

II. Notes to Individual Statistics

[p. 1]<The Basic Discount Rates and Basic Loan Rates>

Some items have discontinuity. See the following footnotes for details.

1.(a)Agricultural bills are excluded from February 1, 1959.

(b)Export advance bills (accompanied by irrevocable L/C) and export usance bills in yen.

(c)Export advance bills (not accompanied by irrevocable L/C).

(d)Import settlement bills, import freight bills, and import usance bills in yen. Extension of loans secured by import trade bills was suspended on January 8, 1966.

(e)The interest rate on loans secured by import trade bills has not been set since September 1, 1967, reflecting the suspension of operation.

2.Percent per annum basis is adopted from September 1, 1969.

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(a)Extension of discounts of export advance bills and that of export usance bills in yen were abolished on October 1, 1972.

(b)Extension of loans against foreign exchange assets was suspended on March 29, 1972.

[pp. 3-4]<Reserve Requirement Ratios>

Some items have discontinuity. See the following footnotes for details.

(a)No reserve ratio is set for financial institutions whose total amount of deposits is less than the minimum amount shown in the reserve ratio criteria.

(b)As a transitory measure, the rate was set at 0.5 percent through March 31, 1970.

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Some items have discontinuity. See the following footnotes for details.

(c)Excludes savings from April 1, 1982.

(d)Nonresident yen deposits of authorized foreign exchange banks from December 1, 1980.

(e)No reserve ratio is set for financial institutions whose total amount of deposits is less than the minimum amounts of deposits shown in the reserve ratio criteria.

(f)Reserve maintenance period applied: from May 21, 1972 through June 20, 1972.

(g)Reserve maintenance period applied: from October 1, 1977 through October 31, 1977.

(h)Reserve maintenance period applied: from February 1, 1978 through February 28, 1978.

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Some items have discontinuity. See the following footnotes for details.

(i)No reserve ratio is set for financial institutions whose total amount of deposits is less than 160 billion yen but more than 120 billion yen from June 1, 1983.

(j)Includes debentures succeeded by designated financial institutions under the Act on Reserve Requirement System through acquisitions of other designated financial institutions from April 1996.

(k)Reserve requirements for authorized foreign exchange banks were abolished as the Foreign Exchange Bank Act was repealed on December 1, 1998.

(l)Applied to all designated financial institutions under the Act on Reserve Requirement System from April 1, 1998.

(m)Effective April 1, 1981.

(n)Effective February 1, 1981.

(o)Effective December 1, 1980 (newly established).

(p)Installment savings are included and deposits regarding special international transaction accounts are excluded. While foreign currency deposits and nonresident yen deposits at authorized foreign exchange banks are excluded until the end of March 1998, all of the foreign currency deposits and nonresident yen deposits are excluded from April 1, 1998.

(q)The reserve ratios on deposits of authorized foreign exchange banks were abolished on December 1, 1998.

(r)The reserve ratios on deposits of sogo banks were abolished on April 1, 1993.

(s)No reserve ratio is set for deposits within the classification of designated accounts as "50 billion yen or less" by their amount.

[p. 9]<Reserves>

1.Figures of current account balances excluding reserve balances (average outstanding) will no longer be released because those figures are identical to other institutions holding current accounts with the BOJ (average outstanding amounts of current account balance and required reserves for each maintenance period) within the data of BOJ Current Account Balances by Sector.

2.(a)Data represent average figures from the 16th of the current month to the 15th of the next month.

(b)Required reserves divided by liabilities subject to reserve requirements.

(c)Average effective reserve requirement ratio on deposits (excluding foreign currency deposits, nonresident yen deposits, and offshore account deposits).

[pp. 10-11]<BOJ Current Account Balances by Sector>

1.Figures in this table are rounded to the nearest whole number.

2.Average amounts outstanding for the last two months are preliminary

figures. Figures are rounded to the nearest whole number in units of one billion yen.

3.(a)Figures up to September 2007 include deposits by the Japan Post and the Japan Post Bank.

(b)"Securities companies" comprises companies that engage in securities-related businesses in the Type I Financial Instruments Business under the Financial Instruments and Exchange Act.

(c)Figures include the reserve balances (the balances of current accounts and special reserve accounts held by institutions subject to the reserve requirement system) and the current account balances held by institutions not subject to the reserve requirement system.

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1.Figures in this table are rounded to the nearest whole number.

2.(a)Figures up to September 2007 include deposits by the Japan Post and the Japan Post Bank.

(b)"Securities companies" comprises companies that engage in securities-related businesses in the Type I Financial Instruments Business under the Financial Instruments and Exchange Act.

(c)Figures include the reserve balances (the balances of current accounts and special reserve accounts held by institutions subject to the reserve requirement system) and the current account balances held by institutions not subject to the reserve requirement system.

[p. 13]<Bank of Japan's Transactions with the Government (Stock Table)>

1.Figures in this table are rounded to the nearest whole number.

2.(a)The amount outstanding of financing bills (FBs) underwritten by the Bank. Figures equal the accumulated amount of these FBs, subtracting the amount of FBs redeemed. Stated at face value.

(b)The amount outstanding of treasury bills (TBs) issued to finance redemption of Japanese government bonds (JGBs) and TBs and underwritten by the Bank. Figures equal the accumulated amount of these TBs, subtracting the amount of TBs redeemed or sold. Stated at face value.

(c)The amount outstanding of FBs purchased by the Bank from the Government Debt Consolidation Fund. The amount of FBs redeemed is excluded. Stated at face value.

(d)The amount outstanding of FBs purchased by the Bank from the Fiscal Loan Fund. The amount of FBs redeemed is excluded. Stated at face value.

(e)The amount outstanding of FBs sold by the Bank to the Government Debt Consolidation Fund. The amount of FBs redeemed is excluded. Stated at face value.

(f)The amount outstanding of FBs sold by the Bank to the Fiscal Loan Fund. The amount of FBs redeemed is excluded. Stated at face value.

(g)The amount outstanding of TBs sold by the Bank to the Government Debt Consolidation Fund. The amount of TBs redeemed is excluded. Stated at face value.

(h)The amount outstanding of TBs sold by the Bank to the Fiscal Loan Fund. The amount of TBs redeemed is excluded. Stated at face value.

(i)The amount outstanding of JGBs sold by the Bank to the Government Debt Consolidation Fund under repurchase agreements. Stated at sales-proceeds value.

(j)The amount outstanding of JGBs sold by the Bank to the Fiscal Loan Fund under repurchase agreements. Stated at sales-proceeds value.

(k)The amount outstanding of FBs and TBs sold by the Bank to the Government Debt Consolidation Fund. The amount of FBs and TBs redeemed is excluded. Stated at face value.

(l)The amount outstanding of FBs and TBs sold by the Bank to the Fiscal Loan Fund. The amount of FBs and TBs redeemed is excluded. Stated at face value.

[pp. 14-16]<Bank of Japan's Transactions with the Government (Flow Table)>

1.Figures in this table are rounded to the nearest whole number.

2.(a)The change in the amount outstanding of FBs underwritten by the Bank. Stated at face value.

(b)The amount of FBs underwritten by the Bank. Stated at face value.

(c)The amount redeemed of FBs underwritten by the Bank. Stated at face value.

(d)The change in the amount outstanding of TBs issued to finance redemption of JGBs and TBs and underwritten by the Bank. Stated at face value.

(e)The amount of TBs issued to finance redemption of JGBs and TBs and underwritten by the Bank. Stated at face value.

(f)The amount redeemed or sold of TBs issued to finance redemption of JGBs and TBs and underwritten by the Bank. Stated at face value.

(g)The change in the amount outstanding of FBs purchased by the Bank from the Government Debt Consolidation Fund. Stated at face value.

(h)The amount of FBs purchased by the Bank from the Government Debt Consolidation Fund. Stated at face value.

(i)The amount redeemed of FBs purchased by the Bank from the Government Debt Consolidation Fund. Stated at face value.

(j)The change in the amount outstanding of FBs purchased by the Bank from the Fiscal Loan Fund. Stated at face value.

(k)The amount of FBs purchased by the Bank from the Fiscal Loan Fund.

Stated at face value.

(l)The amount redeemed of FBs purchased by the Bank from the Fiscal Loan Fund. Stated at face value.

(m)The change in the amount outstanding of FBs sold by the Bank to the Government Debt Consolidation Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(n)The amount of FBs sold by the Bank to the Government Debt Consolidation Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(o)The amount redeemed of FBs sold by the Bank to the Government Debt Consolidation Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(p)The change in the amount outstanding of FBs sold by the Bank to the Fiscal Loan Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(q)The amount of FBs sold by the Bank to the Fiscal Loan Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(r)The amount redeemed of FBs sold by the Bank to the Fiscal Loan Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(s)The change in the amount outstanding of TBs sold by the Bank to the Government Debt Consolidation Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(t)The amount of TBs sold by the Bank to the Government Debt Consolidation Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(u)The amount redeemed of TBs sold by the Bank to the Government Debt Consolidation Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(v)The change in the amount outstanding of TBs sold by the Bank to the Fiscal Loan Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(w)The amount of TBs sold by the Bank to the Fiscal Loan Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(x)The amount redeemed of TBs sold by the Bank to the Fiscal Loan Fund. Stated at face value. The annual figure for 2009 is the figure for January 2009.

(y)The change in the amount outstanding of JGBs sold by the Bank to the Government Debt Consolidation Fund under repurchase agreements. Stated at sales-proceeds value.

(z)The amount of JGBs sold by the Bank to the Government Debt Consolidation Fund under repurchase agreements. Stated at sales-proceeds value.

(A)The amount of JGBs repurchased by the Bank from the Government Debt Consolidation Fund. Stated at sales-proceeds value.

(B)The change in the amount outstanding of JGBs sold by the Bank to the Fiscal Loan Fund under repurchase agreements. Stated at sales-proceeds value.

(C)The amount of JGBs sold by the Bank to the Fiscal Loan Fund under repurchase agreements. Stated at sales-proceeds value.

(D)The amount of JGBs repurchased by the Bank from the Fiscal Loan Fund. Stated at sales-proceeds value.

(E)The change in the amount outstanding of FBs and TBs sold by the Bank to the Government Debt Consolidation Fund. Stated at face value. The annual figure for 2009 is the total of monthly figures from February through December 2009.

(F)The amount of FBs and TBs sold by the Bank to the Government Debt Consolidation Fund. Stated at face value. The annual figure for 2009 is the total of monthly figures from February through December 2009.

(G)The amount redeemed of FBs and TBs sold by the Bank to the Government Debt Consolidation Fund. Stated at face value. The annual figure for 2009 is the total of monthly figures from February through December 2009.

(H)The change in the amount outstanding of FBs and TBs sold by the Bank to the Fiscal Loan Fund. Stated at face value. The annual figure for 2009 is the total of monthly figures from February through December 2009.

(I)The amount of FBs and TBs sold by the Bank to the Fiscal Loan Fund. Stated at face value. The annual figure for 2009 is the total of monthly figures from February through December 2009.

(J)The amount redeemed of FBs and TBs sold by the Bank to the Fiscal Loan Fund. Stated at face value. The annual figure for 2009 is the total of monthly figures from February through December 2009.

[pp. 17-20]<Bank of Japan Accounts>

Some items have discontinuity. See the following footnotes for details.

1. Figures for March and September released in early April and October, respectively, are preliminary. Final figures are released in early June and December, respectively.

2.(a)From 1998, figures include claims against the Bank for International Settlements (BIS) embodied in an earmarked gold account with the BIS, which had previously been included in foreign assets. From December 2002, old gold coins are booked in "others."

(b)Coins reserved for circulation.

(c)From April 2001, monetary claims arising from purchases of Japanese

government securities and commercial paper under resale agreements are registered under a new accounting item, "receivables under resale agreements," in the asset account. Until then, Japanese government securities and commercial paper bought under resale agreements were classified under "Japanese government securities" and "bills purchased," respectively, in the asset account.

(d)From May 1989 through March 2001, figures include commercial paper purchased.

(e)Stocks purchased from financial institutions through a trust bank selected by the Bank.

(f)The amount outstanding of funds-supplying operations against pooled collateral (loans that are made against pooled eligible collateral by way of open market operations [through November 2009, with loan rates determined by multiple-rate competitive auctions; from December 2009, with loan rates (1) determined by multiple-rate competitive auctions or (2)equivalent to the Bank's target for the uncollateralized overnight call rate <fixed-rate method>]). From January 2009 through June 2010, figures include the amount outstanding of loans to financial institutions provided by special funds-supplying operations to facilitate corporate financing. From September 2010, figures include the amount outstanding of loans to financial institutions under the fund-provisioning measure to support strengthening the foundations for economic growth; from December 2012, those of loans conducted through the Bank's Loan Support Program (figures do not include those loans provided pursuant to the special rules for the U.S. dollar lending arrangement). From October 2010, figures include the amount outstanding of loans to financial institutions provided by funds-supplying operations against pooled collateral conducted through the Bank's Asset Purchase Program, which terminated on April 4, 2013. From May 2011, figures include the amount outstanding of loans to financial institutions provided by funds-supplying operations to support financial institutions in disaster areas. From June 2013, figures include the amount outstanding of loans to financial institutions provided by the fund-provisioning measure to stimulate bank lending conducted through the Bank's Loan Support Program.

(g)The amount outstanding of loans and bills discounted pursuant to Article 33 of the Bank of Japan Act and loans backed by loans on deeds pursuant to Article 43, the proviso of Section 1 of the Act. Figures include loans under the temporary lending facility to support firms' financing activities for December 1998-March 1999 and loans under the complementary lending facility from March 2001. Figures exclude loans provided by funds-supplying operations against pooled collateral.

(h)Deposits held by agents that conduct operations relating to treasury funds and Japanese government securities on behalf of the Bank. These deposits are reserved for such operations.

(i)Cash submitted to counterparties as collateral when the Bank borrows Japanese government securities (through "repo" operations).

(j)There is no continuity between the data prior to 1997 and the data from 1998 because of a change in the definition of the item. From September 2001, provisions for possible loan losses are deducted.

(k)Through March 2001, figures include Japanese government securities in custody (in the asset account) and those borrowed (in the liabilities and net asset account).

(l)Deposits of financial institutions and institutions such as tanshi companies (money market broker-cum-dealers) and securities finance companies. Figures through 1997 are those of financial institutions' deposits, which exclude deposits of securities companies.

(m)Deposits held by foreign central banks and other entities. There is no continuity between the data prior to 1997 and the data from 1998 because of a change in the definition of the item.

(n)From April 2001, monetary obligations arising from sales of Japanese government securities under repurchase agreements are registered under a new accounting item, "payables under repurchase agreements" in the liability account. Until then, "Japanese government securities" in the asset account decreased as a result of the sale of Japanese government securities under repurchase agreements.

(o)Figures include miscellaneous liabilities and current income (net accumulated profits). There is no continuity between the data prior to 1997 and the data from 1998 because of a change in the definition of the item.

(p)There is no continuity between the data prior to 1997 and the data from 1998 because of a change in the definition of the item. Through August 2001, figures include provisions for possible loan losses (from September 2001, provisions for possible loan losses was recategorized to the deduction of "others" in the asset account).

(r)Comprises the following types, in dematerialized or physical form: (1) commercial paper issued by domestic corporations; (2) commercial paper issued by foreign corporations with guarantees (dematerialized only); (3) asset-backed commercial paper; and (4) commercial paper issued by real estate investment corporations. From February 2009 through December 2009, the figures exclude commercial paper issued in dematerialized or physical form by real estate investment corporations. From December 2010, the figures include the amount outstanding of commercial paper purchased through the Asset Purchase Program, which terminated on April 4, 2013.

(s) Foreign currency deposits held at foreign central banks and the Bank for International Settlements, securities issued by foreign governments, and foreign currency loans. From July 2003, figures include foreign currency mutual funds. From January 2006 through July 2012, figures include foreign currency pecuniary trusts. From September 2008 through February 2010, and from May 2010, figures include loans provided by U.S. dollar funds-supplying operations against pooled collateral. From October 2012, figures include loans provided pursuant to the special rules for the U.S. dollar lending arrangement to enhance the fund-provisioning measure to support strengthening the foundations for economic growth; from December 2012, those of loans conducted through the Bank's Loan Support Program.

(t) Through January 2009, figures comprise financing bills and treasury bills. From February 2009, figures include treasury discount bills. From January 2010, figures comprise treasury discount bills.

(u) From November 2010, figures include the amount outstanding of Japanese government securities purchased through the Bank's Asset Purchase Program, which terminated on April 4, 2013.

(v) From December 2010, figures include bonds issued by real estate investment corporations.

(w) Beneficiary interests in index-linked exchange-traded funds purchased through a trust bank selected by the Bank.

(x) Investment equity issued by real estate investment corporations purchased through a trust bank selected by the Bank.

[p. 21] <Loans and Discounts by the Bank of Japan>

Some items have discontinuity. See the following footnotes for details.

1. The figures exclude the amount outstanding of funds-supplying operations against pooled collateral and the amount outstanding of subordinated loans from June 2009 through June 2012.

2. Funds-supplying operations against pooled collateral, which are referred to in above 1., correspond to loans that are made against pooled eligible collateral by way of open market operations, i.e. through November 2009, those with loan rates determined by multiple-rate competitive auctions, and from December 2009, those with loan rates determined by multiple-rate competitive auctions or equivalent to the Bank's target for the uncollateralized overnight call rate (fixed-rate method). The following are included in such loans: loans to financial institutions provided by special funds-supplying operations to facilitate corporate financing from January 2009 through June 2010; loans to financial institutions under the fund-provisioning measure to support strengthening the foundations for economic growth from September 2010 and conducted through the Bank's Loan Support Program except for loans provided pursuant to the special rules for the U.S. dollar lending arrangement from December 2012; loans to financial institutions provided by funds-supplying operations against pooled collateral conducted through the Bank's Asset Purchase Program from October 2010 to April 4, 2013, when the Program terminated; loans to financial institutions provided by funds-supplying operations to support financial institutions in disaster areas from May 2011; and loans to financial institutions provided by the fund-provisioning measure to stimulate bank lending conducted through the Bank's Loan Support Program from June 2013.

3. Figures include loans under the temporary lending facility to support firms' financing activities for December 1998-March 1999 and loans under the complementary lending facility from March 2001.

4.(a) Excludes the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank) and Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004) and the Second Bridge Bank of Japan (the business was transferred on December 26, 2011).

(b) Includes the Resolution and Collection Corporation, Kii Deposit Management Bank, the Japan Post Bank, foreign banks in Japan, shinkin banks, cooperative-type specialized financial institutions, and the financial instruments firms, etc., and excludes the Bridge Bank of Japan, the Second Bridge Bank of Japan and the Deposit Insurance Corporation of Japan. Through March 1989, includes *sogo* banks.

[pp. 22-28] <Collateral Accepted by the Bank of Japan>

Some items have discontinuity. See the following footnotes for details.

1. Collateral accepted under the basic rules concerning collateral, agreed between the Bank of Japan and its counterparties (excluding foreign-denominated foreign bonds and loans on deeds to companies denominated in the U.S. dollar).

2. Face value: outstanding principal balance for bonds such as pass-through bonds, electronically recorded monetary claims, and loans on deeds, for any of which the principal balance may decrease due to prepayments before the final maturity date.

3. Collateral value: market price adjusted by haircut for bonds (excluding government-guaranteed dematerialized commercial paper, dematerialized commercial paper issued by domestic corporations, dematerialized commercial paper issued by foreign corporations with guarantees, dematerialized asset-backed commercial paper, and dematerialized commercial paper issued by real estate investment corporations); principal balance adjusted by haircut for government-guaranteed dematerialized commercial paper, dematerialized commercial paper

issued by domestic corporations, dematerialized commercial paper issued by foreign corporations with guarantees, dematerialized asset-backed commercial paper, and dematerialized commercial paper issued by real estate investment corporations; face value adjusted by haircut for bills; and outstanding principal balance adjusted by haircut for electronically recorded monetary claims and loans on deeds. As for bonds such as pass-through bonds whose principal balance may decrease due to prepayments before the final maturity date: outstanding principal balance adjusted by haircut for figures until end-May 2005; and market price adjusted by haircut for figures from end-June 2005.

4. In principle, figures in this table are rounded to the nearest whole number.

5.(a) Treasury bills and financing bills.

(b) From May 2011, companies include entities owned by municipal governments.

(c) From April 2009, figures are included in "Loans on deeds to the government (including the government's special accounts)."

(d) From April 2009, figures are included in "Loans on deeds with government guarantees."

