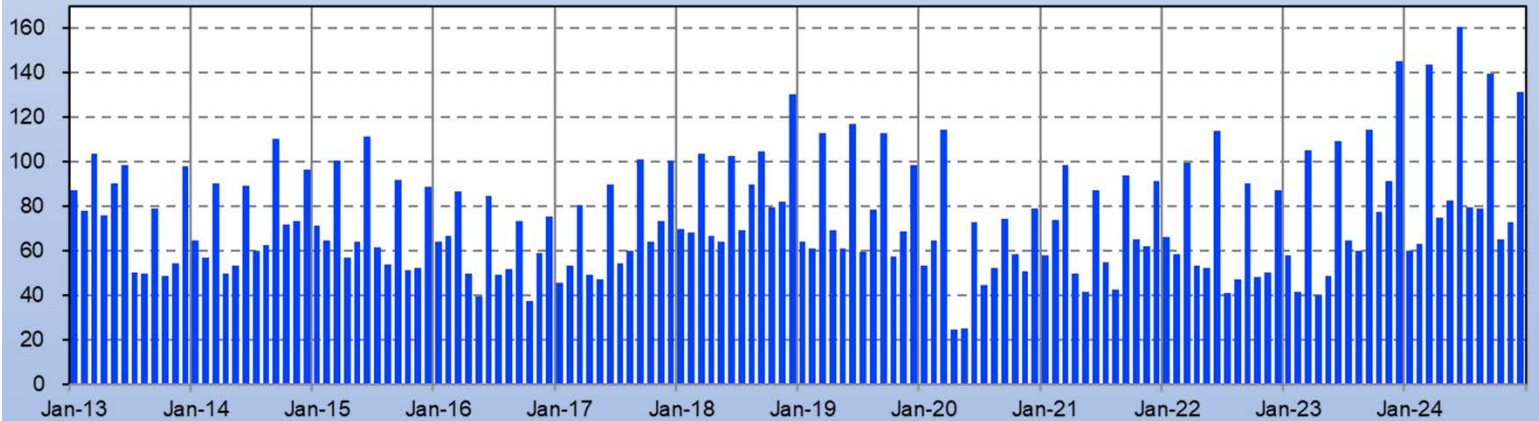
(trillion yen)



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

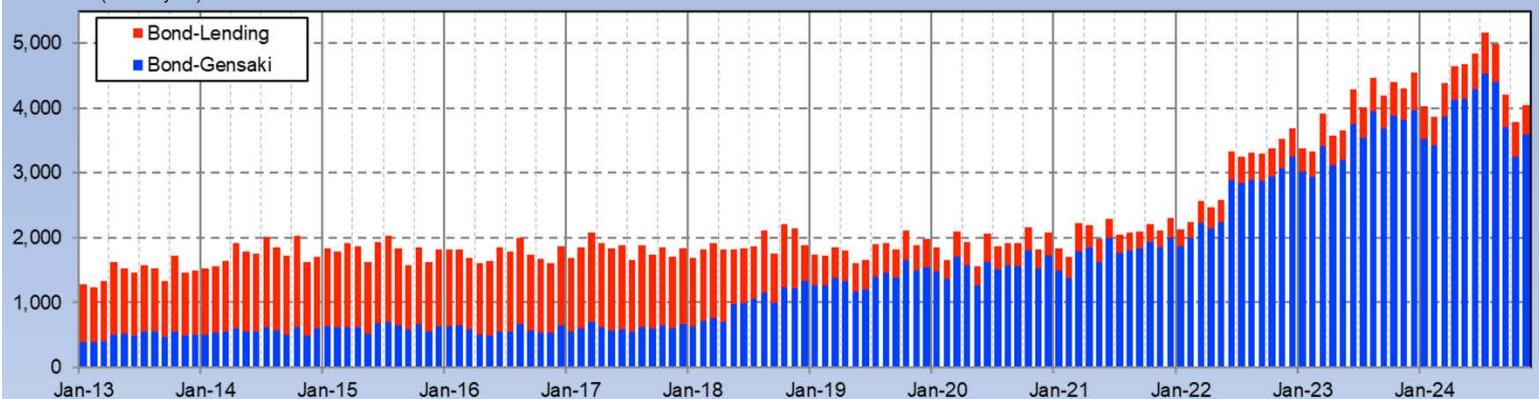
(trillion yen)



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

Repurchase Transactions

(trillion yen)

