

June 24, 2016

## Statement by Minister Aso and Governor Kuroda

In the referendum on June 23 in the UK, a majority voted for a leave from the EU.

We remain vigilant of any risks that are caused by this consequence to the global economy and to financial and foreign exchange markets. We will carefully monitor further developments.

The stability of financial markets including the foreign exchange market is crucially important. Excess volatility and disorderly movements in exchange rates can have adverse implications for economic and financial stability and hence are not desirable. The Ministry of Finance will monitor further developments of the foreign exchange market more carefully than before and take appropriate measures as necessary. Such measures are consistent with the agreements in G7 and G20.

We are also aware of risks related to liquidity funding in foreign currencies. In this regard, a network of currency swap arrangements is already established by the central banks of major countries. The Bank of Japan will take appropriate measures as necessary, including activation of this network.

In order to ensure the growth of the global economy and stability of financial markets including the foreign exchange market, the Government and the Bank of Japan will work closely on these issues in cooperation with the other G7 countries.