[p.29] <Monetary Base>

1. See *III. Explanation of and Reference for Individual Statistics*.

2. Seasonally adjusted based on the Bureau of Census X-12-ARIMA method (Version 0.3).

3. Amounts outstanding at end of period can be obtained from "Monetary Base and the Bank of Japan's Transactions (pp. 30-39) (Stock Table)." Changes during the period can be obtained from "Monetary Base and the Bank of Japan's Transactions (Flow Table)."

4.(a) Figures from April 2003 to September 2007 include deposits of the Japan Post. Figures from October 1, 2007 to October 15, 2007 do not include deposits of the Japan Post Bank.

[pp. 30-34] <Monetary Base and the Bank of Japan's Transactions (Stock Table)>

Some items have discontinuity. See the following footnotes for details.

1. See *III. Explanation of and Reference for Individual Statistics*.

2. Average amounts outstanding are shown in *Monetary Base* (p.29).

3. In principle, figures in this table are rounded to the nearest whole number.

4.(a) The amount outstanding of Japanese government bonds (JGBs) in the assets on the Bank's balance sheet. The figure for April 2001 is calculated by adding the amount outstanding of sales of JGBs to the government under repurchase agreements conducted in or before March 2001 to the amount outstanding of JGBs. JGBs held by the Bank are revalued at the end of the first half of every fiscal year and of the entire fiscal year. Until fiscal 2003, the value was stated at the lower of cost, determined by the moving-average method, or market value. From fiscal 2004, the value is stated at amortized cost, determined by the moving-average method. There is no continuity between figures through March 2001 and those from April 2001 due to changes in the Bank's accounting practice in April 2001 for transactions of government securities under repurchase agreements.

(b) The amount outstanding of JGBs purchased or acquired outright from financial institutions, including those rolled over at maturity and underwritten by the Bank. Calculated by subtracting the amount outstanding of government compensation bonds and other JGBs from that of JGBs held by the Bank. Figures approximately equal the accumulated amount of JGBs purchased or acquired outright from financial institutions minus the sum of redemptions, treasury bills (TBs) issued to roll over matured JGBs and underwritten by the Bank, and sales to the Government Debt Consolidation Fund.

(c) The amount outstanding of government compensation bonds and other JGBs. Stated at face value.

(d) The amount outstanding of JGBs purchased from the government under repurchase agreements. Stated at acquisition cost.

(e) The amount outstanding of JGBs sold to the government under repurchase agreements. Stated at sales-proceeds value.

(f) The amount outstanding of cash collateral against which the Bank borrowed JGBs from financial institutions. This item refers to JGB repo operations.

(g) The amount outstanding of treasury discount bills (consisting of TBs and financing bills [FBs]) in the assets on the Bank's balance sheet. Figures for April and May 2001 are calculated by subtracting the amount outstanding of purchases of TBs and FBs under repurchase agreements conducted in or before March 2001 from that of treasury discount bills. The amount does not match the sum of the detailed items because of the difference in valuation. Treasury discount bills held by the Bank are revalued at the end of the first half of every fiscal year and of the entire fiscal year. Until fiscal 2003, the value was stated at cost determined by the moving-average method. From fiscal 2004, the value is stated at amortized cost, determined by the moving-average method. There is no continuity between figures through March 2001 and those from April 2001 due to changes in the Bank's accounting practice in April 2001 for transactions of government securities under repurchase agreements.

(h) The amount outstanding of FBs underwritten by the Bank and TBs issued to roll over JGBs and TBs and underwritten by the Bank. Figures

equal the accumulated amount of these treasury discount bills, subtracting their redemption. Stated at face value.

(i) The amount outstanding of treasury discount bills purchased from financial institutions. Figures equal the accumulated amount of these treasury discount bills, subtracting principally their redemptions including those redeemed before maturity. Stated at acquisition cost.

(j) The amount outstanding of treasury discount bills sold to financial institutions. Figures equal the accumulated amount of these treasury discount bills subtracting their redemption. Stated at sales-proceeds value.

(k) The amount outstanding of net sales of treasury discount bills to the government and others (i.e., the difference between the amount of treasury discount bills sold to and purchased from the government and others). Redeemed treasury discount bills are excluded. Stated at face value.

(l) The amount outstanding of net sales of treasury discount bills to foreign central banks and others (i.e., the difference between the amount of treasury discount bills sold to and purchased from foreign central banks and others). Stated at face value.

(m) The amount outstanding of treasury discount bills sold to foreign central banks and others under repurchase agreements. Stated at face value.

(n) The amount outstanding of treasury discount bills purchased from financial institutions under repurchase agreements. Stated at acquisition cost.

(o) The amount outstanding of treasury discount bills sold to financial institutions under repurchase agreements. Stated at sales-proceeds value.

(p) The amount outstanding of Japanese government securities (JGSs) (JGBs and treasury discount bills) purchased from financial institutions under repurchase agreements. Stated at acquisition cost. The amount outstanding through October 2002 is that of JGBs purchased from financial institutions under repurchase agreements, and thus there is no continuity between figures through October 2002 and those from November 2002.

(q) The amount outstanding of JGSs sold to financial institutions under repurchase agreements. Stated at sales-proceeds value.

(r) The amount outstanding of bills purchased from financial institutions. Stated at face value. Purchases of commercial paper (CP) under repurchase agreements are excluded. From January 2001, outright purchases of bills utilizing corporate debt obligations are integrated.

(s) The amount outstanding of bills backed by corporate debt obligations and purchased from financial institutions. Stated at face value. From January 2001, integrated into "outright purchases of bills."

(t) The amount outstanding of CP, dematerialized CP issued by domestic corporations, dematerialized CP issued by foreign corporations with guarantees, government-guaranteed dematerialized CP, dematerialized asset-backed CP, and dematerialized CP issued by real estate investment corporations purchased from financial institutions under repurchase agreements. Stated at face value.

(u) The amount outstanding of bills drawn by the Bank and sold to financial institutions. Stated at face value.

(v) The amount outstanding of asset-backed securities (asset-backed bonds and asset-backed CP) purchased outright from financial institutions. The value of securities is at amortized cost and reflects changes due to revaluation for impairment losses at the end of March and September.

(w) The amount outstanding of loans and bills discounted pursuant to Article 33 of the Bank of Japan Act and loans backed by loans on deeds pursuant to the proviso of Section 1, Article 43 of the Act. Includes loans under the temporary lending facility to support firms' financing activities for December 1998 through March 1999 and loans under the complementary lending facility from March 2001. Excludes loans to financial institutions provided by funds-supplying operations against pooled collateral, special funds-supplying operations to facilitate corporate financing, and the funds-supplying operation to support financial institutions in disaster areas. Also excludes loans under the fund-provisioning measure to support strengthening the foundations for economic growth and the fund-provisioning measure to stimulate bank lending.

(x) The amount outstanding of loans pursuant to Article 38 of the Bank of Japan Act.

(y) The sum of items such as loans to the Deposit Insurance Corporation (DIC), capital subscriptions to the DIC and the Agricultural and Fishery Cooperative Savings Insurance Corporation, provision of funds to the DIC's *Jusen* account, and provision of funds to the New Financial Stabilization Fund.

(z) The amount outstanding of loans to the DIC pursuant to the following: Article 42 and Supplementary Article 20 of the Deposit Insurance Act; Article 65 of the Act on Emergency Measures for the Revitalization of the Financial Functions; and Article 16 of the Act on Emergency Measures for Early Strengthening of Financial Functions.

(A) The amount outstanding of securities lending to financial institutions as a secondary source of JGSs. Stated at sales-proceeds value.

(B) The amount outstanding of pecuniary trusts established to purchase

stocks from banks. The value of stocks is stated at the cost determined by the moving-average method and reflects changes due to revaluation for impairment losses at the end of March and September.

(C) The amount outstanding of the treasury deposit, the domestic designated deposit, and other government deposits.

(D) Includes the following items: gold, foreign currency assets, premises and movable property, coins in circulation, deposits held by foreign central banks and others, reserves for possible losses, capital accounts, and deposits with agents, in addition to purchase of foreign securities from the Foreign Exchange Fund Special Account with resale agreement for January through May 2004.

(E) Through March 1998, the figures are those of financial institutions' deposits.

(F) The amount outstanding of current deposits held by financial institutions subject to reserve requirements. The amount outstanding of current deposits held by financial institutions subject to reserve requirements and the Japan Post for April 2003 through September 2007.

(G) The amount outstanding of loans to financial institutions provided by funds-supplying operations against pooled collateral (loans that are made against pooled eligible collateral by way of open market operations with loan rates determined by multiple-rate competitive auctions or at a fixed rate determined by the Bank in advance).

(H) The amount outstanding of loans to financial institutions provided by special funds-supplying operations to facilitate corporate financing (loans that provide funds with pooled eligible collateral as security by way of open market operations for an unlimited amount against the value of corporate debt pledged as the standing pool of eligible collateral at loan rates equivalent to the target for the uncollateralized overnight call rate).

(I) The amount outstanding of loans to financial institutions under the fund-provisioning measure to stimulate bank lending (loans that are made against pooled eligible collateral at a fixed rate determined by the Bank in advance).

(K) The amount outstanding of loans to financial institutions under the fund-provisioning measure to support strengthening the foundations for economic growth (loans that are made against pooled eligible collateral at a fixed rate determined by the Bank in advance). From December 2012, figures are those of loans conducted through the Bank's Loan Support Program. From September 2011, figures include loans disbursed pursuant to the Special Rules for Equity Investments and Asset-Based Lending to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth. From June 2012, figures include loans disbursed pursuant to the Special Rules for Small-Lot Investments and Loans to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth. Figures do not include loans disbursed pursuant to the Special Rules for the U.S. Dollar Lending Arrangement to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth. These loans are included in foreign currency assets constituting "Others."

(P) The amount outstanding of CP (excluding asset-backed CP and CP issued by real estate investment corporations), dematerialized CP issued by domestic corporations, CP issued by real estate investment corporations, dematerialized CP issued by real estate investment corporations, dematerialized CP issued by foreign corporations with guarantees, asset-backed CP, and dematerialized asset-backed CP purchased from financial institutions. Figures equal the accumulated amount of these securities, subtracting principally their redemptions. The value of securities is stated at amortized cost determined by the moving-average method and reflects changes due to revaluation for impairment losses at the end of March and September.

(Q) The amount outstanding of corporate bonds and bonds issued by real estate investment corporations purchased from financial institutions. Figures equal the accumulated amount of these corporate bonds, subtracting principally their redemptions. The value of securities is stated at amortized cost determined by the moving-average method and reflects changes due to revaluation for impairment losses at the end of March and September.

(R) The amount outstanding of pecuniary trusts established to purchase ETFs. The value of ETFs is stated at cost determined by the moving-average method and reflects changes due to revaluation for impairment losses at the end of March and September.

(S) The amount outstanding of pecuniary trusts established to purchase J-REITs. The value of J-REITs is stated at cost determined by the moving-average method and reflects changes due to revaluation for impairment losses at the end of March and September.

(T) The amount outstanding of loans to financial institutions in disaster areas with regard to the Great East Japan Earthquake provided by the funds-supplying operation to support financial institutions in disaster areas (loans that are made against pooled eligible collateral by way of open market operations within the maximum amount determined by the Bank at a fixed rate determined by the Bank in advance).

[pp. 35-39] <Monetary Base and the Bank of Japan's Transactions (Flow Table)>

Some items have discontinuity. See the following footnotes for details.

1. See **III. Explanation of and Reference for Individual Statistics.**

2. Average amounts outstanding are shown in *Monetary Base* (p.29).

3.(a) There is no continuity between figures through March 2001 and those from April 2001 due to changes in the Bank's accounting practice in April 2001 for transactions of government securities under repurchase agreements.

(b) The change in the amount outstanding of Japanese government bonds (JGBs) purchased outright from financial institutions. Stated at acquisition cost.

(c) The change in the amount outstanding of purchases, redemptions, and other transactions of government compensation bonds. Stated at face value.

(d) The change in the amount outstanding of JGBs except those caused by (b) and (c), including the amount of redemptions of JGBs, changes in value arising from revaluation, and sales to the Government Debt Consolidation Fund.

(e) The change in the amount outstanding of JGBs purchased from the government under repurchase agreements. Stated at acquisition cost.

(f) The change in the amount outstanding of JGBs sold to the government under repurchase agreements. Stated at sales-proceeds value.

(g) The change in the amount outstanding of cash collateral against which the Bank borrowed JGBs from financial institutions. This item refers to the JGB repo operations.

(h) The change in the amount outstanding of financing bills (FBs) underwritten by the Bank and treasury bills (TBs) issued to roll over JGBs and TBs and underwritten by the Bank. Stated at face value.

(i) The change in the amount outstanding of treasury discount bills purchased from financial institutions. Stated at acquisition cost.

(j) The change in the amount outstanding of treasury discount bills sold to financial institutions. Stated at sales-proceeds value.

(k) The change in the amount outstanding of net sales of treasury discount bills to the government and others (i.e., the difference between the amount of treasury discount bills sold to and purchased from the government and others). Stated at face value.

(l) The change in the amount outstanding of net sales of treasury discount bills to foreign central banks and other entities (i.e., the difference between the amount of treasury discount bills sold to and purchased from foreign central banks and others). Stated at face value.

(m) The change in the amount outstanding of redemptions of treasury discount bills, changes in value arising from revaluation, and the difference between their book values and sales proceeds are included.

(n) The change in the amount outstanding of treasury discount bills sold to foreign central banks and others under repurchase agreements. Stated at face value.

(o) The change in the amount outstanding of treasury discount bills purchased from financial institutions under repurchase agreements. Stated at acquisition cost.

(p) The change in the amount outstanding of treasury discount bills sold to financial institutions under repurchase agreements. Stated at sales-proceeds value.

(q) The change in the amount outstanding of Japanese government securities (JGSs) (JGBs and treasury discount bills) purchased from financial institutions under repurchase agreements. Stated at acquisition cost. The amount through October 2002 is that of JGBs purchased from financial institutions under repurchase agreements, and thus there is no continuity between figures through October 2002 and those from November 2002.

(r) The change in the amount outstanding of JGSs sold to financial institutions under repurchase agreements. Stated at sales-proceeds value.

(s) The change in the amount outstanding of bills purchased from financial institutions. Stated at face value. Purchases of commercial paper (CP) under repurchase agreements are excluded. From January 2001, outright purchases of bills utilizing corporate debt obligations are integrated.

(t) The change in the amount outstanding of bills backed by corporate debt obligations and purchased from financial institutions. Stated at face value. From January 2001, integrated into "outright purchases of bills."

(u) The change in the amount outstanding of CP, dematerialized CP issued by domestic corporations, dematerialized CP issued by foreign corporations with guarantees, government-guaranteed dematerialized CP, dematerialized asset-backed CP, and dematerialized CP issued by real estate investment corporations purchased from financial institutions under repurchase agreements. Stated at face value.

(v) The change in the amount outstanding of bills drawn by the Bank and sold to financial institutions. Stated at face value.

(w) The change in the amount outstanding of asset-backed securities (asset-backed bonds and asset-backed CP) purchased outright from financial institutions. Figures reflect changes due to revaluation of securities for impairment losses.

(x) The change in the amount outstanding of loans and bills discounted pursuant to Article 33 of the Bank of Japan Act and loans backed by loans on deeds pursuant to the proviso of Section 1, Article 43 of the Act. Includes loans under the temporary lending facility to support firms' financing activities for December 1998 through April 1999 and loans under the complementary lending facility from March 2001. Excludes

loans to financial institutions provided by funds-supplying operations against pooled collateral, special funds-supplying operations to facilitate corporate financing, and the funds-supplying operation to support financial institutions in disaster areas. Also excludes loans under the fund-provisioning measure to support strengthening the foundations for economic growth and the fund-provisioning measure to stimulate bank lending.

(y) The change in the amount outstanding of loans pursuant to Article 38 of the Bank of Japan Act.

(z) The sum of changes in the amount outstanding of items such as loans to the Deposit Insurance Corporation (DIC), capital subscription to the DIC and the Agricultural and Fishery Cooperative Savings Insurance Corporation, provision of funds to the DIC's *Jusen* account, and provision of funds to the New Financial Stabilization Fund.

(A) The change in the amount outstanding of loans to the DIC pursuant to the following: Article 42 and Supplementary Article 20 of the Deposit Insurance Act; Article 65 of the Act on Emergency Measures for the Revitalization of the Financial Functions; and Article 16 of the Act on Emergency Measures for Early Strengthening of Financial Functions.

(B) The change in the amount outstanding of securities lending to financial institutions as a secondary source of JGSs. Stated at sales-proceeds value.

(C) The change in the amount outstanding of pecuniary trusts established to purchase stocks from banks. Figures reflect changes due to revaluation of stocks for impairment losses.

(D) The change in the amount outstanding of the treasury deposit, the domestic designated deposit, and other government deposits.

(E) Includes the following items: gold, foreign currency assets, premises and movable property, coins in circulation, deposits held by foreign central banks and others, reserves for possible losses, capital accounts, and deposits with agents, in addition to purchase of foreign securities from the Foreign Exchange Fund Special Account with resale agreement for January through May 2004.

(F) The change in the amount outstanding of current deposits held by financial institutions subject to reserve requirements. The change in the amount outstanding of current deposits held by financial institutions subject to reserve requirements and the Japan Post for April 2003 through September 2007.

(G) The change in the amount outstanding of loans to financial institutions provided by funds-supplying operations against pooled collateral (loans that are made against pooled eligible collateral by way of open market operations with loan rates determined by multiple-rate competitive auctions or at a fixed rate determined by the Bank in advance).

(H) The change in the amount outstanding of loans to financial institutions provided by special funds-supplying operations to facilitate corporate financing (loans that provide funds with pooled eligible collateral as security by way of open market operations for an unlimited amount against the value of corporate debt pledged as the standing pool of eligible collateral at loan rates equivalent to the target for the uncollateralized overnight call rate).

(I) The change in the amount outstanding of loans to financial institutions under the fund-provisioning measure to stimulate bank lending (loans that are made against pooled eligible collateral at a fixed rate determined by the Bank in advance).

(K) The change in the amount outstanding of loans to financial institutions under the fund-provisioning measure to support strengthening the foundations for economic growth (loans that are made against pooled eligible collateral at a fixed rate determined by the Bank in advance). From December 2012, figures are those of loans conducted through the Bank's Loan Support Program. From September 2011, figures include the change in the amount outstanding of loans disbursed pursuant to the Special Rules for Equity Investments and Asset-Based Lending to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth. From June 2012, figures include the change in the amount outstanding of loans disbursed pursuant to the Special Rules for Small-Lot Investments and Loans to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth. Figures do not include the change in loans disbursed pursuant to the Special Rules for the U.S. Dollar Lending Arrangement to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth. These loans are included in foreign currency assets constituting "Others."

(P) The change in the amount outstanding of CP (excluding asset-backed CP and CP issued by real estate investment corporations), dematerialized CP issued by domestic corporations, CP issued by real estate investment corporations, dematerialized CP issued by real estate investment corporations, dematerialized CP issued by foreign corporations with guarantees, asset-backed CP, and dematerialized asset-backed CP purchased from financial institutions. Changes in value arising from revaluation are included.

(Q) The change in the amount outstanding of corporate bonds and bonds issued by real estate investment corporations purchased from financial institutions. Changes in value arising from revaluation are included.

(R)The change in the amount outstanding of the pecuniary trusts established to purchase ETFs. Figures reflect changes due to revaluation of ETFs for impairment losses.

(S)The change in the amount outstanding of the pecuniary trusts established to purchase J-REITs. Figures reflect changes due to revaluation of J-REITs for impairment losses.

(T)The change in the amount outstanding of loans to financial institutions in disaster areas with regard to the Great East Japan Earthquake provided by the funds-supplying operation to support financial institutions in disaster areas (loans that are made against pooled eligible collateral by way of open market operations within the maximum amount determined by the Bank at a fixed rate determined by the Bank in advance).

[pp. 40-43]<Money Stock>

1. See *III. Explanation of and Reference for Individual Statistics*.

2. The latest figures are preliminary.

3. The following figures all comprise the money held by the money holders, namely, corporations, households, and local governments.

(a) Currency in circulation plus deposits at domestically licensed banks, etc.

(b) Currency in circulation plus deposits at all depository institutions.

(c) Banknotes and coins in circulation.

(d) Demand deposits (current deposits, ordinary deposits, savings deposits, deposits at notice, special deposits, and deposits for tax payments) minus checks and bills held by the surveyed financial institutions.

(e) Sum of time deposits, fixed savings, installment savings, and foreign currency deposits.

(f) Sum of M3, pecuniary trusts, investment trusts, bank debentures, straight bonds issued by banks, commercial paper issued by financial institutions, government securities, and foreign bonds.