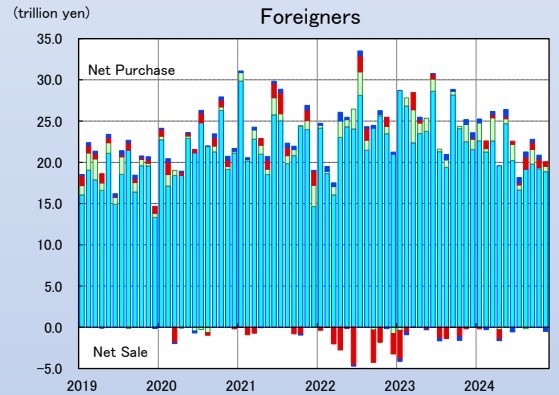
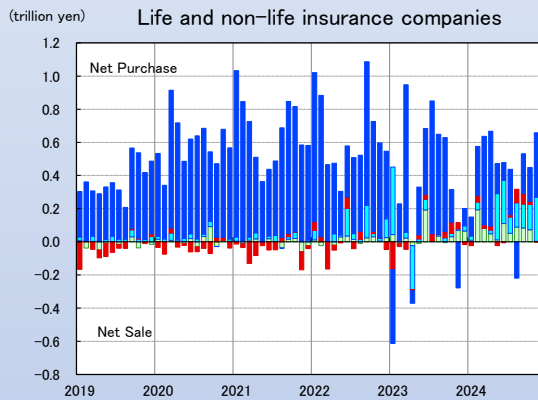
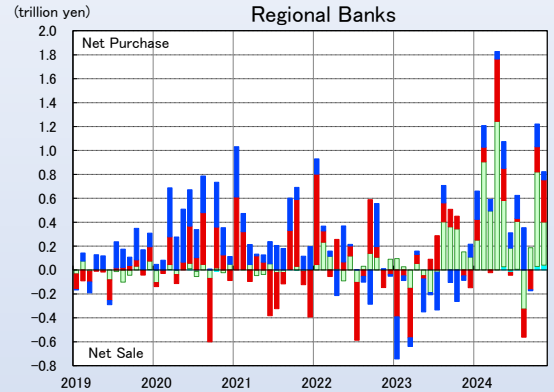
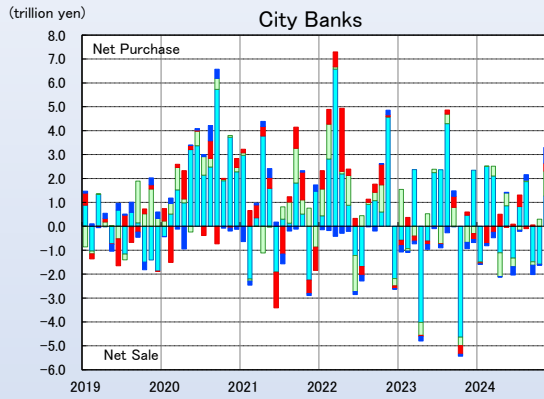


Source: Japan Securities Dealers Association

Investor Trends and JGB Outstanding

Trends in JGBs Transactions (by investor type)

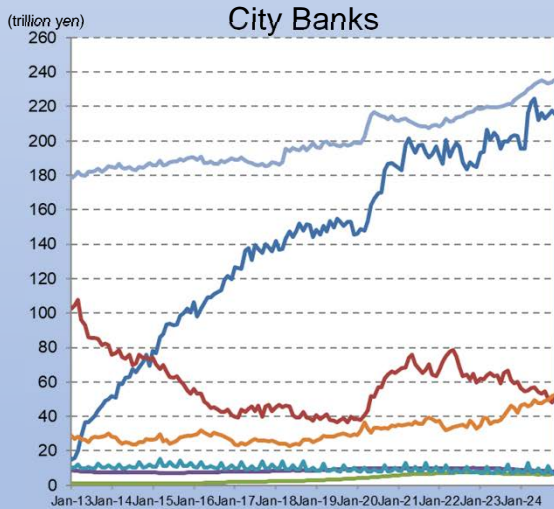
- Super long-term bonds
- Long-term bonds
- Medium-term bonds
- T-bills



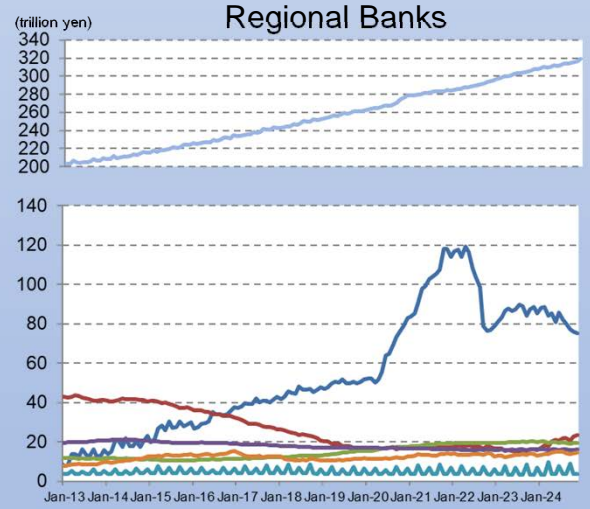
Source: Japan Securities Dealers Association

