

Changes in Items in "BOJ Current Account Balances by Sector"

Following the commencement of "Framework for a Negative Interest Rate on Current Accounts at the Bank" from February 16, 2016, "(Reference) Average Amounts Outstanding Subject to the Complementary Deposit Facility" will be added to the "BOJ Current Account Balances by Sector".* The details are as follows.

* The figures provided on February 16, 2016 are calculated by hypothetically applying the new framework to the figures for the January 2016 reserve maintenance period ending on February 15, 2016.

Step 1: Assume the following financial institutions A, B, and C in sector X:

Institution	Benchmark Balances ^a	Required Reserves ^b	Loan Support Program, etc. ^c	Benchmark Ratio	Benchmark Balances * Benchmark Ratio	Current Account Balances ^d
A	40	2	5	0.00	40 × 0.00 = 0	100
B	50	2	15	0.00	50 × 0.00 = 0	60
C	100	2	5	0.00	100 × 0.00 = 0	30

[a] Average current account balances during the reserve maintenance period from 2015/1-12.

[b] Required reserve per day during the reserve maintenance period of month T on year Y.

[c] Average amount of yen-denominated loans under the "Loan Support Program" and the "Funds-Supplying Operation to Support Financial Institutions in Disaster Areas" during the reserve maintenance period of month T on year Y.

[d] Average current account balances during the reserve maintenance period of month T on year Y.

Step 2: The balances to which different interest rates are applied are as follows:

Institution	Balances to which a positive interest rate is applied		Balances to which a zero interest rate is applied		Balances to which negative interest rate is applied
	Upper bound	Actual amount	Upper bound	Actual amount	
A	40 - 2 = 38	100 - 2 = 98 > 38 ⇒ 38	2 + 5 + 0 = 7	100 - 38 = 62 > 7 ⇒ 7	100 - 38 - 7 = 55
B	50 - 2 = 48	60 - 2 = 58 > 48 ⇒ 48	2 + 15 + 0 = 17	60 - 48 = 12 < 17 ⇒ 12	60 - 48 - 12 = 0
C	100 - 2 = 98	30 - 2 = 28 < 98 ⇒ 28	2 + 5 + 0 = 7	30 - 28 = 2 < 7 ⇒ 2	30 - 28 - 2 = 0
Total of sector X	(i) 184	(ii) 114	(iii) 31	(iv) 21	(v) 55

Step 3: The balances are released in the following formats:

	Sector X			
	Current Account Balances	To which: a positive interest rate is applied	To which: a zero interest rate is applied	To which: a negative interest rate is applied
Year Y		(i) (184)	(iii) (31)	
Month T	190	(ii) 114	(iv) 21	(v) 55

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