(g) Includes dematerialized commercial paper.

(h) Includes treasury discount bills, treasury bills, financing bills, and FILP bonds.

(i) Foreign bonds represents bonds issued by nonresidents.

4. The definitions of the indices in the money stock differ from those in the former series.

-- For M2 and M3, the differences between the two series derive mainly from the differences in the range of money holders and the estimation method. The current M2 and the former M₂+CDs have the same range of money issuers and financial assets (except for nonresident yen deposits). Similarly, the current M3 and the former M₃+CDs minus money trusts have the same range of money issuers and financial assets (except for nonresident yen deposits).

-- For the current M1, the range of money issuers differs from that of the former M₁. For L, the range of financial assets differs from that of the former broadly-defined liquidity.

[pp. 44-45]

1. See *III. Explanation of and Reference for Individual Statistics*.

2. The following figures all comprise the money held by the money holders, namely, corporations, households, and local governments.

(a) Currency in circulation plus deposits at all depository institutions.

(b) Banknotes and coins in circulation.

(c) Demand deposits (current deposits, ordinary deposits, savings deposits, deposits at notice, special deposits, and deposits for tax payments) minus checks and bills held by the surveyed financial institutions.

(d) Sum of time deposits, fixed savings, installment savings, and foreign currency deposits.

[pp. 46-49]<Monetary Survey>

See *III. Explanation of and Reference for Individual Statistics*.

[p. 50] <Currency in Circulation>

1. See *IV. Information about Seasonal Adjustment (X-12-ARIMA)*.

2. (a) Includes commemorative currency. Excludes Bank of Japan holdings, includes holdings by commercial financial institutions.

[p. 51]

1. See *IV. Information about Seasonal Adjustment (X-12-ARIMA)*.

2. (a) Annual figures are arithmetic averages of the monthly figures.

[pp. 52-53]<Call Rates>

Some items have discontinuity. See the following footnotes for details.

1. Collateralized call rate figures are offered rates in dealing transactions through December 2006, and contracted rates in brokered transactions from January 2007. Uncollateralized call rate figures are mid rates between offered and bid rates. While both figures used to be the rates at which transactions of the largest amount of the day were carried out, they were changed, due to changes in the trading practice, to the weighted average rates of all transactions of the day from the following dates: for uncollateralized call rates for 1 to 3 months, from February 16, 1994; for uncollateralized call rates for 1 week, from October 17, 1994; and for all other transactions, from May 16, 1995. In the calculation of average figures for periods when these changes were made, daily data on different bases were used.

2. (a) Figures through November 20, 1990, figures are rates for collateralized and unconditional transactions.

(c) Monthly figures are arithmetic averages on a business-day basis, and annual figures are arithmetic averages of the monthly figures.

[p. 54]<Average Interest Rates on Certificates of Deposit by Maturity

(New Issues) >

Some items have discontinuity. See the following footnotes for details.

1. Figures are calculated as follows: amounts outstanding of issues during the month are aggregated at intervals of 0.1 percentage point, then the average rate is calculated using the lower rates of the intervals, weighted by the aggregated amount at each interval. Figures represent the rates issued by banks that conduct transactions with the Bank of Japan (only the accounts of domestic offices). Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Figures through December 1995 exclude trust subsidiaries and foreign trust banks (figures through March 1992 include sogo banks). Annual figures are arithmetic averages of the monthly figures.

2. (a) Through March 1986, figures include 180-day CD rates.

(b) Through March 1988, figures include 1-year CD rates.

(c) Figures through September 1995 are for 2 years.

(d) Figures through March 1998 are for 5 years.

[pp. 55-59]<Amounts Outstanding in the Call Money Market>

Some items have discontinuity. See the following footnotes for details.

1. Annual figures are the arithmetic averages of the monthly figures.

2. (a) Figures for overnight through 1989 are collateralized unconditional call loans.

(b) Include city banks, Shinsei Bank, and Aozora Bank.

(c) Figures through March 1992 include sogo banks.

(d) "Securities companies" refers to the financial instrument firms providing the first financial instruments business (limited to those providing the securities-related business) as stipulated in the Financial Instruments and Exchange Act. "Securities finance companies" refers to the securities finance companies as stipulated in the same act.

[p. 60]<Certificates of Deposit Outstanding>

Some items have discontinuity. See the following footnotes for details.

1. Data represent the outstanding of CDs issued by the financial institutions that conduct transactions with the Bank of Japan (only the accounts of domestic offices). Excludes the Shoko Chukin Bank from June 1998. Based on deposit outstanding including deposits beyond maturity.

2. Discrepancy between figures of this table and those in Financial Institutions Accounts (pp. 67-92) are to the difference in the respective data source.

3. (a) Annual data are arithmetic averages of the monthly figures.

(b) Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Through September 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, includes sogo banks).

(c) Sum of the values of CDs purchased and sold.

[pp. 61-63]<Issuance, Redemption, and Outstanding of Public and Corporate Bonds (Floated in Japan)>

Some items have discontinuity. See the following footnotes for details.

1. In principle, release of corrections to data for the past twelve months, if any, is made on the day of the release of the latest figures.

2. Figures in this table are rounded to the nearest whole number.

3. (a) Figures indicate government securities issued in and after fiscal 1965. From March 1990, figures include 30-year discount bonds. From April 2001, figures include Fiscal Investment and Loan Program bonds. Figures include inflation-indexed bonds but exclude treasury discount bills. The amounts are based on face value.

(b) Figures through January 1994 indicate 10-year coupon-bearing bonds (excluding those issued through April 1977). Figures included 6-year coupon-bearing bonds from February 1994, 10-year floating-rate bonds for retail investors from March 2003, and inflation-indexed bonds from March 2004.

(c) From January 2006, figures include 5-year fixed-rate bonds for retail investors. From July 2010, figures include 3-year fixed-rate bonds for retail investors.

(d) From February 2009, treasury bills are integrated with the financing bills and issued as unified bills called treasury discount bills.

(e) Government bonds issued pursuant to Article 4 of the Public Finance Act.

(f) Government bonds issued pursuant to the acts for partial amendments to finance acts including the Public Finance Act.

(g) Government bonds issued in accordance with Article 69 of the act on special measures concerning securing financial resources required to implement policy measures for reconstruction from the Great East Japan Earthquake, excluding those issued as treasury discount bills.

(h) Government bonds issued pursuant to Article 62 of the Act on Special Account.

(i) Government bonds issued pursuant to Articles 46 and 47 of the Act on Special Account, excluding those issued as treasury discount bills.

(j) Through December 2002, figures exclude book-entry government bonds.

(k) Figures comprise government bonds described or recorded in the

transfer account book kept by the Bank of Japan and processed online through the JGB Book-entry System. Figures through December 2002 comprise government bonds that are entrusted to and registered in the name of the Bank of Japan in the former JGB Book-entry System. Figures exclude those issued as treasury discount bills.

(I) Figures through January 2009 indicate financing bills. Figures from February 2009 include treasury discount bills and financing bills.

[pp. 64-65]<Issuance of Public and Corporate Bonds (Floated Overseas)>

1. Figures in this table are rounded to the nearest whole number.

2. (a) Includes local government bonds with national government guarantees.

(b) Includes Fiscal Investment and Loan Program agency bonds and government guaranteed bonds but excludes local government bonds with national government guarantees.

(c) Bonds excluding local government bonds and government agency bonds. Also excludes bonds issued by overseas subsidiaries of Japanese corporations.

[p. 66]<Foreign Exchange Rates>

Some items have discontinuity. See the following footnotes for details.

1. See **III. Explanation of and Reference for Individual Statistics.**

2. (a) Through 1994, spot rate figures are transacted rates at market closing or as of 3:30 p.m.; figures from 1995 are middle rates between offered and bid rates as of 5:00 p.m., collected from interbank market participants, etc.

(b) Through 1992, annual figures are averages of the figures for business days, and figures from 1993 are averages of monthly figures.

(c) Through February 1995, figures are turnover from 9:00 a.m. to noon and from 1:30 p.m. to 3:30 p.m., and those from March 1995 are daily turnover. The figures are those transacted through brokers only. Annual data are averages of the monthly figures.

(d) Figures include outright forwards.

[pp. 67-71]<Assets and Liabilities of Domestically Licensed Banks (Banking Accounts)>

Some items have discontinuity. See the following footnotes for details.

1. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Figures exclude accounts of overseas offices, which are shown in "Principal Assets and Liabilities of Overseas Branches of Domestically Licensed Banks." Beginning from December 1986, figures include offshore accounts. Through September 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, includes sogo banks).

2. Figures are not adjusted for transfers from mergers, etc.

3. (a) Beginning from November 1987, figures include overseas negotiable certificates of deposit.

(b) Through March 1987, figures include pecuniary trust.

(c) Figures include mutual installment loans.

(d) Figures include construction in progress.

[pp. 72-79]

Some items have discontinuity. See the following footnotes for details.

1. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Figures exclude accounts of overseas offices, which are shown in "Principal Assets and Liabilities of Overseas Branches of Domestically Licensed Banks." Beginning from December 1986, figures include offshore accounts. Through September 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, includes sogo banks).

2. From March 2000, as a result of the change in accounting rules, the reserve for possible loan losses is no longer recorded in stockholders' equity but is treated as a deduction item in assets.

3. Figures are not adjusted for transfers from mergers, etc.

4. (e) Figures are the sum of the original issue discounts and issuance costs.

(f) Figures include fixed savings.

(g) Figures include installment deposits.

(h) Figures are those of accounts of the banks that conduct transactions with the Bank of Japan.

(i) Figures are the sum of the outstanding amount of debentures issued and cost incurred by issuance.

(j) Through March 2006, figures include partial repayments of loans before scheduled repayment.

(k) Through April 2006, stockholders' equity.

(l) Through April 2006, net unrealized losses on other securities.

(m) Other accounts includes reserve for officials' bonuses and reserve for officials' retirement benefits.

[pp. 80-81]<Assets and Liabilities of Domestically Licensed Banks (Trust Accounts)>

Some items have discontinuity. See the following footnotes for details.

1. Figures exclude the Resolution and Collection Corporation. Through

September 1993, figures exclude trust subsidiaries and foreign trust banks.

2. The following steps are taken to avoid double counting: (1) on the assets side, the amount of trust beneficiary rights (held by trust banks as assets) is reduced by the amount of those derived from trusts held by trust banks as liabilities; and (2) on the liabilities side, trusts from which trust beneficiary rights held by trust banks as assets are derived are eliminated. Similar steps are taken in the case of in-house trusts: (1) on the assets side, beneficiary certificates derived from in-house trusts are eliminated; and (2) on the liabilities side, in-house trusts are eliminated.

[pp. 82-83]

Some items have discontinuity. See the following footnotes for details.

1. Figures exclude the Resolution and Collection Corporation. Through September 1993, figures exclude trust subsidiaries and foreign trust banks.

2. The following steps are taken to avoid double counting: (1) on the assets side, the amount of trust beneficiary rights (held by trust banks as assets) is reduced by the amount of those derived from trusts held by trust banks as liabilities; and (2) on the liabilities side, trusts from which trust beneficiary rights held by trust banks as assets are derived are eliminated. Similar steps are taken in the case of in-house trusts: (1) on the assets side, beneficiary certificates derived from in-house trusts are eliminated; and (2) on the liabilities side, in-house trusts are eliminated.

3. From October 2000, figures include trust beneficiary rights entrusted in other trustees for asset administration.

4. (a) Figures from March 2006 have discontinuity with the previous data because some of the surveyed financial institutions have changed their classification of component items in monetary claims.

(b) Through February 2007, premises and movable property.

[pp. 84-87]<Principal Assets and Liabilities of Overseas Branches of Domestically Licensed Banks>

Some items have discontinuity. See the following footnotes for details.

1. Through 1992, figures exclude trust subsidiaries and foreign trust banks.

2. (a) From 1989, on an asset/liability net-out basis.

(b) From 1989, interoffice accounts are calculated by using the data on an asset/liability net-out basis. The data are not continuous before and after 1989.

[pp. 88-92]<Principal Assets and Liabilities of Foreign Banks in Japan>

1. Beginning from December 1986, figures include offshore accounts.

2. Figures are those of banking accounts of the banks that conduct transactions with the Bank of Japan.

3. (a) Includes construction in progress.

(b) Through March 2014, earned surplus reserve.

(d) Through April 2006, net unrealized gains/losses on securities.

[p. 93]<Average Interest Rates on Time Deposits by Term (New Deposits)>

Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan, excluding the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Figures exclude regulated interest rate time deposits. Figures include floating interest rate deposits from October 18, 1993. Figures are calculated as follows: new deposits during the month are aggregated at intervals of 0.1 percentage point, then the average rate is calculated using the lower rates of the intervals, weighted by the aggregated amount at each interval. Annual figures are arithmetic averages of the monthly figures.

[p. 94]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan, excluding the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Figures exclude regulated interest rate time deposits. Figures include floating interest rate deposits from October 18, 1993. Figures are calculated as follows: new deposits during the month are aggregated at intervals of 0.1 percentage point, then the average rate is calculated using the lower rates of the intervals, weighted by the aggregated amount at each interval. Annual figures are arithmetic averages of the monthly figures.

2. (a) Figures through September 1994 are for 4 years.

(b) Figures through September 1995 are for 5 years.

[pp. 95-98]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan, excluding the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on

December 26, 2011), and the Japan Post Bank. Through December 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, figures include sogo banks). Figures exclude regulated interest rate time deposits. Figures include floating interest rate deposits from October 18, 1993. Figures are calculated as follows: new deposits during the month are aggregated at intervals of 0.1 percentage point, then the average rate is calculated using the lower rates of the intervals, weighted by the aggregated amount at each interval. Annual figures are arithmetic averages of the monthly figures.

2.(a) Figures through September 1993 are for 3 years.

(b) Figures through September 1994 are for 4 years.

(c) Figures through September 1995 are for 5 years.

[pp. 99-100]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan, excluding the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Through December 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, figures include sogo banks). Figures exclude regulated interest rate time deposits. Figures include floating interest rate deposits from October 18, 1993. Through 1992, figures are for small value money market certificates. Figures are calculated as follows: new deposits during the month are aggregated at intervals of 0.1 percentage point, then the average rate is calculated using the lower rates of the intervals, weighted by the aggregated amount at each interval. Annual figures are arithmetic averages of the monthly figures.

2.(a) Figures through September 1993 are for 3 years.

(b) Figures through September 1994 are for 4 years.

(c) Figures through September 1995 are for 5 years.

[pp.101-102]<Deposits, Vault Cash, and Loans and Bills Discounted>

1. Domestically licensed banks' banking accounts. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

2. Excludes offshore accounts (established in December 1986).

3.(a) The most recent figure is preliminary. Figures are based on "Principal Figures of Financial Institutions (Preliminary Figures)." Figures are the average amount outstanding of the totals of city banks, regional banks, and regional banks II.

[pp. 103-104]

1. Foreign banks in Japan (banking accounts).

2. Excludes offshore accounts (established in December 1986).

[pp. 105-106]

1. Shinkin banks (banking accounts).

2. Excludes offshore accounts (established in December 1986).

[pp. 107-108]

1. "Other financial institutions" (banking accounts): the Norinchukin Bank, the Shoko Chukin Bank, Shinkin Central Bank, Shinkumi Federation Bank, the Rokinren Bank, and Prefectural Credit Federations of Agricultural Cooperatives.

2. Excludes offshore accounts (established in December 1986).

[pp. 109-111]

1. Domestically licensed banks' banking accounts. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

2. Excludes offshore accounts (established in December 1986).

[pp. 112-113]

1. Foreign banks in Japan (banking accounts).

2. Excludes offshore accounts (established in December 1986).

[pp. 114-116]

1. Shinkin banks (banking accounts).

2. Excludes offshore accounts (established in December 1986).

[pp. 117-118]

1. "Other financial institutions" (banking accounts): the Norinchukin Bank, the Shoko Chukin Bank, Shinkin Central Bank, Shinkumi Federation Bank, the Rokinren Bank, and Prefectural Credit Federations of Agricultural Cooperatives.

2. Excludes offshore accounts (established in December 1986).

[p. 119]<Amounts Outstanding of Deposits by Depositor (by Amount)>

1. See the following table:

(Table1) The Table of Comparison of "Deposits" in Statistics Prepared by the Bank of Japan.

2. Domestically licensed banks' banking accounts. Figures exclude the Resolution and Collection Corporation, and the Japan Post Bank.

3. Excludes offshore accounts (established in December 1986).

4.(a) Includes central government deposits.

[p. 120]

1. See the following table:

(Table1) The Table of Comparison of "Deposits" in Statistics Prepared by the Bank of Japan.

2. Excludes offshore accounts (established in December 1986).

3.(a) Includes central government deposits.

[p. 121]<Amounts Outstanding of Deposits by Depositor (by Detailed Type of Depositor)>

1. See the following table:

(Table1) The Table of Comparison of "Deposits" in Statistics Prepared by the Bank of Japan.

2. Excludes offshore accounts (established in December 1986).

3.(a) Domestically licensed banks' banking accounts. Figures exclude the Resolution and Collection Corporation, and the Japan Post Bank.

[p. 122]<Time Deposits: Amounts Outstanding and New Deposits by Maturity>

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Through September 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, includes sogo banks). Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2.(a) Through September 1994, figures are those for 4 years.

[p. 123]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2.(b) Through September 1995, figures are those for 5 years.

(c) Annual figures show the arithmetic averages of the monthly figures. Through December 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, figures include sogo banks).

[p. 124]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Through December 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, includes sogo banks). Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2.(a) Through September 1994, figures are those for 4 years.

[p. 125]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2.(b) Through September 1995, figures are those for 5 years.

[p. 126]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Through September 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, includes sogo banks). Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2. Amounts of deposits: 1 billion yen or more (from 1985); 300 million yen or more (from 1986); 100 million yen or more (from 1987); 30 million yen or more (from 1988); 10 million yen or more (from 1989).

3. Terms of deposits: 3 months to 2 years (from 1985); 1 month to 2 years (from 1987). The maximum term limit: 3 years (from 1991); 4 years

(from 1993); 5 years (from 1994). The maximum term limit was abolished from 1995.

4.(a) Through September 1993, figures are those for 3 years.

(b) Through September 1994, figures are those for 4 years.

[p.127]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2. The maximum term limit: 4 years (from 1993); 5 years (from 1994).

The maximum term limit was abolished from 1995.

3.(c) Through September 1995, figures are those for 5 years.

[p. 128]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Through December 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, includes *sogo* banks). Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2. Amounts of deposits: 1 billion yen or more (from 1985); 300 million yen or more (from 1986); 100 million yen or more (from 1987); 30 million yen or more (from 1988); 10 million yen or more (from 1989).

3. Terms of deposits: 3 months to 2 years (from 1985); 1 month to 2 years (from 1987). The maximum term limit: 3 years (from 1991); 4 years (from 1993); 5 years (from 1994). The maximum term limit was abolished from 1995.

4.(a)Through September 1993, figures are those for 3 years.

(b) Through September 1994, figures are those for 4 years.

[p. 129]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2. The maximum term limit, which was 5 years in 1994, was abolished from 1995.

3.(c)Through September 1995, figures are those for 5 years.

[p. 130]

Some items have discontinuity. See the following footnotes for details.

Some items have been reclassified. See the following footnotes for details.
1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Through September 1993, figures exclude trust subsidiaries and foreign trust banks (through March 1992, includes *sogo* banks). Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2. Terms of deposits: 3 months to 3 years (from 1991); 1 month to 3 years (from 1993). The maximum term limit: 4 years (from 1993); 5 years (from 1994). The maximum term limit was abolished from 1995.

3.(a) Through September 1993, figures are those for 3 years.

(b) Through September 1994, figures are those for 4 years.

Some items have discontinuity. See the following footnotes for details.
1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2. The maximum term limit: 4 years (from 1993); 5 years (from 1994). The maximum term limit was abolished from 1995.

3.(c) Through September 1995, figures are those for 5 years.

[p. 132]

Some items have discontinuity. See the following footnotes for details.
1. Figures are those of banking accounts of domestically licensed banks

Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Excludes time deposits with regulated interest rates. From October 18, 1993, figures include time deposits with floating interest rates.

2. The maximum term limit, which was 5 years in 1994, was abolished from 1995.

3. (c) Through September 1995, figures are those for 5 years.

[pp. 138-139] <Deposits by Prefecture (Domestically Licensed Banks)>

1. See the following table:

(Table 1) The Table of Comparison of "Deposits" in Statistics Prepared by the Bank of Japan.