Trends in Bank Assets by Types

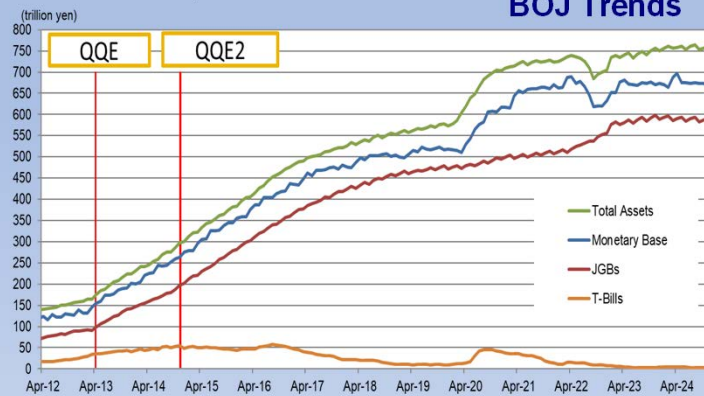
- Loans
- Cash and Deposits
- Government Bonds
- Municipal Bonds
- Corporate Bonds
- Equities
- Foreign Securities



Source: Bank of Japan



BOJ Trends

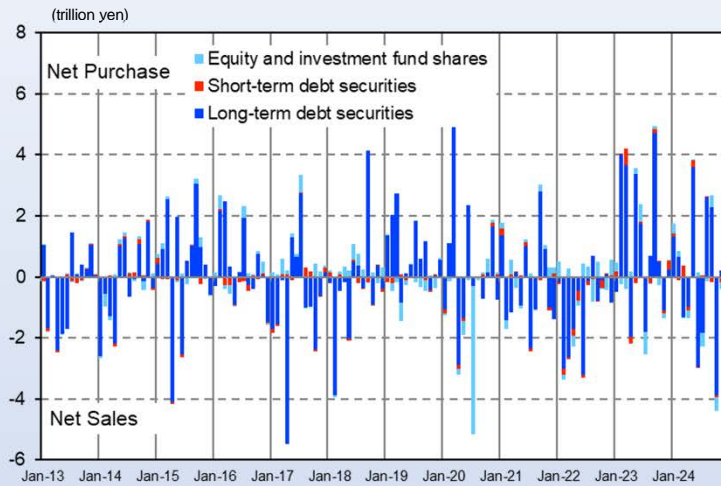


Source: Bank of Japan

| | Apr 2013 (Actual) | December 2024 (Actual) |
|---------------------|-------------------|------------------------|
| Monetary Base | 155 | 660 |
| JGBs | 98 | 580 |
| T-Bills | 36 | 2.0 |
| CP | 1.4 | 1.5 |
| Corporate Bonds | 2.9 | 5.1 |
| ETFs | 1.7 | 37.2 |
| J-REITs | 0.13 | 0.66 |
| Total Assets | 175 | 748 |

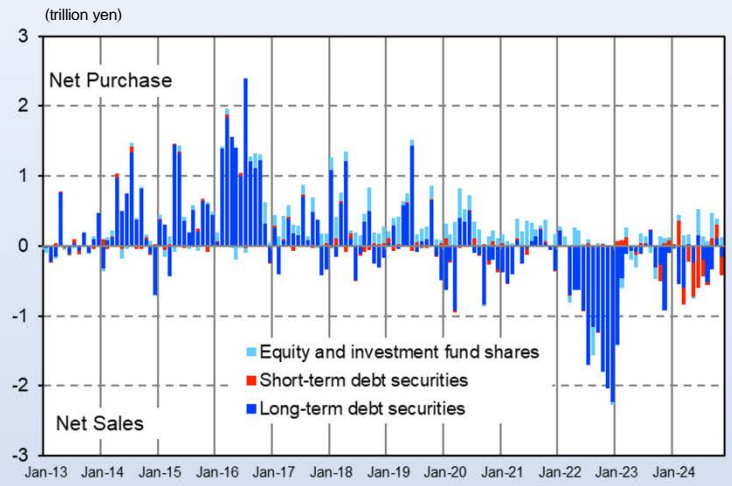
Transactions of Foreign Securities by Residents (by Investor types)

Banks (Banking Accounts)



