

February 27, 2026  
Financial Markets Department  
Bank of Japan

Relaxation of the Terms and Conditions for the Securities Lending Facility  
for the Cheapest-to-Deliver Issues

With regard to the upper limit on the consecutive-day purchases of the same issue under the Securities Lending Facility (SLF), the Bank of Japan decided to apply regular conditions (a maximum of 50 business days, in principle) to new transactions made on and after March 2, 2026, for 10-year JGBs #370, which had been subject to relaxed conditions since December 1, 2025. Under the relaxed conditions, the upper limit for this issue had been increased to a maximum of 75 business days, in principle, in order to ensure stability in the market by easing excessive tightening in supply and demand of Japanese government securities in the repo market. Going forward, the regular conditions will be applied to the cheapest-to-deliver (CTD) issues.

Regarding the reduction in the Bank's repurchase amount under the SLF, the amount outstanding in the market of each issue applicable to the relaxed conditions shown in "Change in the Treatment of the Reduction in the Bank of Japan's Repurchase Amount under the Securities Lending Facility" published on June 17, 2025, has reached the upper limit on the reduction of 1.5 trillion yen. <sup>(Note)</sup>

Note: Since January 2026, 10-year JGBs #362 has been removed from the list of issues applicable to the relaxed conditions.

The Bank will continue to closely monitor the situation of sales and purchases, as well as lending, of the CTD issues in the JGB cash and repo markets.

For further information, please contact the Market Operations Division, Financial Markets Department (post.fmd26@boj.or.jp).
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