2. Data are categorized by the location of financial institution offices.

3. Domestically licensed banks' banking accounts. Figures exclude the Resolution and Collection Corporation, and the Japan Post Bank.

4. Excludes offshore accounts (established in December 1986).

5. (a) "Other deposits" includes nonresident yen deposits and foreign currency deposits.

[p. 140] <Average Contract Interest Rates on Loans and Discounts>

Some items have discontinuity. See the following footnotes for details.

1. The figures for shinkin banks are compiled by the National Association of Shinkin Banks. Through January 2005, figures for short-term loans and discounts were calculated by the Bank of Japan based on the data of the National Association of Shinkin Banks.

2. Figures exclude overdrafts. Averages of rates on new loans (including rolled-over loans) and discounts during the month. Annual figures are arithmetic averages of the monthly figures.

3. Figures for "domestically licensed banks" are those of banking accounts of banks that conduct transactions with the Bank of Japan, excluding the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Figures through September 1993 exclude trust subsidiaries and foreign trust banks. Figures are calculated as follows: new loans and discounts are aggregated at intervals of 0.25 percentage point, then the average rate is calculated using the lower rates of the intervals, weighted by the aggregated amount at each interval. There is no continuity between the data prior to April 2011 and the data from May 2011 because of change in the aggregation methods of some financial institutions.

[p. 141]

Some items have discontinuity. See the following footnotes for details.

1. The figures for shinkin banks are compiled by the National Association of Shinkin Banks. Through January 2005, figures for short-term loans and discounts were calculated by the Bank of Japan based on the data of the National Association of Shinkin Banks.

2. Averages of rates on new loans (including rolled-over loans) and discounts during the month. Annual figures are arithmetic averages of the monthly figures.

3. Figures for "domestically licensed banks" are those of banking accounts of banks that conduct transactions with the Bank of Japan, excluding the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Figures through September 1993 exclude trust subsidiaries and foreign trust banks. Figures are calculated as follows: new loans and discounts are aggregated at intervals of 0.25 percentage point, then the average rate is calculated using the lower rates of the intervals, weighted by the aggregated amount at each interval. There is no continuity between the data prior to April 2011 and the data from May 2011 because of change in the aggregation methods of some financial institutions.

4. (a) Through 1992, figures exclude short-term loans and discounts amounting to 1 million yen or less.

(b) The weighted average of rates on loans on bills and bills discounted.

(c) Rates on loans on deeds.

[pp. 142-144]

Some items have discontinuity. See the following footnotes for details.

1. The figures for shinkin banks are compiled by the National Association of Shinkin Banks. Through January 2005, figures for short-term loans and discounts were calculated by the Bank of Japan based on the data of the National Association of Shinkin Banks.

2. From April 1992, figures for "total" include overdrafts.

3. Figures for "domestically licensed banks" are those of banking accounts of banks that conduct transactions with the Bank of Japan, excluding the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Figures through September 1993 exclude trust subsidiaries and foreign trust

banks, while figures through March 1992 include sogo banks. Figures are calculated as follows: amounts outstanding of loans and bills discounted are aggregated at intervals of 0.25 percentage point, then the average rate is calculated using the lower rates of the intervals, weighted by the aggregated amount at each interval. Through September 1993, short-term loans and discounts amounting to 1 million yen or less are excluded from "short-term loans and discounts" but are included in "total."

4. (d) Figures from February 1991 have discontinuity with the figures through January 1991 because figures are calculated using a method employed for other categories of financial institutions. Figures through March 1992 include sogo banks. Through March 1989, figures represent sogo banks.

(e) The weighted average of rates on loans on bills and bills discounted.

(f) Figures from February 1991 have discontinuity with the figures through January 1991 because figures are calculated using a method employed for other categories of financial institutions. Figures through March 1992 include sogo banks. Through March 1989, figures represent sogo banks.

(g) Rates on loans on deeds.

(h) Figures from February 1991 have discontinuity with the figures through January 1991 because figures are calculated using a method employed for other categories of financial institutions. Figures through March 1992 include sogo banks. Through March 1989, figures represent sogo banks.

[p. 145] <Deposits, Vault Cash, and Loans and Bills Discounted>

Some items have discontinuity. See the following footnotes for details.

1. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. The total of domestically licensed banks' banking accounts, trust accounts, and overseas office accounts (loans to Japanese residents).

2. Excludes offshore accounts (established in December 1986).

3. (a) Excludes loans to the central government.

(b) Figures are calculated by subtracting those for "local governments," "households," and "overseas yen loans and domestic loans transferred overseas" from the total ("outstanding loans and bills discounted"). Figures for private unincorporated enterprises are included.

(c) Through February 2003, corporations and private unincorporated enterprises with capital of 300 million yen or less or with regular employees of 300 persons or less ("wholesale trade" capitalized at 100 million yen or less or with regular employees of 100 persons or less, and "retail trade" and "eating and drinking services" capitalized at 50 million yen or less or with regular employees of 50 persons or less, and "services (old basis)" capitalized at 50 million yen or less or with regular employees of 100 persons or less). From March 2003 to May 2009, the classification standard for "services (old basis)" is applied to "services" (excluding "eating and drinking services"). From June 2009, the classification standard for "services (old basis)" is applied to industries that were categorized previously as "services" (excluding "eating and drinking services"). These industries include "goods rental and leasing," "scientific research, and professional and technical services," "hotels," "living-related and personal services, and amusement services," "education and learning support," "medical, health care, and welfare services," and "other services."

(e) Loans to households identified as being for business purposes are categorized under the appropriate industry. In principle, loans that cannot be classified as being for business or nonbusiness purposes are recorded under "households," as are housing and consumer loans with installment repays. Note that some banks reclassified loans by purpose for business or nonbusiness in March 2004, September 2006, and June 2009. As a result, loans for business purposes were excluded from households.

(f) The total of loans to the general account and to special accounts.

(g) The most recent figure is preliminary. Principal Figures of Financial Institutions (Preliminary Figures) basis. The total of city banks, regional banks, regional banks II, trust banks (Mitsubishi UFJ, Mizuho, Sumitomo Mitsui), Shinsei Bank, and Aozora Bank. Figures include yen-denominated loans in accounts held in Japan (excluding offshore accounts), foreign currency-denominated impact loans in accounts in Japan and overseas, and Euroyen impact loans in accounts overseas. Loans to nonresidents are excluded. Figures exclude loans to financial institutions and the central government.

[p. 146]

1. Foreign banks in Japan (banking accounts).

2. Excludes offshore accounts (established in December 1986).

3. (a) Excludes loans to the central government.

(b) Figures are calculated by subtracting those for "local governments," "households," and "overseas yen loans and domestic loans transferred overseas" from the total ("outstanding loans and bills discounted"). Figures for private unincorporated enterprises are included.

[p. 147]

1. Shinkin banks (banking accounts).

2. Excludes offshore accounts (established in December 1986).

3. Through August 2006, figures exclude "loans to other financial institutions."

4. (a) Excludes loans to the central government.

(b) Figures are calculated by subtracting those for "local governments," "households," and "overseas yen loans and domestic loans transferred overseas" from the total ("outstanding loans and bills discounted"). Figures for private unincorporated enterprises are included.

(d) The total of loans to the general account and to special accounts.

[p. 148]

1. Excludes offshore accounts (established in December 1986).

2. "Other financial institutions" (banking accounts): the Norinchukin Bank, the Shoko Chukin Bank, Shinkin Central Bank, Shinkumi Federation Bank, the Rokinren Bank, and Prefectural Credit Federations of Agricultural Cooperatives.

3. (a) Excludes loans to the central government.

(b) Figures are calculated by subtracting those for "local governments," "households," and "overseas yen loans and domestic loans transferred overseas" from the total ("outstanding loans and bills discounted"). Figures for private unincorporated enterprises are included.

(d) The total of loans to the general account and to special accounts.

[pp. 149-152] <Loans and Bills Discounted by Sector (by Type of Major Industries)>

Some items have discontinuity. See the following footnotes for details.

1. Figures through the third quarter of 1993 are totals for domestically licensed banks' (excluding trust subsidiaries and foreign trust banks, including sogo banks) banking accounts and trust accounts. Figures from the fourth quarter of 1993 through the first quarter of 1999 are totals for domestically licensed banks' (excluding foreign trust banks) banking accounts and trust accounts. Figures from the second quarter of 1999 are totals for domestically licensed banks' banking accounts, trust accounts, and overseas office accounts (loans to Japanese residents). Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

2. Excludes offshore accounts (established in December 1986) and loans to the central government.

3. From the second quarter of 1993, figures include overdrafts. Loans through the bank cards and wide cards are recorded under "households."

4. Local public corporations are categorized based on their primary business, in accordance with the Japan Standard Industrial Classification.

5. Loans to households identified as being for business purposes are categorized under the appropriate industry. In principle, loans that cannot be classified as being for business or nonbusiness purposes are recorded under "households," as are housing and consumer loans with installment repayments. Note that some banks reclassified loans by purpose for business or nonbusiness in the first quarter of 2004, the third quarter of 2006, and the second quarter of 2009. As a result, loans that were identified as being for business purposes were reclassified into each appropriate industry, such as real estate.

6. Some figures may be discontinued in the first quarter of 2003 and in the second quarter of 2009 due to the revisions of the industrial classification.

[pp. 153-156]

Some items have discontinuity. See the following footnotes for details.

1. Excludes offshore accounts (established in December 1986) and loans to the central government. Through the second quarter of 2006, figures exclude "loans to other financial institutions."

2. From the second quarter of 1994, figures include overdrafts.

3. Local public corporations are categorized based on their primary business, in accordance with the Japan Standard Industrial Classification.

4. Loans to households identified as being for business purposes are categorized under the appropriate industry. In principle, loans that cannot be classified as being for business or nonbusiness purposes are recorded under "households," as are housing and consumer loans with installment repayments.

5. Some figures may be discontinued in the first quarter of 2003 and in the second quarter of 2009 due to the revisions of the industrial classification.

[pp. 157-158] <Loans and Bills Discounted by Sector (by Scale of Enterprises)>

Some items have discontinuity. See the following footnotes for details.

1. Figures through the third quarter of 1993 are totals for domestically licensed banks' (excluding trust subsidiaries and foreign trust banks, including sogo banks) banking accounts and trust accounts. Figures from the fourth quarter of 1993 through the first quarter of 1999 are totals for domestically licensed banks' (excluding foreign trust banks) banking accounts and trust accounts. Figures from the second quarter of 1999 are totals for domestically licensed banks' banking accounts, trust accounts, and overseas office accounts (loans to Japanese residents). Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on

March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

2. Excludes offshore accounts (established in December 1986).

3. From the second quarter of 1993, figures include overdrafts.

4. The classification of enterprises is as follows.

Through the first quarter of 2000:

Small enterprises: Corporations and private unincorporated enterprises with capital of 100 million yen or less or with regular employees of 300 persons or less ("wholesale trade" capitalized at 30 million yen or less or with regular employees of 100 persons or less, and "retail trade," "eating and drinking services," and "services (old basis)" capitalized at 10 million yen or less or with regular employees of 50 persons or less).

Medium-sized enterprises: Enterprises other than small and large enterprises.

Large enterprises: Corporations with capital of 1 billion yen or more and with regular employees over 300 persons ("wholesale trade" capitalized at 1 billion yen or more and with regular employees over 100 persons, and "retail trade" and "eating and drinking services" capitalized at 1 billion yen or more and with regular employees over 50 persons and "services (old basis)" capitalized at 1 billion yen or more and with regular employees over 50 persons).

From the second quarter of 2000 to the fourth quarter of 2002:

Small enterprises: Corporations and private unincorporated enterprises with capital of 300 million yen or less or with regular employees of 300 persons or less ("wholesale trade" capitalized at 100 million yen or less or with regular employees of 100 persons or less, and "retail trade" and "eating and drinking services" capitalized at 50 million yen or less or with regular employees of 50 persons or less and "services (old basis)" capitalized at 50 million yen or less or with regular employees of 100 persons or less).

Medium-sized enterprises: Enterprises other than small and large enterprises.

Large enterprises: Corporations with capital of 1 billion yen or more and with regular employees over 300 persons ("wholesale trade" capitalized at 1 billion yen or more and with regular employees over 100 persons, and "retail trade" and "eating and drinking services" capitalized at 1 billion yen or more and with regular employees over 50 persons and "services (old basis)" capitalized at 1 billion yen or more and with regular employees over 100 persons).

From the first quarter of 2003 to the first quarter of 2009:

The classification standard for "services (old basis)" is applied to "services" (excluding "eating and drinking services").

From the second quarter of 2009:

The classification standard for "services (old basis)" is applied to industries that were categorized previously as "services" (excluding "eating and drinking services"). These industries include "goods rental and leasing," "scientific research and professional and technical services," "hotels," "living-related and personal services, and amusement services," "education and learning support," "medical, health care, and welfare services," and "other services."

5. From the first quarter of 2003 to the second quarter of 2009, detailed components of manufacturing and nonmanufacturing have also been changed due to the revision of the industrial classification.

6. (a) The "total" loans and discounts in the "Loans and Bills Discounted by Sector (by Type of Major Industries)" subtracted by "households," "local governments," and "overseas yen loans and domestic loans transferred overseas." Figures include private unincorporated enterprises.

[pp. 159-162] <New Loans for Fixed Investment by Sector (by Type of Major Industries)>

Some items have discontinuity. See the following footnotes for details.

1. Figures through the third quarter of 1993 are totals for domestically licensed banks' (excluding trust subsidiaries and foreign trust banks, including sogo banks) banking accounts and trust accounts. Figures from the fourth quarter of 1993 through the first quarter of 1999 are totals for domestically licensed banks' (excluding foreign trust banks) banking accounts and trust accounts. Figures from the second quarter of 1999 are totals for domestically licensed banks' banking accounts, trust accounts, and overseas office accounts (loans to Japanese residents). Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

2. Excludes offshore accounts (established in December 1986) and loans to the central government.

3. From the second quarter of 1993, figures include overdrafts.

4. Local public corporations are categorized based on their primary business, in accordance with the Japan Standard Industrial Classification.

5. Loans to households identified as being for business purposes are categorized under the appropriate industry. In principle, loans that cannot

be classified as being for business or nonbusiness purposes are recorded under "households," as are housing and consumer loans with installment repayments.

6. Some figures may be discontinued in the first quarter of 2003 and in the second quarter of 2009 due to the revisions of the industrial classification.

[pp. 163-166]

Some items have discontinuity. See the following footnotes for details.

1. Excludes offshore accounts (established in December 1986) and loans to the central government. Through the second quarter of 2006, figures exclude "loans to other financial institutions."

2. From the second quarter of 1994, figures include overdrafts.

3. Local public corporations are categorized based on their primary business, in accordance with the Japan Standard Industrial Classification.

4. Loans to households identified as being for business purposes are categorized under the appropriate industry. In principle, loans that cannot be classified as being for business or nonbusiness purposes are recorded under "households," as are housing and consumer loans with installment repayments.

5. Some figures may be discontinued in the first quarter of 2003 and in the second quarter of 2009 due to the revisions of the industrial classification.

[pp. 167-168] <Loans and Bills Discounted and New Loans for Fixed Investment by Sector (by Type of Industries)>

1. See notes to the following table:

(Table 2) The Table of Comparison of "Loans" in Statistics Prepared by the Bank of Japan.

2. Loans to households that can be identified as being for business purposes are distributed to the appropriate industries.

3. See notes 1, 2, 3, and 4 of "Loans and Bills Discounted by Sector (by Type of Major Industries) (Domestically Licensed Banks)" on p. 149.

4. (a) Loans that cannot be classified as being for business or nonbusiness purposes are recorded under "households," as are housing and consumer loans with installment repayments and loans for tax payments.

(b) See notes of "Loans to Households" on p. 172.

(c) Corporations and private unincorporated enterprises with capital of 300 million yen or less or with regular employees of 300 persons or less (for "wholesale trade," capitalized at 100 million yen or less or with regular employees of 100 persons or less; for "goods rental and leasing," etc., capitalized at 50 million yen or less or with regular employees of 100 persons or less; for "retail trade" and "eating and drinking services," capitalized at 50 million yen or less or with regular employees of 50 persons or less). "Goods rental and leasing," etc. include industries such as "goods rental and leasing," "scientific research, and professional and technical services," "hotels," "living-related and personal services, and amusement services," "education and learning support," "medical, health care, and welfare services," and "other services" (this applies to (d) and (e) below).

(d) Corporations and private unincorporated enterprises with capital of between over 300 million yen and under 1 billion yen with regular employees of over 300 persons (for "wholesale trade," capitalized at between over 100 million yen and under 1 billion yen with regular employees of over 100 persons; for "retail trade" and "eating and drinking services," capitalized at between over 50 million yen and under 1 billion yen with regular employees of over 50 persons; for "goods rental and leasing," etc., capitalized at between over 50 million yen and under 1 billion yen with regular employees of over 100 persons).

(e) Corporations and private unincorporated enterprises with capital of 1 billion yen or more and with regular employees over 300 persons (over 100 regular employees for "wholesale trade" and "goods rental and leasing," etc., over 50 regular employees for "retail trade" and "eating and drinking services").

[p. 169]

1. See notes to the following table:

(Table 2) The Table of Comparison of "Loans" in Statistics Prepared by the Bank of Japan.

2. Loans to households that can be identified as being for business purposes are distributed to the appropriate industries.

3. See notes 1, 2, 3, and 4 of "Loans and Bills Discounted by Sector (by Type of Major Industries) (Shinkin Banks)" on p. 153.

4. (a) Loans that cannot be classified as being for business or nonbusiness purposes are recorded under "households," as are housing and consumer loans with installment repayments and loans for tax payments.

(b) See notes of "Loans to Households" on p. 172.

[p. 170]

1. See notes to the following table:

(Table 2) The Table of Comparison of "Loans" in Statistics Prepared by the Bank of Japan.

2. Loans to households that can be identified as being for business purposes are distributed to the appropriate industries.

3. See notes 1, 2, 3, and 4 of "Loans and Bills Discounted by Sector (by Type of Major Industries) (Domestically Licensed Banks)" on p. 149.

4. "Other financial institutions" (banking accounts) includes the Norinchukin Bank, the Shoko Chukin Bank, Development Bank of Japan, Japan Finance Corporation (Micro Business and Individual Unit, Small and Medium Enterprise Unit, and Agriculture, Forestry, Fisheries and Food Business Unit), Japan Bank for International Cooperation, and the Okinawa Development Finance Corporation.

5. (a) Loans that cannot be classified as being for business or nonbusiness purposes are recorded under "households," as are housing and consumer loans with installment repayments and loans for tax payments.

(b) See notes of "Loans to Households" on p. 172.

[p. 171] <Loans and Bills Discounted by Prefecture (Domestically Licensed Banks)>

1. See the following table:

(Table 2) The Table of Comparison of "Loans" in Statistics Prepared by the Bank of Japan.

2. Data are categorized by the location of financial institution offices.

3. Domestically licensed banks' banking accounts. Figures exclude the Resolution and Collection Corporation, the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

4. Excludes offshore accounts (established in December 1986).

[p. 172] <Loans to Households>

Some items have discontinuity. See the following footnotes for details.

(a) Figures represent loans to households for the purchase of housing (excluding purchases for business purposes). They include loans that cannot be classified as being for business or nonbusiness purposes. Note that some banks reclassified loans by purpose for business or nonbusiness in the first quarter of 2004, the third quarter of 2006, and the second quarter of 2009. As a result, those loans for business purpose were excluded from the figures. Figures are loans with installment repayments, which are repayments that continue for at least 2 months and require at least 3 installments. Housing loans include not only loans for construction, rebuilding, and purchases of homes, but also those for purchases of land for residential use. Through the first quarter of 1999, figures for refinance by assigned housing mortgage certificate are included in new loans, and those for repayment transfer of the certificate are subtracted from the total outstanding.

(b) Figures through the third quarter of 1993 are totals for domestically licensed banks' (excluding trust subsidiaries and foreign trust banks, including sogo banks) banking accounts and trust accounts. Figures from the fourth quarter of 1993 through the first quarter of 1999 are totals for domestically licensed banks' (excluding foreign trust banks) banking accounts and trust accounts. Figures from the second quarter of 1999 are totals for domestically licensed banks' banking accounts, trust accounts, and overseas office accounts (loans to Japanese residents). Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

(c) Figures represent loans to households for purchases of consumer goods and services (excluding purchases for business purposes). Figures are the total of loans with installment repayments and card loans (overdraft-type card loans consumer loans based on the small-amount financing system for workers, and cash advance loans), and include loans for nonspecified consumer expenses.