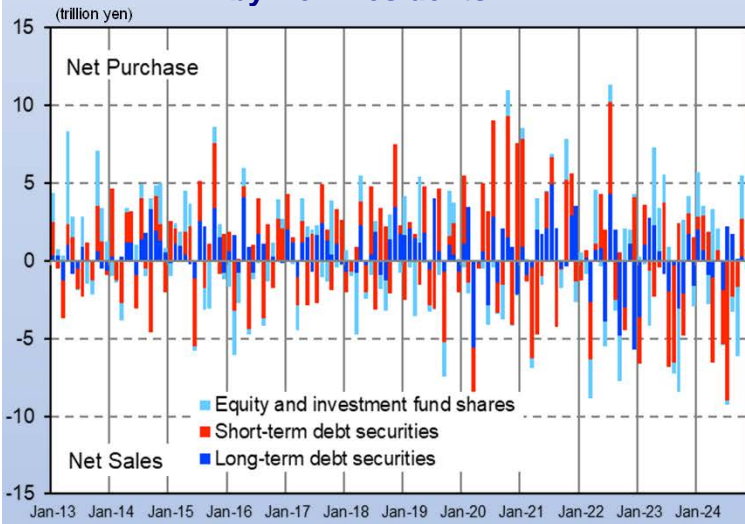
Source: Ministry of Finance

Life Insurance Companies



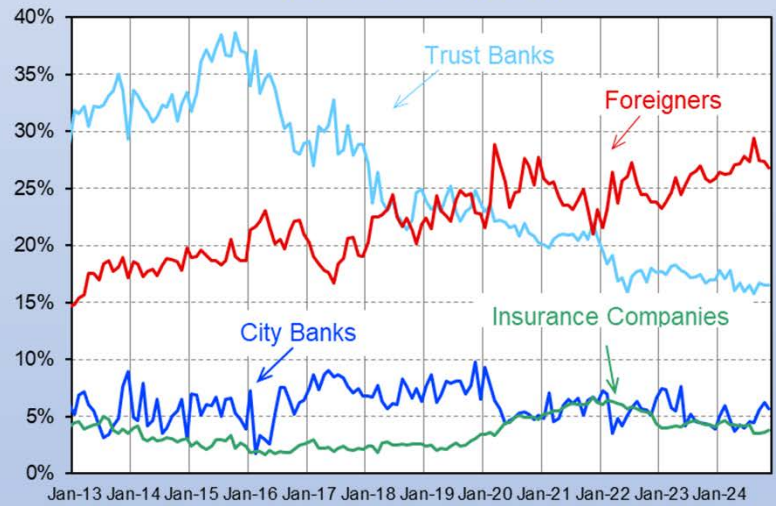
Source: Ministry of Finance

Transactions of Domestic Securities by Non-Residents



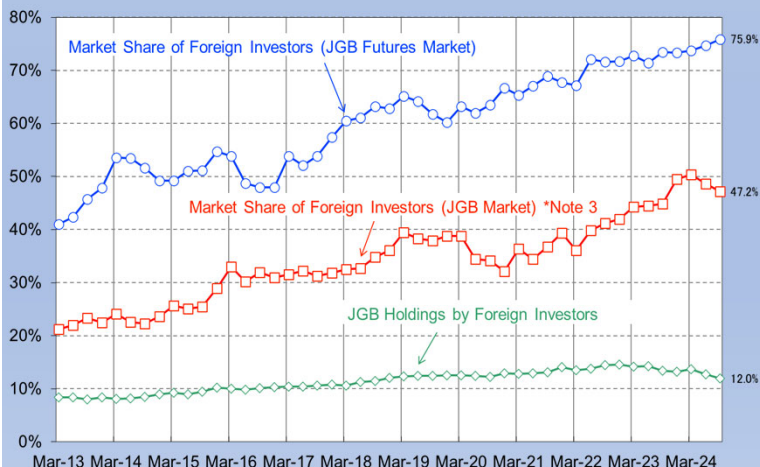
Source: Ministry of Finance

Outstanding of Repurchase Agreements (by Investor types)



Source: Japan Securities Dealers Association

Foreign Investors Presence



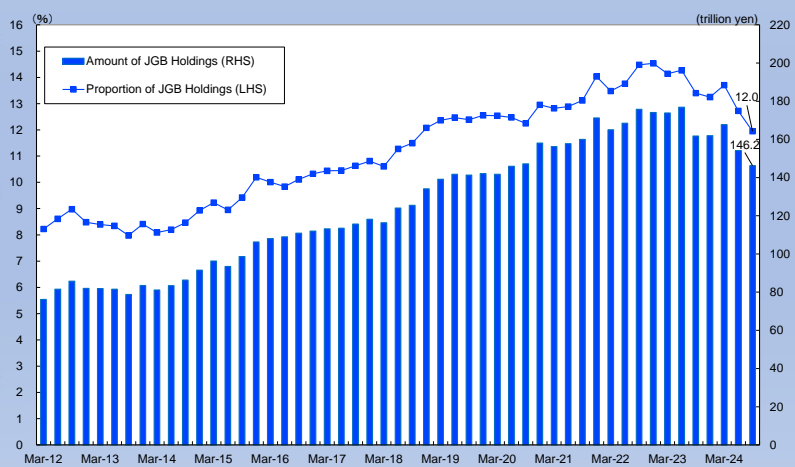
Note 1: Quarterly basis.

Note 2: "JGB" includes T-Bills.

Note 3: The figures excludes dealers' transactions.

Sources: Bank of Japan, Japan Securities Dealers Association, Japan Exchange Group, Inc.