[p. 173] <Amounts of Loans by Collateral Type>

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures include accounts of overseas offices. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank. Figures from fiscal 1989 include regional banks II, and figures through fiscal 1991 include sogo banks. Through 1992, figures exclude trust subsidiaries and foreign trust banks.

2. (a) Deposit collateral, etc.

[pp. 174-178] <Loans and Discounts Outstanding by Interest Rate>

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

2. (a) Figures include loans with no interest.

(b) From 1994, figures include loans with no interest.

(c) Through 1993, figures are those for "less than 3.25 %" (exclude loans with no interest).

[pp. 179-183]

Some items have discontinuity. See the following footnotes for details.

1. Figures are those of banking accounts of domestically licensed banks that conduct transactions with the Bank of Japan. Figures exclude the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

2. (a) Figures include loans with no interest.

(b) From 1994, figures include loans with no interest.

(c)Through 1993, figures are those for "less than 3.25 %" (exclude loans with no interest).

(d)Through 1986, figures are those of any rate "less than 4.00 %."

[p. 184] <Commitment Lines Extended by Japanese Banks>

1.The total of city banks, regional banks, regional banks II, trust banks (Mitsubishi UFJ, Mizuho, Sumitomo Mitsui), Shinsei Bank, and Aozora Bank.

2.Data are commitment lines extended to residents in Japan by offices in Japan and overseas, and yen-denominated commitment lines extended to nonresidents by offices in Japan.

3.Figures in this table are rounded to the nearest whole number.

[pp. 185-186] <Senior Loan Officer Opinion Survey on Bank Lending Practices at Large Japanese Banks>

1.See *III. Explanation of and Reference for Individual Statistics*.

2.The sample of surveyed banks was reviewed in April 2015. Among domestically licensed banks and shinkin banks that hold current accounts with the Bank of Japan, the 50 largest banks in terms of average amount outstanding of loans during fiscal 2013 cooperate with the survey. The aggregated loan amount of the surveyed 50 banks accounts for 77 percent of the total amount outstanding of loans held by all domestically licensed banks and shinkin banks (the average during fiscal 2014). Households do not include private unincorporated enterprises. Local governments include administrations of prefectures and municipalities, as well as businesses directly managed by prefectures and municipalities such as public transportation, utilities (water, electricity, and gas), and hospitals.

3.The classification of firms is as follows. Large firms: corporations with capital of 1 billion yen or over with more than 300 regular employees ("wholesaling" and "services" capitalized at 1 billion yen or over with more than 100 regular employees; and "retailing" and "food and beverage services" capitalized at 1 billion yen or over with more than 50 regular employees). Small firms: corporations and private unincorporated enterprises with capital of 300 million yen or less or with 300 regular employees or less ("wholesaling" capitalized at 100 million yen or less or with 100 regular employees or less; "retailing" and "food and beverage services" capitalized at 50 million yen or less or with 50 regular employees or less; and "other services" capitalized at 50 million yen or less or with 100 regular employees or less). Medium-sized firms: corporations that are not included in the above two categories.

4.(a)(Percentage of respondents selecting "substantially stronger" + percentage of respondents selecting "moderately stronger" \times 0.5) - (percentage of respondents selecting "substantially weaker" + percentage of respondents selecting "moderately weaker" \times 0.5)

(b)(Percentage of respondents selecting "eased considerably" + percentage of respondents selecting "eased somewhat" \times 0.5) - (percentage of respondents selecting "tightened considerably" + percentage of respondents selecting "tightened somewhat" \times 0.5)

[pp. 187-232] <Flow of Funds Accounts>

Some items have discontinuity. See the following footnotes for details.

1.See *III. Explanation of and Reference for Individual Statistics*.

2.Data up until fiscal year 2004 are based on the 1993SNA, data from fiscal year 2005 onward are based on the 2008SNA.

3.Figures in this table are rounded to the nearest whole number.

4.The sum of each sector/transaction item is not necessarily equal to "Total" because some sectors/transaction items are unlisted.

[pp. 233-249]

Some items have discontinuity. See the following footnotes for details.

1.See *III. Explanation of and Reference for Individual Statistics*.

2.Data up until fiscal year 2003 are based on the 1993SNA, data from fiscal year 2004 onward are based on the 2008SNA.

3.Figures in this table are rounded to the nearest whole number.

4.The sum of each sector/transaction item is not necessarily equal to "Total" because some sectors/transaction items are unlisted.

5.(a) Series codes (fiscal year, quarter) under Total column are those of Assets.

[pp. 250-266]

Some items have discontinuity. See the following footnotes for details.

1.See *III. Explanation of and Reference for Individual Statistics*.

2.Data up until fiscal year 2004 are based on the 1993SNA, data from fiscal year 2005 onward are based on the 2008SNA.

3.Figures in this table are rounded to the nearest whole number.

4.The sum of each sector/transaction item is not necessarily equal to "Total" because some sectors/transaction items are unlisted.

[p. 289] <Results of the Survey on Fails>

Some items have discontinuity. See the following footnotes for details.

1.See *III. Explanation of and Reference for Individual Statistics*.

2.(a)Figures from November 2010 have discontinuity with those through October 2010 due to the revision of the scope of the DVP settlements concerning the fails.

(b)Prior to October 9, 2015, DVP settlements of JGBs (transfer registrations) were included; DVP settlements resulting from the Bank's JGB-related market operations were excluded.

(c)Figures in this table are rounded to the nearest whole number.

[pp. 290-299] <Short-Term Economic Survey of Enterprises in Japan>

See *III. Explanation of and Reference for Individual Statistics*.

[p. 300]

1.See *III. Explanation of and Reference for Individual Statistics*.

2.Excludes software investment.

[pp. 301-305]

See *III. Explanation of and Reference for Individual Statistics*.

[pp. 306-307] <Corporate Goods Price Index>

1.See *III. Explanation of and Reference for Individual Statistics*.

2.The latest figures are preliminary.

3.Calendar-year indexes (excluding all-commodities indexes for 1986 through 2009) are the arithmetic averages of the monthly indexes (those for the years prior to 2010 are calculated by using linked indexes).

4.Calendar-year all-commodities indexes for 1986 through 2009 are those that are calculated using monthly indexes of old base years and are adjusted so that the level of the figure for calendar year 2010 becomes 100. (A similar method is used for the calculation of fiscal-year all-commodities indexes prior to fiscal 2010, and this makes it possible to avoid using monthly indexes of different base years, whose component items and weights differ to calculate fiscal-year figures.)

[pp. 308-309]

1.See *III. Explanation of and Reference for Individual Statistics*.

2.All the commodities are denominated in yen.

3.The latest figures are preliminary.

4.Calendar-year indexes (excluding all-commodities indexes for 1986 through 2009) are the arithmetic averages of the monthly indexes (those for the years prior to 2010 are calculated by using linked indexes).

5.Calendar-year all-commodities indexes for 1986 through 2009 are those that are calculated using monthly indexes of old base years and are adjusted so that the level of the figure for calendar year 2010 becomes 100. (A similar method is used for the calculation of fiscal-year all-commodities indexes prior to fiscal 2010, and this makes it possible to avoid using monthly indexes of different base years, whose component items and weights differ to calculate fiscal-year figures.)

[pp. 310-317]

1.See *III. Explanation of and Reference for Individual Statistics*.

2.The latest figures are preliminary.

3.Calendar-year indexes are the arithmetic averages of the monthly indexes (those for the years prior to 2010 are calculated by using linked indexes).

[p. 318]

1.See *III. Explanation of and Reference for Individual Statistics*.

2.The latest figures are preliminary.

3.Calendar-year indexes are the arithmetic averages of the monthly indexes.

[pp. 319-324] <Services Producer Price Index>

1.See *III. Explanation of and Reference for Individual Statistics*.

2.All the items are denominated in yen.

3.The latest figures are preliminary.

4.Calendar-year indexes (excluding all-items indexes and all-items indexes [excluding international transportation] for 1986 through 2009) are the arithmetic averages of the monthly indexes. Those for the years prior to 2010 are calculated by using linked indexes.

5.Calendar-year all-items indexes and all-items indexes (excluding international transportation) for 1986 through 2009 are those that are calculated using monthly indexes of old base years and are adjusted so that the level of the figure for calendar year 2010 becomes 100. (A similar method is used for the calculation of fiscal-year all-items indexes prior to fiscal 2010, and this makes it possible to avoid using monthly indexes of different base years, whose component items and weights differ, to calculate fiscal-year figures).

[pp. 325-328] <Input-Output Price Index of the Manufacturing Industry by Sector>

1.See *III. Explanation of and Reference for Individual Statistics*.

2.The latest figures are preliminary.

3.Calendar-year input and output indexes of the manufacturing industry for 1986 through 2004 (excluding indexes of sub-categories of domestic products, imports, exports, and services) are those that are calculated using monthly indexes of old base years and are adjusted so that the level of the figures for calendar year 2005 becomes 100. (A similar method is used for the calculation of fiscal-year input and output indexes of the manufacturing industry prior to fiscal 2005, and this makes it possible to avoid using monthly indexes of different base years, whose component items and weights differ, to calculate fiscal-year figures.)

4.Calendar-year indexes (excluding those described in note 3) are the arithmetic averages of the monthly indexes. Those for the years prior to 2005 are calculated by using linked indexes.

5.Due to rounding, the sum of weights of goods and services does not equal the weights of input.

[pp. 329-335] <Statement of Receipts and Payments of the Treasury Accounts>

Some items have discontinuity. See the following footnotes for details.

1.In principle, release of corrections to data for the past twelve months, if any, is made on the day of the release of the latest figures.

2.Figures in this table are rounded to the nearest whole number.

3.From April 1999, figures include transactions with foreign central banks and international organizations through their yen accounts at the

Bank of Japan; through March 1999, figures were included in the table of transactions with the Bank of Japan.

4.(a)Through April 1985, includes figures for the Japan Tobacco and Salt Public Corporation.

(b)Through January 1985, includes figures for the Medical Care Facilities Finance Corporation; through April 1985, includes figures for the Nippon Telegraph and Telephone Public Corporation; and through April 1987, includes figures for the Japan National Railways.

(c)Through March 2007, figures for stable food supply are those for foodstuff control.

(d)The Fiscal Loan Fund and the industrial investments were integrated into the Fiscal Investment and Loan in April 2008 (through March 2008, figures are those for the Fiscal Loan Fund).

(e)Special account for infrastructure development was abolished at the end of fiscal 2013, which was established in April 2008 by integrating road improvement, river conservation, harbor, and airport. From fiscal 2014, among its components, road improvement, river conservation, and harbor were transferred to "public works" under "general accounts," while airport was included in "others" under "special accounts, etc."

(f)The funds of "post office" were omitted from the treasury accounts from April 2003, when the Postal Service Agency changed to Japan Post.

(g)The funds of the Housing Loan Corporation were omitted from the treasury accounts from April 2007, when the corporation became the Japan Housing Finance Agency, which does not deposit cash in the treasury.

(h)The credit insurance account of the Japan Small and Medium Enterprise Corporation was added in July 1999, when the former Small Business Credit Insurance Corporation was integrated. Until then, figures are those for the Small Business Credit Insurance Corporation. In July 2004, the Japan Finance Corporation for Small and Medium Enterprise inherited the credit insurance programs that were operated by the Japan Small and Medium Enterprise Corporation.

(i)When financing bills and treasury bills were integrated to form treasury discount bills in February 2009, treasury bills were reclassified into a new category ("treasury discount bills"). However, the issue and redemption of treasury bills that had been issued before the integration remain included.

(j)This category was changed from "financing bills" when financing bills and treasury bills were integrated to form treasury discount bills in February 2009. Financing bills were formed by integrating treasury financing bills, foreign exchange fund financing bills, and food financing bills in April 1999, and data of these three types of bills before then are included in other special accounts.

(k)Component figures are no longer released from October 2008, because the number of the institutions that belong to the Development Bank of Japan, etc., became one due to the reorganization and integration of government-affiliated financial institutions.

(l)Through September 2008, the figures show adjustments of the increase or decrease in the amounts outstanding of the current account deposits with the Bank of Japan and the financing bills held by the Development Bank of Japan, the Japan Bank for International Cooperation, the National Life Finance Corporation, and the Japan Finance Corporation for Municipal Enterprises.

[pp. 336-339]

Some items have discontinuity. See the following footnotes for details.

1. In principle, release of corrections to data for the past twelve months, if any, is made on the day of the release of the latest figures.

2. Figures in this table are rounded to the nearest whole number.

3.(a)Transactions with foreign central banks and international organizations (the yen accounts of the Bank of Japan) were included in ordinary receipts and payments through March 1999 (they are included in the table of transactions with the private sector from April 1999).

(b)Receipts and payments of principal and interest of government debt with the postal service are not included in the treasury accounts from April 2003, when the Postal Service Agency became Japan Post.

(c)When financing bills and treasury bills were integrated to form treasury discount bills in February 2009, treasury bills were reclassified into a new category ("treasury discount bills"). However, the issue and redemption of treasury bills that had been issued before the integration remain included.

(d)The amount of raising and repayments of funds does not match the sum of the detailed items before April 1999, because treasury financing bills, foreign exchange fund financing bills, and food financing bills were omitted from the detailed items and were included in raising and repayments of funds.

(e)This category was changed from "financing bills" when financing bills and treasury bills were integrated to form treasury discount bills in February 2009.

(f)Through March 1987, includes figures for the Japan National Railways.

[pp. 340-342]

Some items have discontinuity. See the following footnotes for details.

1. In principle, release of corrections to data for the past twelve months, if any, is made on the day of the release of the latest figures.

2. Figures in this table are rounded to the nearest whole number.

3.(a)When financing bills and treasury bills were integrated to form treasury discount bills in February 2009, treasury bills were reclassified into a new category ("treasury discount bills"). However, the issue and redemption of treasury bills that had been issued before the integration

remain included.

(b)This category was changed from "financing bills" when financing bills and treasury bills were integrated to form treasury discount bills in February 2009.

(c)Through March 1987, includes figures for the Japan National Railways.

(d)This category was added when public tender for financing bills started in April 1999.

[pp. 343-344]<National Government Debt>

Some items have discontinuity. See the following footnotes for details.

1. The amount outstanding of inflation-indexed bonds in Japanese government securities issued in Japan is based on the inflation-adjusted principal amount.

2. In principle, borrowings are limited to those extending beyond the fiscal year-end while temporary borrowings are those repaid within the fiscal year. Through March 2003, figures for borrowings include the Postal Services Special Account and the Postal Savings Special Account (the amount outstanding of borrowings in both special accounts at the end of March 2003 was 48.7 trillion yen).

3. In principle, release of corrections to data for the past twelve months, if any, is made on the day of the release of the latest figures.

4. Figures in this table are rounded to the nearest whole number.

5.(a)When financing bills and treasury bills were integrated to form treasury discount bills in February 2009, treasury bills were reclassified into a new category ("treasury discount bills"). However, the issue and redemption of treasury bills that had been issued before the integration remain included.

(b)This category was changed from "financing bills" when financing bills and treasury bills were integrated to form treasury discount bills in February 2009.

(c)Includes the Fiscal Loan Fund and the Government Debt Consolidation Fund (through March 2003, includes the Postal Life Insurance Reserve and the Postal Savings Funds).

(d)When financing bills and treasury bills were integrated to form treasury discount bills in February 2009, treasury bills were reclassified into a new category ("treasury discount bills"). However, the issue and redemption of treasury bills that had been issued before the integration remain included.

(e)This category was changed from "financing bills" when financing bills and treasury bills were integrated to form treasury discount bills in February 2009.

(f)Includes temporary borrowings.

[pp. 345-354]<Balance of Payments>

Some items have discontinuity. See the following footnotes for details.

1. See *III. Explanation of and Reference for Individual Statistics*.

2. Figures in this table are rounded to the nearest whole number.

3. The Balance of Payments are compiled by the Bank of Japan, which is entrusted by the Minister of Finance under the Foreign Exchange and Foreign Trade Act. The statistics are jointly released by the Ministry of Finance and the Bank of Japan.

4. Figures from 2014 onward are compiled based on the sixth edition of the IMF's Balance of Payments Manual (the Manual). Figures through 2013 were originally compiled based on the fifth edition of the Manual, but have been rearranged on the basis of the sixth edition of the Manual.

[pp. 355-357]<External Assets and Liabilities of Banks, etc.>

1. See *III. Explanation of and Reference for Individual Statistics*.

2. Figures in this table are rounded to the nearest whole number.

3. The External Assets and Liabilities of Banks, etc., are compiled by the Bank of Japan, which is entrusted by the Minister of Finance under the Foreign Exchange and Foreign Trade Act. The statistics are jointly released by the Ministry of Finance and the Bank of Japan.

4. Aggregated from the figures submitted in "reports on assets and liabilities positions" by banks, etc. (including Japanese branches of foreign banks) reported in accordance with Articles 14 and 23 of the "ministerial ordinance concerning reporting of foreign exchange transactions, etc."

[pp. 358-371]<International Investment Position of Japan (End of Year)>

Some items have discontinuity. See the following footnotes for details.

1. See *III. Explanation of and Reference for Individual Statistics*.

2. Figures in this table are rounded to the nearest whole number.

3. The International Investment Position of Japan is compiled by the Bank of Japan, which is entrusted by the Minister of Finance under the Foreign Exchange and Foreign Trade Act. The statistics are jointly released by the Ministry of Finance and the Bank of Japan.

4. Figures from year-end 2014 onward are compiled based on the sixth edition of the IMF's Balance of Payments Manual (the Manual). Figures through year-end 2013 were originally compiled based on the fifth edition of the Manual, but have been rearranged on the basis of the sixth edition of the Manual. However, the way that figures at year-end 2013 are rearranged partly differs from that for figures through year-end 2012 to improve consistency with figures at year-end 2014.

[pp. 372-376]<Guideline for Money Market Operations>

The table covers the guidelines for money market operations whose contents were changed from the previous guideline since January 16, 1998, when the Monetary Policy Meeting began to decide the guideline. The only exception is the guideline announced on October 13, 1999,

when the expression of the guideline was changed but the contents remained essentially the same.

[p. 377]<Opinion Survey on the General Public's Views and Behavior>

1. See *III. Explanation of and Reference for Individual Statistics*.

2. From the September 2006 survey, a mail survey method has been used. For the previous surveys, researchers visited sample individuals, asked them to complete the questionnaire within a prescribed period, and then collected the finished questionnaires upon a subsequent visits.

[pp. 378-383] <(Reference) Money Stock (Former Series)>

The following figures all comprise the money held by the money holders, namely, corporations, households, and local governments.

(a) Banknotes and coins in circulation.

(b) Demand deposits (current deposits, ordinary deposits, savings deposits, deposits at notice, special deposits, and deposits for tax payments) minus checks and bills held by the surveyed financial institutions.

(c) Sum of time deposits, fixed savings, installment savings, and foreign currency deposits.

(d) The issuance of CDs started from May 1979, and the 1979 figures are calculated by dividing the accumulated monthly figures from May to December by twelve.

(e) Sum of M_2 +CDs, deposits of post offices and other savings and deposits with financial institutions, and money trusts.

(f) Sum of M_2 +CDs, deposits of post offices and other savings and deposits with financial institutions, money trusts, pecuniary trusts other than money trusts, investment trusts, bank debentures, commercial paper issued by financial institutions, repurchase agreements and securities lending with cash collateral, government securities, and foreign bonds.

(g) Through September 2007, deposits of post offices are the sum of the balance of postal savings including unpaid interest on postal savings and the balance of postal giro. From October 2007, deposits of post offices are the balance of savings at the Japan Post Bank, excluding special savings and money orders, but including unpaid interest on savings.

(h) Includes dematerialized commercial paper.

(i) Includes TBs and Fiscal Investment and Loan Program bonds.

(j) Foreign bonds are bonds issued by nonresidents. From the December 2003 data onward, end-of-month interbank U.S. dollar/yen spot rate is used to convert the value of foreign bonds from yen into U.S. dollars. Through November 2003, the monthly average of the interbank U.S. dollar/yen spot central rate is used.

(k) Sum of M_2 +CDs, deposits of post offices and other savings and deposits with financial institutions, money trusts, pecuniary trusts other than money trusts, investment trusts, bank debentures, commercial paper issued by financial institutions, repurchase agreements and securities lending with cash collateral, government securities, and foreign bonds.

III. Explanation of and Reference for Individual Statistics

<Monetary Base>

1. Definition

"Monetary Base" is the "currency supplied by the Bank of Japan" and is defined as the total of "banknotes in circulation," "coins in circulation," and "current account balances (current account deposits in the Bank of Japan)."

Monetary Base = banknotes in circulation
+ coins in circulation
+ current account balances

- The "banknotes in circulation" and "coins in circulation" in "Monetary Base" include cash (banknotes and coins) held by financial institutions, while "cash currency in circulation" in "Money Stock" does not. This is because the former is defined as the "currency supplied by the central bank," while the latter is defined as the "currency supplied to the economy from the financial sector as a whole (including the central bank)."

2. Notes on usage

Through March 1981, "Monetary Base" was defined by the following formula, and thus the data before and after April 1981 are discontinuous.

Through March 1981: Monetary Base = banknotes in circulation
+ coins in circulation
+ reserve balances

From April 1981: Monetary Base = banknotes in circulation
+ coins in circulation
+ current account balances

Reserve Balances (Average Outstanding) for the last two months are preliminary figures.

The data are regularly revised every February. The seasonally adjusted data are revised from the beginning of the data.

<Monetary Base and the Bank of Japan's Transactions>

1. Compilation Method and Listed Items

"Monetary Base and the Bank of Japan's Transactions" explains the movement of the monetary base, which consists mainly of banknotes and current account balances, in terms of changes in the Bank's other assets and liabilities. It can be created by reconstructing the balance sheet of the Bank.

- "Monetary Base" published by the Bank of Japan are based on average amounts outstanding, while the monetary base figures used in "Monetary Base and the Bank of Japan's Transactions" are based on end-of-period amounts outstanding.

Specifically, the statistics can be compiled by the following steps: (1) compute the monetary base by extracting "banknotes in circulation" and "current deposits at the Bank of Japan" from the Bank's balance sheet, and adding coins in circulation; (2) reconstruct assets, liabilities other than banknotes and current deposits at the Bank, base derived in the first step; and (3) break down each item of the balance sheet and reorganize by the type of transaction conducted by the Bank (see Chart 1).

- Coins in circulation added in (2) is then posted as "others." Foreign currency assets, capital and other asset, liability and net assets items that are not individually listed are also posted as "others," together with coins in circulation (liabilities and net assets items are treated as negative values in "others").

- Types of transaction include not only various market operations conducted by the Bank but also transactions between the Bank and the government/foreign central banks, so that "Monetary Base and the Bank of Japan's Transactions" shows the overall picture of various transactions conducted by the Bank.

The procedure whereby the Bank of Japan's balance sheet is rearranged into "Monetary Base and the Bank of Japan's Transactions" can be graphically represented as Chart 2.

As "Monetary Base and the Bank of Japan's Transactions" is created by reorganizing the balance sheet, the statistics are based on stock figures, which are shown in a "stock table." For convenience, increases/decreases in stock figures are also calculated and shown in a "flow table." The flow table explains the increase/decrease of the monetary base in terms of changes in items in the balance sheet and the various transactions behind it.

2. Others

For the basic approach, framework and notes on usage of these statistics, see "A Guide to Monetary Base and the Bank of Japan's Transactions" (June 8, 2000).

<Money Stock>

1. Definition

Money stock is basically defined as the quantity of money held by money holders (corporations, households, and local governments including municipal enterprises). Deposits held by financial institutions and the central government are not included. Corporations exclude depository institutions, insurance companies, government financial institutions, securities companies, tanshi companies, and others.

2. Coverage

Indices	Definition and coverage	Surveyed financial institutions
M1	Currency in circulation + deposit money held by money holders, whereas currency in circulation = banknotes in circulation + coins in circulation, and deposit money = demand deposits (current deposits, ordinary deposits, saving deposits, deposits at notice, special deposits, and deposits for tax payments) - checks and bills held at the surveyed financial institutions	All depository institutions (financial institutions surveyed for M2, the Japan Post Bank, the Shinkumi Federation Bank, shinkumi banks, the Rokinren Bank, labour banks, prefectural credit federations of agricultural cooperatives, agricultural cooperatives, prefectural credit federations of fishery cooperatives, and fishery cooperatives)
M2	Currency in circulation + deposits at domestically licensed banks, etc.	Bank of Japan, domestically licensed banks (excluding the Japan Post Bank), foreign banks in Japan, Shinkin Central Bank, shinkin banks, the Norinchukin Bank, and the Shoko Chukin Bank
M3	M1 + quasi-money + CDs, whereas quasi-money = time deposits + fixed savings + installment savings + foreign currency deposits	Same as those of M1
L	M3 + pecuniary trusts + investment trusts + bank debentures + straight bonds issued by banks + commercial paper issued by financial institutions + government securities + foreign bonds	Financial institutions surveyed for M3, trust accounts of domestically licensed banks, central government, insurance companies, etc., and foreign bond-issuing organizations

3. Notes on usage

(1) In "Money Stock," "currency in circulation" excludes money held by financial institutions, while that in "Monetary Base" includes the money.

(2) The main differences between the current and former series

- Each index for the current series (M1, M2, M3, and L) is a revised version of that for the former series (through April 2008).

- In the current series, securities companies, tanshi companies, and nonresidents are excluded from money holders.

- For M2 and M3, the differences between the two series mainly derive from the differences in the range of money holders and the estimation method of some data. Apart from that, M2 and "M2 + CDs (former series)" have the same range of money issuers and financial assets (except for nonresident yen deposits). Similarly, M3 and "M3 + CDs - money trusts (former series)" have the same range of money issuers and financial assets (except for nonresident yen deposits). M2 can be analyzed from 1967 onward using data on M2 + CDs in the former series; M3 can be analyzed from 1996 onward using data on "M3 + CDs - money trusts" in the former series.

- For M1, the range of money issuers differs from that of "M1 (former series)." That is, in addition to the financial institutions surveyed for M1 in the former series, deposit money of the Japan Post Bank and other financial institutions are included. For L, the range of financial assets differs from that of "broadly-defined liquidity (former series):" L excludes "repurchase agreements and securities lending with cash collateral transactions" but includes (i) privately placed investment in "investment trusts" and (ii) "straight bonds issued by banks."

(3) The timing and cases when the data for "Money Stock" are revised as follows.

Regular revisions:

Even after the revision of the data, data are retroactively revised periodically as follows in line with the revision of the basic data.

Data released in February and August	Data from the previous seven months may be revised.
Data released in April and October	Data from the previous six months may be revised.
Data released every month (except for February, April, August, and October)	Data from the previous four months may be revised.
Data released in June (or May or July)	Data on L and foreign bonds from the previous year may be revised.
Data released in March	Seasonally adjusted data are revised from the beginning of the data.

Ad hoc revisions:

If an error is discovered in the data reported by financial institutions, the data are revised immediately. In principle, the data are retroactively revised approximately for the previous three years. The revised data are

released on the nearest release date from the receipt date of the wrong data. If the range of revision falls short of 0.1 percent of amounts outstanding of M3 (or amounts outstanding of M2 in case of wrong report by money issuers of M2), the data are basically revised in either March or September.

<Monetary Survey>

1. This survey provides consolidated and adjusted¹ balance sheets of the accounts of the central bank (Bank of Japan) and other depository corporations (including the Japan Post Bank and other financial institutions [the Shinkumi Federation Bank, shinkumi banks, the Rokinren Bank, labour banks, prefectural credit federations of agricultural cooperatives, agricultural cooperatives, prefectural credit federations of fishery cooperatives, and fishery cooperatives]) based on the international standards adopted by the IMF.

Note: 1. Duplicated accounts for financial institutions' deposits and other financial institution accounts are offset. The statistics are aggregated by account category and then subdivided.

In this survey, asset figures are primarily categorized by economic sector (credit recipient), and liability figures are primarily categorized by liquidity (currency in circulation, deposit money, quasi-money + CDs, etc.). Among these, the currency in circulation, deposit money, and quasi-money + CD statistics match "Money Stock" (outstanding at end of month) figures for currency in circulation, deposit money, and quasi-money + CDs (components of M3).

2. The figures for "Monetary Survey" are compiled primarily based on the figures for "Flow of Funds Accounts" (the FFA), and the sectors covered in "Monetary Survey" are also the same as the FFA. Nevertheless, items in the FFA are further combined and adjusted for the purposes of the survey. The survey also uses other basic data to compile the monthly figures, since the FFA are quarterly data.

3. "(1) Summary table" integrates "(2) Accounts of the central bank" and "(3) Accounts of other depository corporations," adjusts the figures, and then presents the principal assets and liabilities.

4. See "Money Stock" for the definitions of "currency in circulation," "deposit money," and "quasi-money."

5. "(2) Accounts of the central bank"

Claims on nonresidents: the total of "foreign currency deposits" and "outward investments in securities," etc., held by the central bank.

Claims on general government excluding local governments: the total of "treasury discount bills" and "central government securities and Fiscal Investment and Loan Program (FILP) bonds," etc., held by the central bank.

Claims on other depository corporations (liabilities to the central bank of "(3) Accounts of other depository corporations"): the total of "Bank of Japan loans" and "bills sold" on the liability side of other depository corporations.

Claims on other financial corporations: the total of "Bank of Japan loans" on the liability side of "other financial intermediaries" and "financial auxiliaries" (financial institutions other than intermediaries), etc.

Claims on other sectors: "shares," etc., on the asset side of the central bank.

Liabilities to nonresidents: "other external claims and debts," etc., on the liability side of the central bank.

Liabilities to central government: the total of "deposits of the government on the liability side of the central bank," etc.

Other items (net): the remainder after subtracting each item from the total of liabilities in "(2) Accounts of the central bank."

6. "(3) Accounts of other depository corporations"

Claims on nonresidents: "outward investment in securities," "loans to overseas," "outward direct investment," and "other external claims and debts," etc., on the asset side of other depository corporations.

Claims on central bank: "currency," "deposits with the Bank of Japan," and "bills purchased" on the asset side of other depository corporations.

Claims on general government excluding local governments: "treasury discount bills," "central government securities and FILP bonds," and "loans to the central government" on the asset side of other depository corporations, etc.

Claims on other financial corporations: "deposits with the fiscal loan fund," "public corporation securities," and "structural-financing instruments," etc., on the asset side of other depository corporations.

Claims on local governments: "local government securities" on the asset side of other depository corporations and "loans to local governments."

Claims on other sectors: "loans to other sectors" (private and public nonfinancial corporations, households, and private nonprofit institutions serving households), etc.

Liabilities to nonresidents: "currency and deposits" (excluding currency) and "bank debentures" on the asset side of overseas, etc.

Liabilities to central government: "currency and deposits" (excluding "currency" and "government deposits"), "bank debentures," and "trust beneficiary rights" on the asset side of the central government and social security funds.

Other items (net): the remainder after subtracting each item from the total of liabilities in "(3) Accounts of other depository corporations."

7. Data are retroactively revised periodically as follows in line with the revision of the basic data.

(a) Data released every month: data from the previous three months may be revised.

(b) Data released in January, July, and October: data from the previous eight months may be revised using the retroactively revised figures of the FFA.

(c) Data released in April: all data (since the start of the data in April 2003) may be revised using the retroactively revised figures of the FFA.

8. If an error is discovered in the reported data or in the compilation process, the data are revised immediately. In principle, the data are retroactively revised approximately for the previous three years, and are announced on the closest release date from when the error was reported. However, in cases where the scale of revision is below 0.1 percent of amounts outstanding of M3, the data are revised at the time of the next revision.

<Foreign Exchange Rates>

(Spot Rates)

Spot rates are the rates of foreign exchange contracts that are settled two business days after the contract. Figures in the statistics are the middle rates between offers and bids, collected from interbank market participants, etc.

The central rate, the most frequently traded rate, is the representative spot rate on each business day in terms of trade volume. Figures in the statistics are the average of the central rates in each period, collected from and traded through brokers.

<Deposits, Vault Cash, and Loans and Bills Discounted>

1. Frequency: monthly

2. Coverage

(1) Domestically licensed banks (banking accounts, trust accounts, overseas office accounts [loans and bills discounted to Japanese residents])

(2) Foreign banks in Japan (banking accounts)

(3) Shinkin banks (banking accounts)

(4) Other financial institutions (banking accounts): the Norinchukin Bank, the Shoko Chukin Bank, Shinkin Central Bank, the Shinkumi Federation Bank, the Rokinren Bank, and prefectural credit federations of agricultural cooperatives.

3. Notes on usage

(1) Domestically licensed banks' banking accounts in the statistics exclude those of the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

(2) Figures exclude offshore accounts.

(3) "Households" refers to deposits made under the name of individuals.

(4) "Central government" refers to deposits made by the central government.

(5) "Local governments and local public enterprises" refers to deposits made by local governments and local public enterprises to which the Local Public Enterprise Act is applied.

(6) "Financial institutions" refers to deposits made by banks (including foreign banks in Japan and the Japan Post Bank), shinkin banks, Shinkin Central Bank, labour banks, the Rokinren Bank, agricultural cooperatives and prefectural credit federations of agricultural cooperatives, fishery cooperatives and prefectural credit federations of fishery cooperatives, the Norinchukin Bank, shinkumi banks, the Shinkumi Federation Bank, the Shoko Chukin Bank, the Resolution and Collection Corporation, insurance companies (including the Japan Post Insurance), public financial institutions (e.g., the Bank of Japan's deposits with the Treasury agents), Development Bank of Japan, Japan Finance Corporation, Japan Bank for International Cooperation, the Okinawa Development Finance Corporation, Japan Finance Organization for Municipalities, Japan Housing Finance Agency, Management Organization for Postal Savings and Postal Life Insurance), and the holding companies of the above-mentioned financial institutions (including Japan Post Holdings).

(7) "Demand deposits" is the sum of "current deposits," "ordinary deposits," "saving deposits," "deposits at notice," "special deposits," and "deposits for tax payments." It excludes "nonresident yen deposits," and "foreign currency deposits."

(8) "Time and savings deposits" is the sum of "time deposits," "fixed savings," and "installment savings."

(9) "Loans and bills discounted" includes bills discounted, loans on bills, loans on deeds, and overdrafts, and excludes call loans, bills bought, and foreign exchanges.

(10) Overseas offices of domestically licensed banks include loans and bills discounted to Japanese residents.

(11) The definition of small enterprises is as follows.

Through March 2000: corporations and private unincorporated

enterprises with capital of 100 million yen or less or with regular employees of 300 persons or less ("wholesale trade" capitalized at 30 million yen or less or with regular employees of 100 persons or less, and "retail trade," "eating and drinking services," and "services (old basis)" capitalized at 10 million yen or less or with regular employees of 50 persons or less).

From April 2000 through February 2003: corporations and private unincorporated enterprises with capital of 300 million yen or less or with regular employees of 300 persons or less ("wholesale trade" capitalized at 100 million yen or less or with regular employees of 100 persons or less, and "retail trade" and "eating and drinking services" capitalized at 50 million yen or less or with regular employees of 50 persons or less, and "services (old basis)" capitalized at 50 million yen or less or with regular employees of 100 persons or less).

From March 2003 through May 2009: the classification standard for "services (old basis)" is applied to "services" (excluding "eating and drinking services").

From June 2009: the classification standard for "services (old basis)" is applied to "services" (excluding "eating and drinking services"). These industries include "goods rental and leasing," "scientific research, and professional and technical services," "hotels," "living-related and personal services," "amusement services," "education and learning support," "medical, health care, and welfare services," and "other services."

(12) "Loans and bills discounted (End of Period, Average Amounts Outstanding)" excludes loans to the central government.

(13) "Corporations (including financial corporations)" indicates figures that exclude "local governments," "households," and "overseas yen loans and domestic loans transferred overseas" from the total of loans and bills discounted, and includes private unincorporated enterprises.

(14) Loans to households identified as being for business purpose are categorized under the appropriate industry. In principle, loans that cannot be classified as being for business or nonbusiness purpose are recorded under "households," as are housing and consumer loans with installment repayments. Note that some banks reclassified loans by purpose for business or nonbusiness in March 2004, September 2006, and June 2009. As a result, loans for business purpose were excluded from "households."

(15) "Central government" is the sum of loans to the general account and the special accounts.

(16) Since the data for March and September are preliminary figures at the time of the first release, they may be revised in the next release.

(17) If an error is discovered in the reported data or in the compilation process, the data are revised immediately. In principle, the data are retroactively revised approximately for the previous three years, and are announced on the closest release date from when the error was reported. However, in cases where the scale of revision is below 0.1 percent of amounts outstanding of the total deposits or loans, the data are revised at the time of the next revision.

(18) Data for February 2011 were unavailable from some shinkin banks. They were replaced by those of the previous month.

<Amounts Outstanding of Deposits by Depositor (by Amount/by Detailed Type of Depositor) >

1. Frequency: semiannually

2. Coverage

(1) Domestically licensed banks (banking accounts)

(2) Shinkin banks (banking accounts)

3. Notes on usage

(1) Domestically licensed banks' banking accounts in the statistics exclude those of the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

(2) "Households" refers to deposits made under the name of individuals.

(3) "Central government, local governments, and local public enterprises" refers to deposits made by the central government, local governments, and local public enterprises to which the Local Public Enterprise Act is applied.

(4) "Financial institutions" refers to deposits made by banks (including foreign banks in Japan and the Japan Post Bank), shinkin banks, Shinkin Central Bank, labour banks, the Rokinren Bank, agricultural cooperatives and prefectural credit federations of agricultural cooperatives, fishery cooperatives and prefectural credit federations of fishery cooperatives, the Norinchukin Bank, shinkumi banks, the Shinkumi Federation Bank, the Shoko Chukin Bank, the Resolution and Collection Corporation, insurance companies (including the Japan Post Insurance), public financial institutions (e.g., the Bank of Japan's deposits with the Treasury agents), Development Bank of Japan, Japan

Finance Corporation, Japan Bank for International Cooperation, the Okinawa Development Finance Corporation, Japan Finance Organization for Municipalities, Japan Housing Finance Agency, Management Organization for Postal Savings and Postal Life Insurance), and the holding companies of the above-mentioned financial institutions (including Japan Post Holdings).

(5) From June 1998, the statistics include foreign trust banks.

(6) "Number of accounts" refers to the number of deposit accounts (multiple accounts of a single individual are counted as separate accounts).

(7) Figures exclude offshore accounts.

(8) Due to the revision of the industrial classification, detailed components of "institutions providing medical, welfare, and educational services, and other organizations" and "institutions providing welfare and educational services and other organizations" have been changed since March 2003. Those of "non-deposit-taking institutions including money lenders and credit card companies (but excluding government financial institutions)" have also been changed since September 2009.

(9) Since the data are preliminary figures at the time of the first release, they may be revised in the next release.

(10) If an error is discovered in the reported data or in the compilation process, the data are revised immediately. In principle, the data are retroactively revised approximately for the previous three years, and are announced on the closest release date from when the error was reported. However, in cases where the scale of revision is below 0.1 percent of amounts outstanding of the total deposits, the data are revised at the time of the next revision.

<Loans and Bills Discounted by Sector (by Type of Major Industries), Loans and Bills Discounted by Sector (by Scale of Enterprises), New Loans for Fixed Investment by Sector (by Type of Major Industries), and Loans and Bills Discounted and New Loans for Fixed Investment by Sector (by Type of Industries)>

1. Frequency: quarterly

2. Coverage

(1) Domestically licensed banks (banking accounts, trust accounts, and overseas office accounts [loans and bills discounted to Japanese residents])

(2) Shinkin banks (banking accounts)

(3) Other financial institutions (banking accounts): the Norinchukin Bank, the Shoko Chukin Bank, Development Bank of Japan, Japan Finance Corporation (Micro Business and Individual Unit, Small and Medium Enterprise Unit, and Agriculture, Forestry, Fisheries and Food Business Unit), Japan Bank for International Cooperation, and the Okinawa Development Finance Corporation.

3. Notes on usage

(1) Domestically licensed banks' banking accounts in the statistics exclude those of the Resolution and Collection Corporation (through March 1999, Resolution and Collection Bank), Kii Deposit Management Bank (dissolved on March 31, 2002), the Bridge Bank of Japan (dissolved on March 8, 2004), the Second Bridge Bank of Japan (the business was transferred on December 26, 2011), and the Japan Post Bank.

(2) Loans and bills discounted in the statistics include bills discounted, loans on bills, loans on deeds, and overdrafts, and exclude call loans, bills bought, and foreign exchanges.

(3) Figures in "Loans and Bills Discounted by Sector (by Scale of Enterprises)" indicate corporations (include financial corporations) and sub-category of those, and exclude "households," "local governments," and "overseas yen loans and domestic loans transferred overseas." Total in "Loans and Bills Discounted and New Loans for Fixed Investment by Sector (by Type of Industries)" includes "households," "local governments," and "overseas yen loans and domestic loans transferred overseas."