JGBs Holdings by Foreign Investors

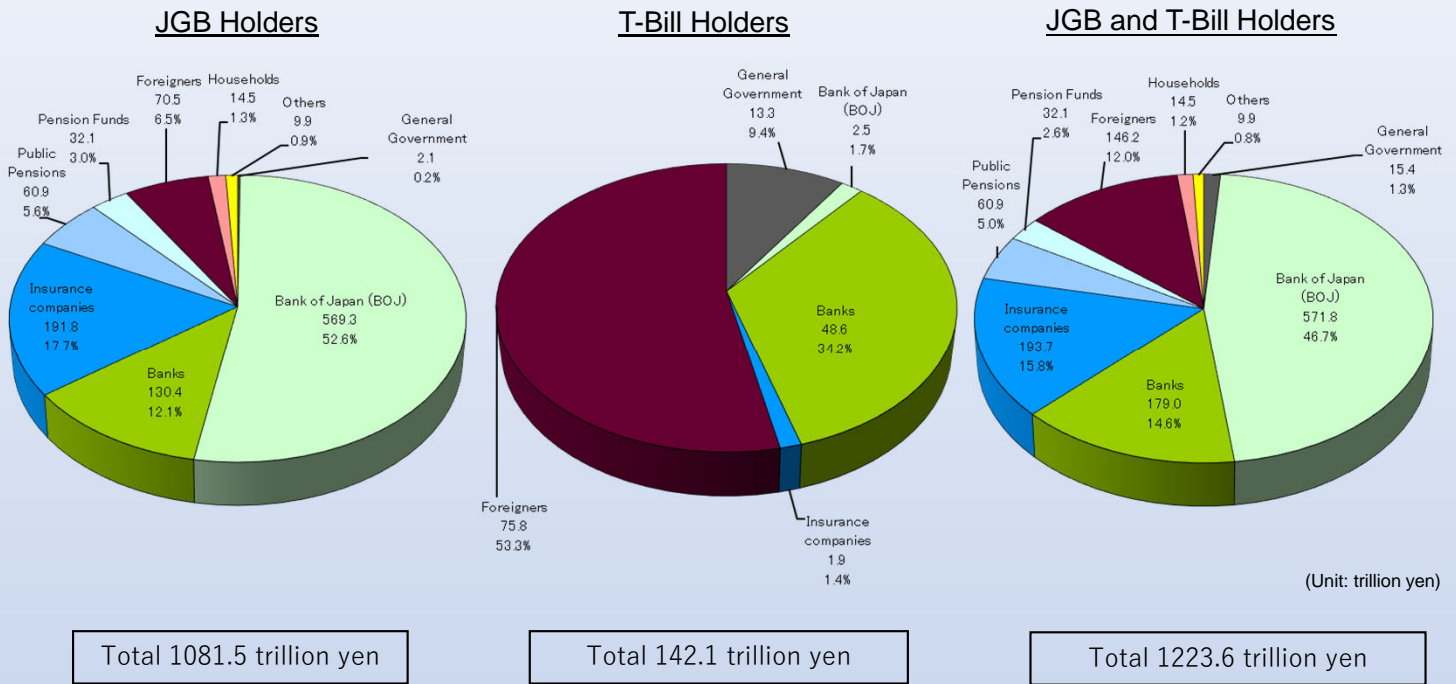


Note 1: Quarterly basis.

Note 2: "JGB" includes "FILP Bonds" and "T-Bills".

Source: Bank of Japan

Breakdown by JGB and T-Bill Holders (The end of Sep. 2024)



Total 1081.5 trillion yen

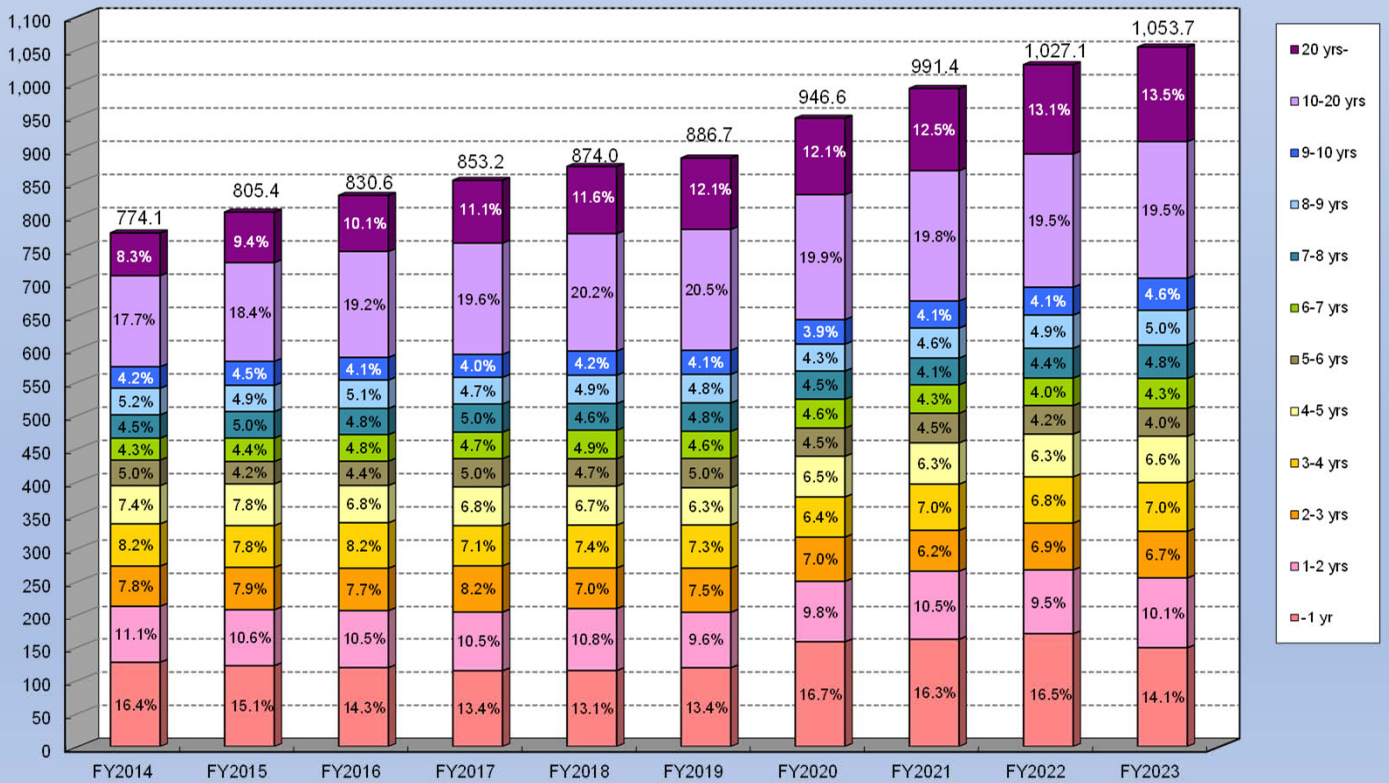
Total 142.1 trillion yen

Total 1223.6 trillion yen

Note 1: "JGB" includes "FILP Bonds."
 Note 2: "Banks" includes "Japan Post Bank," "Securities investment trusts," "Securities companies," etc.
 Note 3: "Insurance companies" includes "Life insurance," "Nonlife insurance," and "Mutual aid insurance."
 Note 4: "General Government" excludes "Public Pensions."
 Source: Bank of Japan "Flow of Funds Accounts (Preliminary Figures)" (December 18, 2024)

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

(Unit: trillion yen)

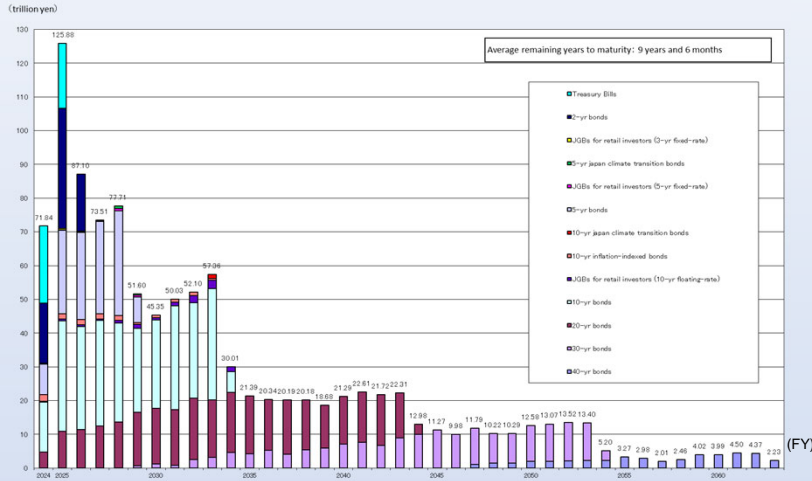


(at the end of FY)

| Average YTM* | 8Y0M | 8Y5M | 8Y7M | 8Y10M | 9Y0M | 9Y2M | 8Y11M | 9Y0M | 9Y2M | 9Y5M |
|--|------|------|------|-------|------|------|-------|------|------|------|
| Average YTM* (excluding JGBs for Retail Investors) | 8Y0M | 8Y5M | 8Y8M | 8Y11M | 9Y1M | 9Y2M | 8Y11M | 9Y0M | 9Y2M | 9Y5M |

*years to maturity

Time-to-Maturity Structure of Outstanding JGB (September, 2024)



Note: Figures may not sum up to the total because of rounding.
Source: Ministry of Finance

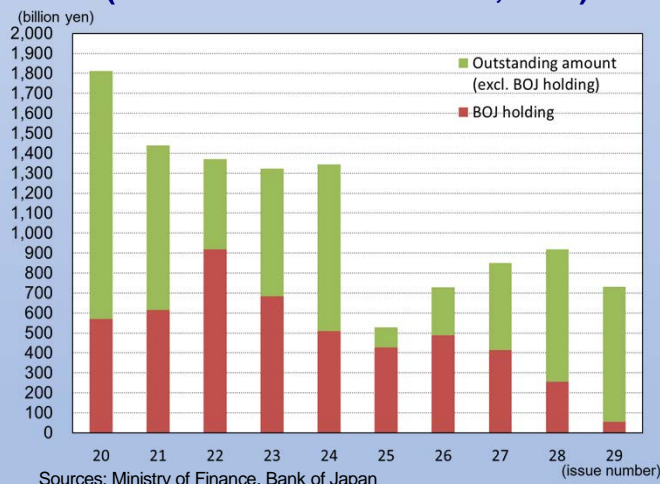
Scheduled redemption of JGB at maturity in January, 2025

(billion yen)

| Types | The amount of redemption at maturity | Date of redemption |
|-------------------------|--------------------------------------|--------------------|
| 2-Year Bonds | 3,286.6 | 1/1/2025 |
| Treasury Bills (1-Year) | 3,500.0 | 1/20/2025 |
| Total | 6,786.5 | |

Note 1: The figures are based on the outstanding JGBs at the end of November, 2024.
 Note 2: The figures are the scheduled redemption at maturity and may be different from the actual redemption due to Buy-back of JGBs.
 Note 3: The figures do not include "JGB for Retail Investors."
 Note 4: If date of redemption coincides with bank holiday, the payment of redemption is carried out on the following business day.
 Note 5: Figures may not sum up to the total because of rounding.