(4) Loans to households identified as being for business purpose are categorized under the appropriate industry. In principle, loans that cannot be classified as being for business or nonbusiness purpose are recorded under "households," as are housing and consumer loans with installment repayments. Note that some banks reclassified loans by purpose for business or nonbusiness in the first quarter of 2004, the third quarter of 2006, and the second quarter of 2009. As a result, loans that were identified as being for business purposes were reclassified into each appropriate industry, such as real estate.

(5) Local public corporations are categorized based on their primary business, in accordance with the Japan Standard Industrial Classification.

(6) As for "other financial institutions," the definition of loans differs among institutions.

(a) The Shoko Chukin Bank excludes loans of shinkumi banks as agencies of the Shoko Chukin Bank.

(b) From the third quarter of 2004, Development Bank of Japan records only general loans.

(c) "Loans for fixed investment" and "new loans for fixed investment (during the quarter)" for Japan Bank for International Cooperation are not surveyed.

(d) Japan Finance Corporation (Micro Business and Individual Unit, ex-National Life Finance Corporation) records only general loans.

(e) Japan Finance Corporation (Small and Medium Enterprise Unit, ex-Japan Finance Corporation for Small and Medium Enterprise) excludes loans to the organizations that lend equipment.

(f) Japan Finance Corporation (Agriculture, Forestry, Fisheries, Food Business Unit, ex-Agriculture, Forestry and Fisheries Finance Corporation) records only general loans.

(g) Japan Finance Corporation excludes loans under crisis response operations.

(h) The Okinawa Development Finance Corporation excludes loans taken over from others.

(7) Figures exclude offshore accounts.

(8) Some figures may be discontinued in the first quarter of 2003 and in the second quarter of 2009 due to the revision of the industrial classification.

(9) Since the data for the first quarter and the third quarter are preliminary figures at the time of the first release, they may be revised in the next release.

(10) If an error is discovered in the reported data or in the compilation process, the data are revised immediately. In principle, the data are retroactively revised approximately for the previous three years, and are announced on the closest release date from when the error was reported. However, in cases where the scale of revision is below 0.1 percent of amounts outstanding of the total loans, the data are revised at the time of the next revision.

(11) The classification of enterprises is as follows.

Through the first quarter of 2000

	Small enterprises	Medium-sized enterprises	Large enterprises
Wholesale trade	Capitalized at 30 million yen or less or with regular employees of 100 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 100 persons
Retail trade, eating and drinking services, and services (old basis)	Capitalized at 10 million yen or less or with regular employees of 50 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 50 persons
Others	Capitalized at 100 million yen or less or with regular employees of 300 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 300 persons

From the second quarter of 2000 through the fourth quarter of 2002

	Small enterprises	Medium-sized enterprises	Large enterprises
Wholesale trade	Capitalized at 100 million yen or less or with regular employees of 100 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 100 persons
Services (old basis)	Capitalized at 50 million yen or less or with regular employees of 100 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 100 persons
Retail trade, and eating and drinking services	Capitalized at 50 million yen or less or with regular employees of 50 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 50 persons
Others	Capitalized at 300 million yen or less or with regular employees of 300 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 300 persons

From the first quarter of 2003 through the first quarter of 2009

	Small enterprises	Medium-sized enterprises	Large enterprises
Wholesale trade	Capitalized at 100 million yen or less or with regular employees of 100 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 100 persons
Services (excluding eating and drinking services)	Capitalized at 50 million yen or less or with regular employees of 100 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 100 persons
Retail trade, and eating and drinking services	Capitalized at 50 million yen or less or with regular employees of 50 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 50 persons
Others	Capitalized at 300 million yen or less or with regular employees of 300 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 300 persons

From the second quarter of 2009

	Small enterprises	Medium-sized enterprises	Large enterprises
Wholesale trade	Capitalized at 100 million yen or less or with regular employees of 100 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 100 persons
Goods rental and leasing, etc.*	Capitalized at 50 million yen or less or with regular employees of 100 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 100 persons
Retail trade, and eating and drinking services	Capitalized at 50 million yen or less or with regular employees of 50 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 50 persons
Others	Capitalized at 300 million yen or less or with regular employees of 300 persons or less	Other than small and large enterprises	Capitalized at 1 billion yen or more and with regular employees over 300 persons

* From the second quarter of 2009, the classification standard for "services (old basis)" is applied to industries that were categorized previously as "services" (excluding "eating and drinking services"). These industries include "goods rental and leasing," "scientific research, and professional and technical services," "hotels," "living-related and personal services, and amusement services," "education and learning support," "medical, health care, and welfare services," and "other services."

<Commitment Lines Extended by Japanese Banks>

A commitment line is a contract between a bank and a borrower firm that legally obliges the bank to extend loans to the firm upon request up to the amount and within the term agreed in the contract. The contract grants the firm the right to withdraw any amount of loans up to the limit agreed in the contract at any time within the term as long as exemption clauses are not applicable. In return for the commitment, the bank receives a commitment fee (see Article 2 of the Act on Specified Commitment Line Contract).

<Senior Loan Officer Opinion Survey on Bank Lending Practices at Large Japanese Banks>

1. Purpose of the survey and note on usage

This survey aims to measure quantitatively the view of senior loan officers at large Japanese banks concerning the loan market. In a multiple-choice questionnaire, respondents' view of demand for loans from firms and other borrowers, banks' lending stance, and other points are indicated on a scale of one to five or one to three. The results are

shown by calculating the percentage that made each choice as well as the weighted average of the multiple-choice answers.

2. General explanation

(1) Contents

The survey asks the respondents' view of the following points for the previous and coming quarter:

- (a) Changes in demand for loans from firms, households, and local governments;
- (b) Changes in credit standards for approving applications for loans and reasons for the changes;
- (c) Changes in the terms and conditions of loans and reasons for the changes;
- (d) Changes in the spreads of loan rates over the banks' cost of funds.

(2) Frequency

The Bank of Japan conducts the survey quarterly in January, April, July, and October. The Bank compiles the results of the questionnaire distributed in the middle of the previous month and collected early in the survey month.

(3) Coverage

Among domestically licensed banks and shinkin banks that hold current accounts with the Bank of Japan, the 50 largest banks in terms of average amount outstanding of loans during fiscal 2013 cooperate with the survey. The aggregated loan amount of the surveyed 50 banks accounts for 77 percent of the total amount outstanding of loans held by all domestically licensed banks and shinkin banks (the average during fiscal 2014).

The survey respondents are revised every three years starting with the survey in April 2000. The last revision of the surveyed banks was conducted in April 2015.

<Flow of Funds Accounts>

1. Definitions

The Flow of Funds Accounts (FFA) records financial transactions and the resulting claim/debt among economic entities, such as households, enterprises, and the government, for each financial instrument on a quarterly basis. The FFA provides a clear, comprehensive picture of financial activities.

The FFA consists of three tables: the financial transactions table (the flow table), the financial assets and liabilities table (the stock table), and the reconciliation between flows and stocks table (the reconciliation table).

- The financial transaction table records the flow of funds caused by financial transactions.
- The financial assets and liabilities table records the outstanding of assets and liabilities held by economic entities at the end of a certain period.
- The reconciliation between flows and stocks table records the differences between the flow table and the stock table. Reconciliation figures are calculated as follows:

(Stock values at the end of the term - stock values at the end of the previous term) - flow values for the same period.

Definitions and scope of sectors and transaction items are explained in the "Guide to Japan's Flow of Funds Accounts," and estimation methods are explained in the "Compilation Method of Japan's Flow of Funds Accounts."

2. Notes on usage

The FFA has been provided since 1954 on an annual basis, and data on a quarterly basis have been compiled since 1964. The FFA based on SNA08 is available from fiscal 2005 on an annual basis, and from the second quarter of 2005 on a quarterly basis. The stock data are available from fiscal 2004 on an annual basis, and from the first quarter of 2005 on a quarterly basis.

Released final data may be revised retroactively due to obtaining source data. In principle, the revised data are released once in a year.

<BIS International Locational Banking Statistics in Japan>

The Bank for International Settlements (BIS) releases the statistics based on data collected from the participating central banks on a quarterly basis. The BIS aggregates the data obtained from central banks of 44 countries/economies. Collection of data by the BIS started in the first half of the 1970s. The data are widely used to analyze international capital flows through the international banking sector. The Bank of Japan releases the results of the statistics pertaining to Japan.

Reporting banks

Reporting banks are those located in Japan and in principle authorized to conduct business in the Japan Offshore Market. They include the affiliates (branches and subsidiaries) of foreign-owned banks located in Japan and exclude the affiliates of Japanese banks located abroad. For example, the Tokyo branch of a U.S. bank is classified as a "bank located in Japan," and the London branch of a Japanese bank is classified as a "bank located in the United Kingdom."

Frequency

Quarterly at the end of March, June, September, and December.

Reported items

All balance-sheet positions that represent financial claims or liabilities

vis-à-vis non-residents in yen and in foreign currencies are reported. Positions through inter-office accounts and those on trust accounts are also included. Balance-sheet positions that represent financial assets or liabilities vis-à-vis residents in foreign currencies are reported separately for reference.

Sector classification

Released data are classified by the sectors of counterparties, i.e., bank sector (of which related offices) and non-bank sector (of which non-bank financial institutions).

<BIS International Consolidated Banking Statistics in Japan>

The Bank for International Settlements (BIS) releases the statistics based on data collected from the participating central banks on a quarterly basis. The BIS aggregates the data obtained from central banks of 31 countries/economies. Collection of data by the BIS started in the first half of the 1980s. The data are widely used to assess the country-risk exposure of major individual nationality banking groups. The Bank of Japan releases the results of the statistics pertaining to Japan.

Reporting banks

Reporting banks are those headquartered in Japan and in principle authorized to conduct business in the Japan Offshore Market.

Frequency

Quarterly at the end of March, June, September, and December.

Reported items

Immediate borrower basis

Claims on an immediate borrower basis identify counterparties according to the country in which the immediate borrower is located. Consolidated asset positions of reporting banks' balance-sheet items on cross-border claims of their head office, branches, and subsidiaries in any currency and on local claims of their foreign branches and subsidiaries in non-local currencies are to be reported. Positions of reporting banks' inter-office accounts are excluded, while those on trust accounts are included. Local currency positions of reporting banks' foreign branches and subsidiaries with local residents are reported separately.

Ultimate risk basis

Claims on an ultimate risk basis identify counterparties according to the country in which the ultimate risk lies. Consolidated asset positions of reporting banks' balance-sheet items on cross-border claims and on local claims of their head office, branches, and subsidiaries in any currency are to be reported. Positions of reporting banks' inter-office accounts are excluded, while those on trust accounts are included.

<Regular Derivatives Market Statistics in Japan>

The central banks of the Group of Ten countries¹ and the Bank for International Settlements (BIS) have worked together to introduce a new statistical survey on the global derivatives markets based on the "Proposals for Improving Global Derivatives Market Statistics" (the Yoshikuni Report) published by the BIS in July 1996.²

With the aim of increasing market transparency and facilitating central banks' monitoring of these markets with regard to macroprudential concerns, the BIS has implemented this survey on the global derivatives markets through two reporting frameworks. The first is the Regular Derivatives Market Statistics, a set of semiannual derivatives statistics on the amounts outstanding of derivatives transactions covering only major dealers, first conducted at end-June 1998. The Bank of Japan releases survey results of the statistics for Japan. The results on a global consolidated basis are released separately by the BIS.³ The second framework is the Triennial Central Bank Survey, a survey on the amounts of foreign exchange and derivatives turnover and outstanding, which covers a wider range of dealers.

Reporting institutions

74 financial institutions worldwide contribute to the statistics by reporting their derivatives positions semiannually to the central banks of their respective countries. Among them, 16 institutions are based in Japan and report their positions' data to the Bank of Japan.

Frequency

Semiannually at end-June and end-December.

Reported items

The Regular Derivatives Market Statistics consist of data on consolidated outstanding derivatives positions, measured in notional amounts as well as gross positive and negative market values, compiled based on data from reporting institutions. The statistics classify aggregated derivatives positions into four risk categories: foreign exchange, interest rates, equity prices, and commodity prices (on a U.S. dollar basis). Each of the risk categories is broken down further into four factors: instrument, currency (region), counterparty, and maturity. From the data for end-June 1999 onwards, the Bank of Japan releases data on credit derivatives based on data for reporting institutions in Japan. From the data for end-December 2004, the Bank of Japan also releases detailed breakdown of CDS data.

¹ Belgium, Canada, France, Germany, Italy, Japan, the Netherlands,

Sweden, Switzerland, the United Kingdom, and the United States.

² From December 2011, Australia and Spain began contributing to the survey, bringing the number of reporting countries to 13.

³ Please refer to the Bank of Japan's web site (<http://www.boj.or.jp/en/index.htm>) for the results for Japan, and the BIS's web site (<http://www.bis.org/>) for the global results.

<Results of the Survey on Fails>

1. Coverage

Figures are based on the results of a monthly survey of financial institutions and some other types of institutions that are direct participants in the Japanese government bond (JGB) book-entry system and users of the Bank of Japan Financial Network System (BOJ-NET) JGB delivery-versus-payment (DVP) services.¹

2. Definitions

(1) A fail is a situation where a recipient of JGBs in a transaction does not receive the JGBs from the delivering party on the scheduled settlement date.²

(2) The scope of transactions subject to fails is purchase and sale transactions and "repo" transactions (the starting legs and the closing legs in conditional purchase and sale transactions and the lending and the returning in lending transactions). Situations can be treated as fails only in respect of the DVP settlements (including settlements through the delivery of government securities against the payments of funds on the same date under an agreement between the parties in which their mutual claims and debts are explicitly preserved). These DVP settlements include, in addition to the settlements by the BOJ-NET JGB Services (including those settled via system participants' own accounts, customers' accounts, and trust accounts), overseas settlements such as those settled by Euroclear and Clearstream.^{2,3}

(3) Figures for "number of fails" and "total face value" are the aggregate number/value of fails reported by survey respondents as recipients of JGBs in failed transactions for the month.

(4) "Average duration" is the average number of business days for which each failed transaction settled in the month remained unsettled. "Longest duration" is the longest period for which a failed transaction settled in the month remained unsettled.

(5) Figures for "number of buy-ins" are the aggregate number of buy-ins conducted by respondents for the month. A buy-in is a procedure for settling a failed transaction. It includes (i) a purchase of either the same or equivalent securities at the market price in accordance with "Regulations Concerning Resolution of Fails in Bonds, etc. Settlements" laid down by the Japan Securities Dealers Association (JSDA), and (ii) a purchase of JGBs by the Japan Securities Clearing Corporation (JSCC) or its participants in accordance with the rules laid down by the JSCC.

(6) "DVP settlement of JGB (book-entry transfers)" includes transfers between securities accounts in the transfer account book at the Bank under the JGB book-entry system ("book-entry transfers"). Figures are monthly totals of the number and value (face value) of transactions settled on a DVP basis.⁴ These are additional information to give an idea of the volume of JGB transactions settled on a DVP basis.⁵

¹ The population of the survey is reshuffled when there is a change in the group of institutions qualified for this survey (i.e., direct participants in the JGB book-entry system that are users of the BOJ-NET DVP services). The number of survey respondents is mentioned in the monthly release of "Basic Figures on Fails."

² For details, see "The Japanese Government Securities Guidelines for Real Time Gross Settlement" and "Questions & Answers about Settlements under 'The Japanese Government Securities Guidelines for Real Time Gross Settlement', 'Practical Guidelines for Handling of Fails Charges' and 'Practical Guidelines for Trade Matching for Bilateral Netting'" published by the JSDA.

³ Due to the revision in November 2010, there is a statistical discontinuity between the data after November 2010 on fails and the previous data.

⁴ Figures are for transactions settled over the BOJ-NET. Figures exclude unsettled transactions due to fails.

⁵ DVP settlements of changes in the names of JGB holders in the Registration Books under the JGB Registration System (transfer registrations) until October 9, 2015 were included in the data, while those from October 13 were excluded. DVP settlements resulting from the Bank's JGB-related market operations from October 13 were included in the data.

<Short-Term Economic Survey of Enterprises in Japan (Tankan)>

1. Purpose of Survey

The *Tankan* is a statistical survey by the Bank of Japan in accordance with the Statistics Law (Law No. 53 of 2007). The survey is conducted to provide an accurate picture of business trends of enterprises in Japan, thereby contributing to the appropriate implementation of monetary policy.

2. Survey Method

The answer sheet is returned by mail or online. The Bank of Japan is obliged to keep confidential information obtained from respondents under strict security control in accordance with the Statistics Law.

3. Frequency of Survey

The survey is conducted quarterly in March, June, September, and December. The survey results are released at the beginning of April, July, October, and mid-December in principle (released at 8:50 a.m. Japan Standard Time). The release dates for the next one year are announced in advance at the end of June and December.

4. Coverage

(1) *Tankan*

The population of the survey is approximately 210 thousand private enterprises (excluding financial institutions) in Japan with at least 20 million yen in capital, based on the "Economic Census for Business Activity" jointly conducted by the Ministry of Internal Affairs and Communications and by the Ministry of Economy, Trade and Industry in February 2012.

Sample enterprises are selected from the population by industry and size classification, under certain statistical criteria that have been set to statistical accuracy and other measuring instruments as shown below.

(a) The error ratios of the population estimates in sales of the sample enterprises are within the target range (3 percent for the manufacturing sector and 5 percent for the nonmanufacturing sector).

(b) The distribution of sample enterprises measured by the size of capital and the number of regular employees is consistent with the distribution of population enterprises.

Sample enterprises are reviewed when the population of the survey is updated. Most recently, sample enterprises were reviewed in March 2015 (the number of sample enterprises was 11,126 as of the March 2015 survey).

Reference: The number of sample enterprises as of the March 2015 survey.

	Number of Population	Number of Sample Enterprises
Manufacturing	46,759	4,517
Nonmanufacturing	165,518	6,609
All Industries	212,277	11,126

In principle, sample enterprises are fixed until the next revision. However, the statistical accuracy may decline due to decrease in the number of sample enterprises caused by mergers, spin-offs, and other corporate activities. Therefore statistical examination is conducted annually, and when the statistical accuracy actually declines, new sample enterprises are added.

Industry classification:

Manufacturing is divided into 17 categories and nonmanufacturing into 14 categories, following the "Japan Standard Industrial Classification" released by the Ministry of Internal Affairs and Communications.

Following the revision of the "Japan Standard Industrial Classification" released in November 2007, some industry classifications were revised from the March 2010 survey (For details of the revision of the industry classification, refer to "Revision of the Industry Classification of the Short-term Economic Survey of Enterprises in Japan (TANKAN survey)" <June 30, 2008, Research and Statistics Department, Bank of Japan>).

Manufacturing	Basic materials	Textiles
		Lumber & Wood products
		Pulp & Paper
		Chemicals
		Petroleum & Coal products
		Ceramics, Stone & Clay
		Iron & Steel
		Nonferrous metals
	Processing	Food & Beverages
		Processed metals
		General-purpose, Production & Business oriented machinery
		General-purpose machinery
		Production machinery
		Business oriented machinery
		Electrical machinery
		Transportation machinery
Nonmanufacturing	Construction	Shipbuilding, Heavy machinery & Other transportation machinery
		Motor vehicles
		Other manufacturing
	Real estate, Goods rental & Leasing	Real estate
		Goods rental & Leasing

Wholesaling & Retailing	Wholesaling
	Retailing
Transport & Postal activities	
Information communication	Communications
	Information services
	Other information communication
Electric & Gas utilities	
Services for businesses	
Services for individuals	
Accommodations, Eating & Drinking services	
Mining & Quarrying of stone and gravel	

Size classification:

Based on the size of capital, enterprises are categorized into large enterprises (capital with 1 billion yen and more), medium-sized enterprises (capital with 100 million yen to less than 1 billion yen), and small enterprises (capital with 20 million yen to less than 100 million yen).

—From the March 2004 survey, the data is switched from "regular employees" basis (categorized into large, medium-sized, and small enterprises according to the number of regular employees) to "capital" basis.

—Aggregates are released by industry and size classification (total of 93 strata: 31 industries <17 in manufacturing and 14 in nonmanufacturing> divided into three scales <large, medium-sized, and small enterprises>). The strata are further segmented (total of 391 strata) by the size of capital and the number of employees for selecting sample enterprises and calculating the population estimates.

(2) Financial Institutions

Financial institutions are also surveyed in order to supplement the *Tankan*.

—From the March 2004 survey, the survey on financial institutions has been changed to a sample survey, and the coverage and survey items have been expanded.