Market-held Balance of the Inflation-Indexed Bonds (as of the end of November, 2024)



Sources: Ministry of Finance, Bank of Japan

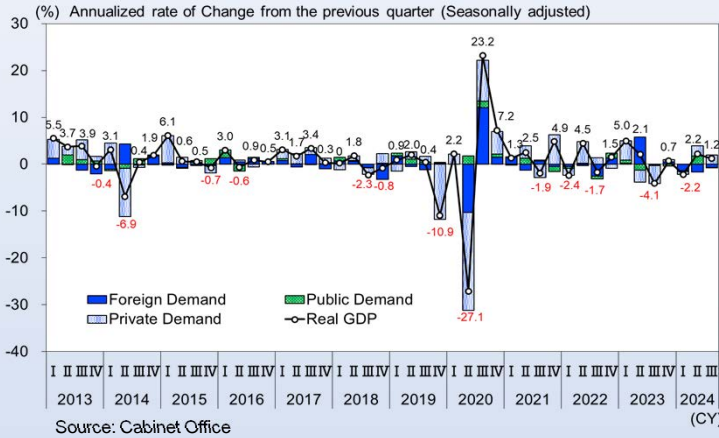
General Bonds Issuance Amount and Outstanding



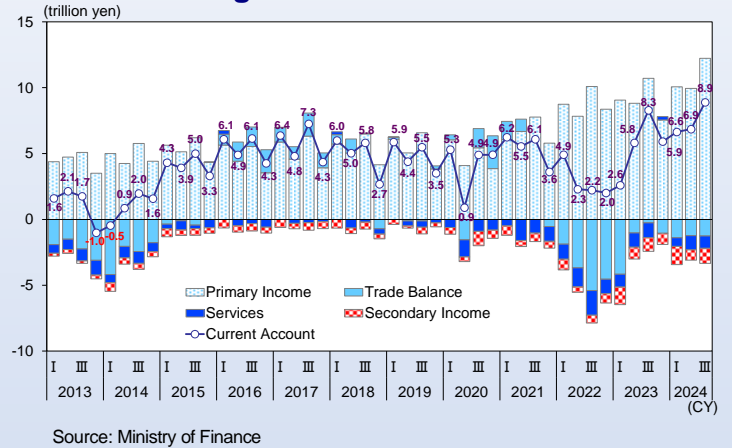
Note 1: Issuance Amount: revenue basis, FY2012-2023: Actual, FY2024: Supplementary budget, FY2025: Initial
 Note 2: Outstanding: nominal basis, FY2012-2023: Actual, FY2024: Supplementary budget, FY2025: Initial
 Source: Ministry of Finance

Economic and Financial Trends

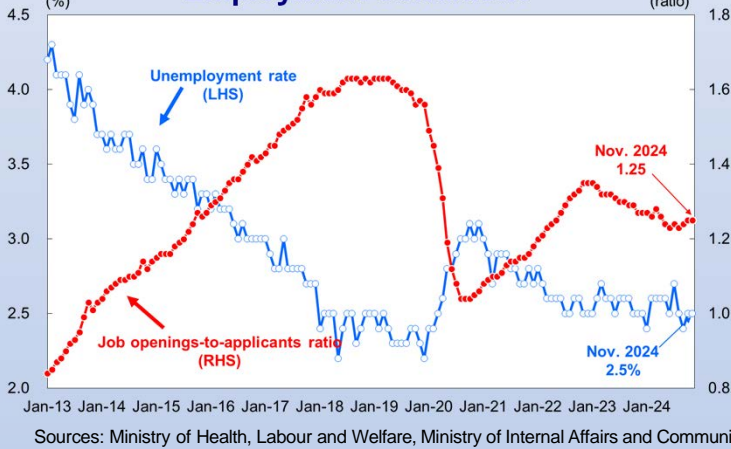
Real GDP Growth Rate



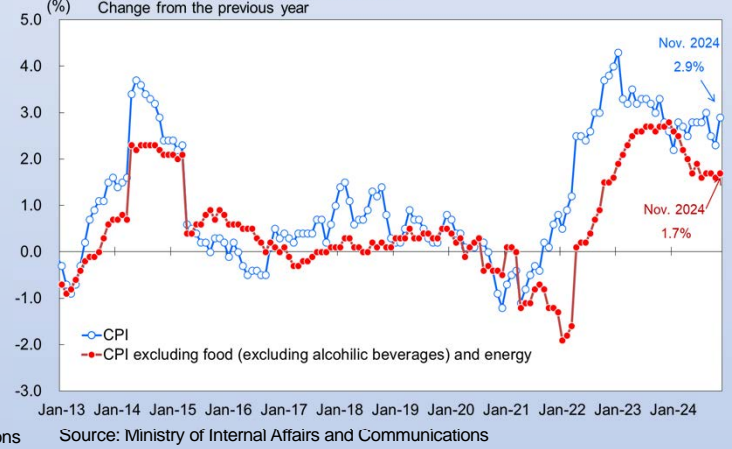
Changes in Current Account



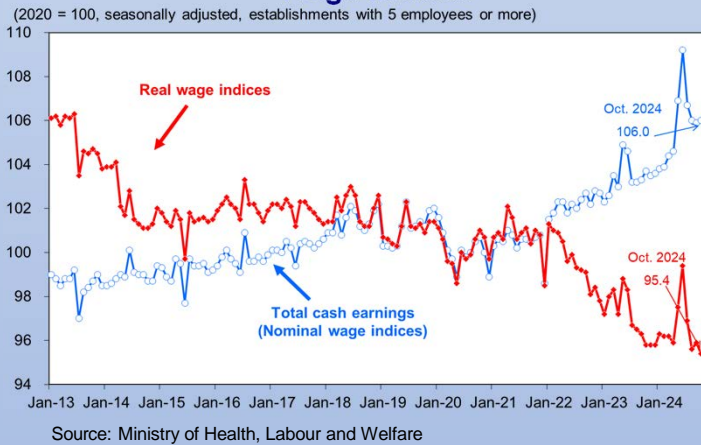
Employment Conditions



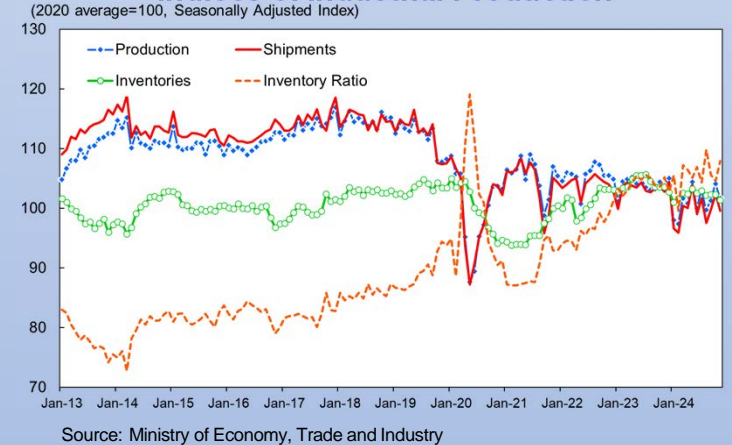
Prices



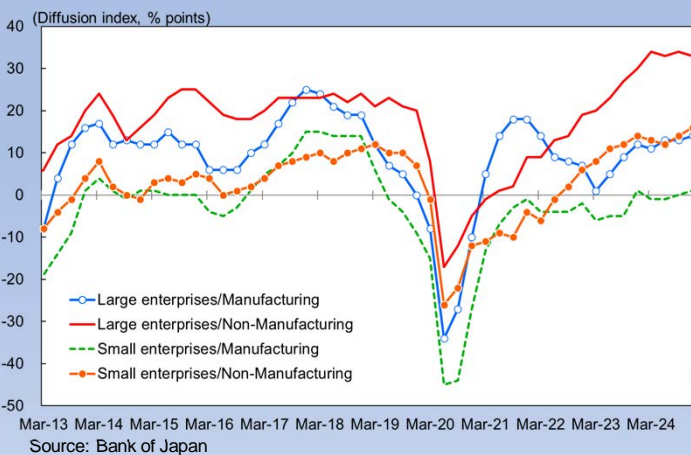
Wage Indices



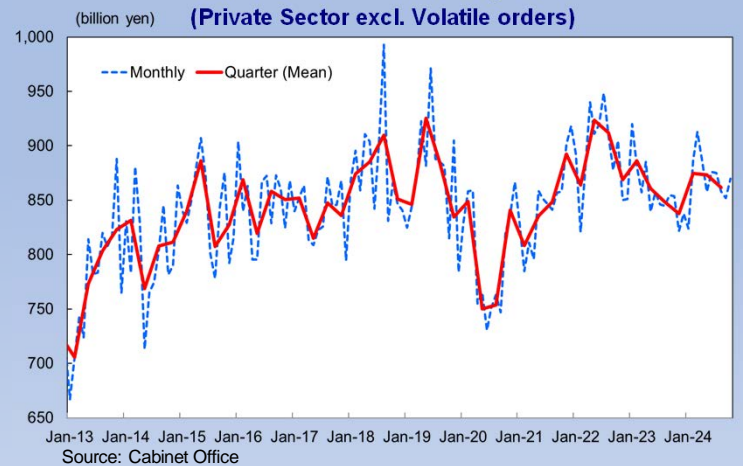
Indices of Industrial Production



TANKAN (Business Conditions)



Total Value of Machinery Orders



Information

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

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