Population enterprises (743 enterprises) are comprised of those belonging to the following seven sectors: (1) city banks and trust banks¹; (2) member banks of the Regional Banks Association of Japan and the Second Association of Regional Banks; (3) *shinkin* banks; (4) other financial institutions for small businesses; (5) financial products transaction dealers; (6) insurance companies; and (7) non-deposit money corporations².

Sample enterprises are selected from the population³ by sector and size classification according to the amount of total assets (18 strata), under certain statistical criteria that have been set to target accuracy and other measuring instruments as explained below:

- The error ratios of population estimates in fixed investment based on the sample enterprises are within the target range (10 percent for all financial institution sectors).
- The distribution of sample enterprises measured by the size of total assets is consistent with the distribution of population enterprises.

- Including (1) domestic and foreign trust banks which started operations since October 1993, and (2) new-type banks which specialize in financial intermediation using websites and ATMs and do not belong to traditional banking sectors.
- Coming under the classification of "Non-Deposit Money Corporations, including Lending and Credit Card Business" from the "*Japan Standard Industrial Classification*." Of those listed are the population enterprises of the *Tankan*.
- Following the revision of the "*Japan Standard Industrial Classification*" released in November 2007, some financial institutions also were revised from the March 2010 survey (For details of the revision of the industry classification, refer to "Revision of the Industry Classification of the Short-term Economic Survey of Enterprises in Japan (*TANKAN* survey)" <June 30, 2008, Research and Statistics Department, Bank of Japan>).

Sample enterprises are reviewed in line with the revision of sample enterprises of the *Tankan* (197 sample enterprises as of the March 2015 survey).

In principle, sample enterprises are fixed until the next revision. However, as with the *Tankan*, statistical examination is conducted annually and when the statistical accuracy actually declines, new sample enterprises are added.

5. Survey Items

Survey items consist of four groups: (1) "Judgment Survey;" (2) "Annual Projections;" (3) "Inflation Outlook of Enterprises;" and (4) "Number of New Graduates Hired (surveyed only in June and December)." They are all surveyed on a non-consolidated basis.

(1) Judgment Survey

For the following ten items, responding enterprises are asked to choose one alternative among three as the best descriptor of prevailing conditions, excluding seasonal factors, at the time of the survey and three months hence. The alternatives for each item are shown in brackets.

- Business Conditions:
Judgment of general business conditions of the responding enterprise, primarily in light of individual profits.
[1) Favorable. 2) Not so favorable. 3) Unfavorable.]
 - Domestic Supply and Demand Conditions for Products and Services:
Judgment of domestic supply and demand conditions for major products and services in the industry of the responding enterprise. Judgment in light of movements of goods, customers, and order arrival is included. Judgment including overseas conditions is also acceptable when it is difficult to exclude them.
[1) Excess demand. 2) Almost balanced. 3) Excess supply.]
 - Overseas Supply and Demand Conditions for Products:
Judgment of overseas supply and demand conditions for major products in the industry of the responding enterprise.
[1) Excess demand. 2) Almost balanced. 3) Excess supply.]
 - Inventory Level of Finished Goods and Merchandise:
Judgment of excessiveness, adequacy, or shortage of the inventory level of finished goods and merchandise compared with sales of the responding enterprise. Judgment requested only for "at the time of the survey."
[1) Excessive or somewhat excessive. 2) Adequate. 3) Insufficient or somewhat insufficient.]
 - Wholesalers' Inventory Level:
Judgment of excessiveness, adequacy, or shortage of domestic and foreign wholesalers' inventory levels for major finished goods and merchandise in the industry of the responding enterprise. Judgment requested only for "at the time of the survey."
[1) Excessive or somewhat excessive. 2) Adequate. 3) Insufficient or somewhat insufficient.]
 - Production Capacity:
Judgment of excessiveness, adequacy, or shortage of production capacity or business equipments of the responding enterprise, excluding a shortage caused by temporary conditions such as a closure of a factory due to regular repairs.
[1) Excessive capacity. 2) Adequate. 3) Insufficient capacity.]
 - Employment Conditions:
Judgment of excessiveness, adequacy, or shortage of the number of employees at the responding enterprise.
[1) Excessive employment. 2) Adequate. 3) Insufficient employment.]
 - Financial Position:
Judgment of the general cash position of the responding enterprise, taking into account the level of cash and cash equivalent, lending attitude of financial institutions, and payment and repayment terms. Judgment requested only for "at the time of the survey."
[1) Easy. 2) Not so tight. 3) Tight.]
 - Lending Attitude of Financial Institutions:
Judgment of financial institutions' attitude towards lending as perceived by the responding enterprise. Judgment requested only for "at the time of the survey."
[1) Accommodative. 2) Not so severe. 3) Severe.]
 - Conditions for CP Issuance:
Judgment of the overall issuing conditions of commercial paper issuance. Judgment requested only for "at the time of the survey."
[1) Easy. 2) Not so severe. 3) Severe.]
- Responding enterprises for this item are limited to large enterprises with 1 billion yen and more in capital that either issued CP at least once in the past two years or are considering CP issuance at a future date. The "past two years" above means "since the end of March two years earlier" for the March survey, "since the end of June two years earlier" for the June survey, "since the end of September two years earlier" for the September survey, and "since the end of December two years earlier" for the December survey.

For the following three items, responding enterprises are asked to choose one alternative among three ([1) Rise. 2) Unchanged. 3) Fall.]) as the best descriptor of prevailing changes from three months earlier and three months hence, excluding seasonal factors.

- Change in Interest Rate on Loans:
Judgment of changes in the interest rate on borrowings of the responding enterprise.
[1] Rise. 2) Unchanged. 3) Fall.]
- Change in Output Prices:
Judgment of changes in the yen-based selling prices of major products and services provided by the responding enterprise.
[1] Rise. 2) Unchanged. 3) Fall.]
- Change in Input Prices:
Judgment of changes in the yen-based purchasing prices of main raw materials, processing fees for subcontractors, and/or prices of main purchasing merchandise paid by the responding enterprise.
[1] Rise. 2) Unchanged. 3) Fall.]

(2) Annual Projections

Responding enterprises are asked to provide semiannual and annual results and forecasts in million yen (in yen per dollar for predicted exchange rates) for the following 9 items.

- Sales:
Total of "Sales," "Business Income," etc. listed on the income statement.
- Exports:
Including both direct exports and exports via trading houses, but excluding tripartite trade such as exports from a foreign country to another foreign country.
— Wholesaling: Including direct exports, but excluding both exports via trading houses and tripartite trade such as exports from a foreign country to another foreign country.
- Exchange Rates for Exports:
The average rate during the period for actual results and the expected rate assumed in the individual export plans.
- Operating Profits:
Operating profits listed on the income statement.
- Current Profits:
Current profits listed on the income statement.
- Net Income:
Net income after tax deduction listed on the income statement.
- Fixed Investment:
The amount of newly listed tangible fixed assets (including new land purchasing expenses and lease assets). Excluding transfers from other accounts to tangible fixed assets and increases in tangible fixed assets due to mergers.
- Land Purchasing Expenses:
The amount of new land purchasing expenses (including land developing and preparing) among the above "Fixed Investment." This does not include real estate for sale or sale in lots.
- Software Investment:
The amount of newly listed intangible fixed assets (including lease assets) among the software investment. Excluding software listed as expenses when obtaining.

(3) Inflation Outlook of Enterprises

Responding enterprises are asked to select the alternative nearest to their institution's expectation of the fluctuations in the following prices for 1 year ahead, 3 years ahead, and 5 years ahead, as adjusted to exclude the effects of changes due to institutional factors such as the consumption tax.

- Outlook for Output Prices:
Expectation of the rate of price change for their mainstay domestic products and services relative to the current level. Responding enterprises without a clear expectation are asked to choose "Don't know."
When a responding enterprise finds it difficult to narrow down its mainstay domestic products and services to a single product or service, the enterprise is expected to respond based on the weighted average expected price change for an appropriately selected subset of products and services, or on overall selling prices.
When a responding enterprise finds it difficult to narrow down its mainstay products and services to solely domestic ones, the response may include the expected price change for export-bound products and services, adjusted to exclude the effects of changes due to exchange rate fluctuations as much as possible.

- Outlook for General Prices:
Expectation of the annual percent change in general prices as measured by the consumer price index. Responding enterprises without a clear expectation are asked to select the reason.

- (4) Number of New Graduates Hired (surveyed only in June and December)
Responding enterprises are asked to provide annual results and forecasts by person.

- Number of New Graduates Hired:
The number of new graduates (considered as "new graduates" by each company) hired during the past fiscal year, and the number planned to be hired during the current/next fiscal year.

Financial institutions are surveyed only for the following items:

- (a) "Business Conditions," "Business Equipments," and "Employment Conditions" among "Judgment Survey."
- (b) "Fixed Investment," "Land Purchasing Expenses," and "Software Investment" among "Annual Projections."
- (c) "Number of New Graduates Hired."

6. Calculation Methods

(1) Judgment Survey

Responses are aggregated into Diffusion Index (DI) as follows:

DI (percent points) = $\frac{\text{Percentage share of enterprises responding Choice one} - \text{Percentage share of enterprises responding Choice three}}{2}$

— For example, "Business Conditions DI" is calculated by subtracting the percentage share of enterprises responding "(3) Unfavorable" from that of "(1) Favorable."

(2) Quantitative Data (Annual Projections and Number of New Graduates Hired)

The amount of "population estimates" is calculated by industry and size classifications as below. Year-on-year percent changes and revision rates are also calculated from the amount of population estimates.

Amount of population estimates
= $\frac{\text{simple aggregates}}{\text{number of responding enterprises} \times \text{number of population enterprises}}$

(3) Inflation Outlook of Enterprises

The percentage share of the number of respondents choosing each alternative is calculated.

"The Average of Enterprises' Inflation Outlook," released as reference data, is the weighted average by response percentage.

—"The Average of Enterprises' Inflation Outlook" is calculated excluding "Don't know." Response numbers are rounded for calculation purposes: for example, "around +15%" and "around +20% or higher" are rounded to +15% and +20%, respectively.

1. Missing Value Imputation or 2. Treatment of Outliers, both of which are statistical methods, is applied to quantitative data.

1. Missing Value Imputation

When annual projections of the surveyed enterprise are unanswered, the most recent responses of the enterprise are substituted instead for those unanswered questions upon aggregation.

2. Treatment of Outliers

With respect to "Sales," "Current Profits," "Net Income," "Fixed Investment," and "Software Investment," if the values reported from sample enterprises are subject to outliers, the values are treated as a missing value. (For more specific information, please refer to "Treatment of Outliers" in the linked Appendix.)

7. Release Method

For the judgment survey, quantitative data, and survey on "Inflation Outlook of Enterprises," aggregates by industry and size classifications are released (DI, year-on-year percent change, revision rate, actual amount of the population estimate, percentage share of the number of respondents choosing each alternative, etc.).

—The aggregated results of financial institutions are released based on the following five classifications.

- (a) Banks = city banks and trust banks + member banks of the Regional Banks Association of Japan and the Second Association of Regional Banks
- (b) *Shinkin* banks and other financial institutions for small businesses = *shinkin* banks + other financial institutions for small businesses
- (c) Financial products transaction dealers
- (d) Insurance companies
- (e) Non-deposit money corporations

When already released data need correction, the corrected data, in principle, will be compiled and released as quickly as possible. However, the data may not be corrected in cases when responding enterprises revise their figures after the release.

8. Others

Apart from the *Tankan* (released by the Research and Statistics Department at the main office), branches of the Bank of Japan also aggregate and release the "Local Branch *Tankan*" (survey results of enterprises within the region covered by branches). Released materials are available on the websites of branches (only in Japanese).

— There are two main differences between the *Tankan* and the "Local Branch *Tankan*":

- In order to reflect the industrial structure of each region, respondents of the "Local Branch *Tankan*" include local branches of major enterprises, etc., which are not included in the *Tankan*.
- On aggregation, while population estimates are calculated for the quantitative data of the *Tankan*, simple aggregates are calculated for those of the "Local Branch *Tankan*."

The *Tankan* has data discontinuities at the points shown below due to 1) the March 2004 revision, 2) changes to the treatment of Fixed Investment and Software investment from the September 2010 survey, and 3) the March 2014 revision (See "Revision of *TANKAN* in the March 2004 Survey -- Comparison between the pre- and post-revision in the December 2003 Survey" issued on March 2004, "Notice for the *Tankan*" issued on July 2010, and "Planned Revisions of the *Tankan* Survey -- Review of survey items, including the introduction of a survey on *Inflation Outlook of Firms*-" issued on March 2013).

- March 2004 revision
Judgment Survey: before December 2003 and since March 2004
Annual Projection : before fiscal year 2002 and since fiscal year 2003
Quarterly Data : before September 2003 and since December 2003
- Changes of the treatment of Fixed Investment and Software Investment
Annual Projection: before the June 2010 survey and since the September 2010 survey
- March 2014 revision
Conditions for CP Issuance: before December 2013 and since March 2014

(Appendix)

Treatment of Outliers

In the *Tankan* (Short-term Economic Survey of Enterprises in Japan), numerical items such as sales are estimated by "population estimates" -- a statistical method calculated by industry and size classifications. To enhance the precision of these statistical data, outliers from a population are treated in a specific rule in estimating population estimates. This rule is applied from the survey in December 2010. The rule is explained specifically in terms of "detection" and "treatment" of outliers as follows:

1. Method of Outlier Detection

(1) y_{it} , the degree of influence of an enterprise on the rate of change from the previous year or the rate of revision from the previous survey of the six categories (Manufacturing • Nonmanufacturing sectors × Large • Medium • Small sized enterprises) is defined as follows:

$$y_{it} = \frac{\text{The margin of change in the weighted data}}{\left| \begin{array}{c} \text{The estimated value for the population on the six —} \\ \text{category base in the previous fiscal year (previous survey)} \end{array} \right|} \times 100$$

$$= \frac{w'_i (x_{it} - x_{it-1})}{|M_{jt-1}|} \times 100$$

x_{it} : The value reported by the i-th enterprise at time t

x_{it-1} : The value reported by the i-th enterprise at time t-1

w'_i : The weight of x_i after modification*

M_{jt-1} : The estimated value for the population in one of the six categories (j=1,.....,6)

* To accurately measure "the margin of change in the weighted data," despite the change in weight between time t and time t-1, w'_i is modified to have the same number of sample enterprises between time t and t-1. (Therefore, if there is no response in either of the surveys (at two points in time), the missing value is replaced with the mean within each stratum to arrive at the same number of samples in both surveys.)

(2) z_{it} , the indicator of the degree of divergence of y_{it} , is defined as follows:

$$z_{it} = \begin{cases} \frac{y_{it} - d_j^{99}}{D_j} & \text{if } d_j^{99} \leq y_{it} \\ \frac{d_j^1 - y_{it}}{D_j} & \text{if } y_{it} \leq d_j^1 \\ 0 & \text{if } d_j^1 < y_{it} < d_j^{99} \end{cases}$$

If the indicator of the degree of divergence, z_{it} , exceeds the standard (C=50), which is set in advance based on empirical analyses using past data, it is detected as an outlier.

d_j^1 : 1 percentile² of y_{it} in the j-th category

d_j^{99} : 99 percentile of y_{it} in the j-th category

D_j : The unit of distance between d_j^{99} and d_j^1 ($d_j^{99} - d_j^1$)

---- Treatment of outliers is applied to the five items which are "sales," "current profits," "net income," "fixed investment," and "software investment." Additionally, "export" and "land investment" -- which are part of sales and fixed investment -- are accordingly treated as outliers only when sales and fixed investment are detected as outliers.

2. Method of Outlier Treatment

The detected outliers are going to be treated as missing values, since these outliers do not represent the population; it would not be appropriate to include such data. With the same rule as the current one, a value reported in the previous year or previous survey is substituted to a missing value $< x_{it} = x_{it-1} >$ to avoid influence of the outliers. Furthermore, once the data is regarded as an outlier, the treatment will be applied until the Bank of Japan reviews the sample enterprises for the *Tankan*.

¹ For details regarding outliers, please refer to "Treatment of Outliers in Business Surveys: The Case of Short-term Economic Survey of Enterprises in Japan (*Tankan*)" (July, 2010).

² The value which could be found at 1% from the smallest to the largest of observations.

<Corporate Goods Price Index (CGPI, 2010 base)>

1. Purpose and Application

The Corporate Goods Price Index (CGPI) measures the price developments of goods traded in the corporate sector. One of the purposes of the index is to grasp the supply and demand conditions of individual goods, as well as to provide material for the economic assessment and the monetary policy decision-making. Also, the CGPI is used as a deflator in calculating real values, i.e., in removing price factors from fluctuations in nominal values, such as in the estimation of the *National Accounts* (the Cabinet Office). In addition, the CGPI is cited as a reference for the price-setting activities in the private sector.

2. Structure, Classification and Weights

Commodities are classified into three Basic grouping indexes: Producer Price Index (PPI); previously called the Domestic Corporate Goods Price Index (DCGPI); Export Price Index (EPI); and Import Price Index (IPI). The Bank of Japan (BOJ) also compiles Reference indexes in which commodities of the Basic grouping indexes are reclassified under different criteria for specific purposes or adjustments made to the sample prices (see below) of the Basic grouping indexes.

<Basic grouping indexes>

○Producer Price Index (PPI)

For the PPI, the BOJ surveys prices of domestically-produced and domestically-traded goods in the corporate sector, mainly at the time of shipment by producers. The weights are calculated using value of transactions (which are obtained by deducting the export value of 2010 in the *Trade Statistics of Japan* by the Ministry of Finance from total shipments of 2010 in the *Census of Manufactures* by the Ministry of Economy, Trade and Industry). As for weights which cannot be calculated from the above sources (such as non-manufacturing products), the BOJ uses other statistics published by government agencies or industry organizations accordingly. The PPI is classified into 5 major groups and further classified into 23 groups; it is compiled including the consumption tax.

○Export Price Index (EPI) & Import Price Index (IPI)

Prices of exports from Japan are surveyed for the EPI, while those of imports to Japan are used for the IPI. The indexes are published on both a yen basis and a contract currency basis. The value of exports and imports of 2010 (from the *Trade Statistics of Japan* by the Ministry of Finance) are used for calculating the weights. The EPI and IPI are classified into 7 groups and 10 groups, respectively.

<Reference indexes>

○Index by Stage of Demand and Use (ISDU)

This index is compiled by reclassifying the PPI excluding the consumption tax (see below), EPI and IPI in terms of commodities' stage of demand or use of goods. It is used to analyze various price developments, such as how a price change in one stage affects that in other stages.

○Producer Price Index using Chain-weighted Index Formula (Chain-weighted PPI)

This index recalculates the PPI using the chain-weighted Laspeyres formula. Weights are chain-linked, which allows the weights to change annually (every December). It is compiled including the consumption tax.

○Producer Price Index excluding Consumption Tax (PPI excluding consumption tax)

This index is compiled using prices excluding the consumption tax.

○Prewar Base Index (PBI)

This index is compiled by rearranging the Basic grouping indexes and ISDU in consistent with the Prewar Base Index classification (which consists of the basic grouping and the special grouping by use of goods). ○Standard passenger cars (for North America) & Standard passenger cars (for the rest of the world)

These indexes are compiled by recategorizing sample prices of "Standard passenger cars" in the EPI by destination.

3. Base Year for Index and Weight Calculation

The calendar year 2010 is used as the base year for both the indexes and weight calculation.

4. Selection of Commodities

○Commodity Selection Procedure

PPI

The BOJ selects each commodity with a transaction value of no less than 1/10,000 (21.4 billion yen for the 2010 base PPI) of the "total transaction value for the index" (i.e., the total value of shipments of domestic goods for the domestic market) in the base year.

EPI and IPI

The BOJ selects each commodity with a transaction value of no less than 5/10,000 (30.1 billion yen and 28.5 billion yen for the 2010 base EPI and IPI, respectively) of the "total transaction values for the indexes" (i.e., the total value of exports and imports) in the base year.

○Number of Selected Commodities

The number of selected commodities is 822 for the PPI, 210 for the EPI and 254 for the IPI.

5. Sample Prices

○Basic Principles of Price Survey

The basic data used for compiling the individual commodity indexes in the CGPI are the surveyed prices referred to as "sample prices." An ideal sample price is the one which represents the important transaction of the commodity and reflects pure price change with the same specification, sales condition, and so on.

○Stage and Timing of Price Collection

The standard for the stage and timing of price collection is unified at the time of shipment by producers (such prices are sometimes called "factory gate prices") for the PPI, while the standard for the stage and timing of price collection for the EPI and IPI is unified at the time cargo is loaded/unloaded in Japan at the customs clearance stage. In principle, the FOB (free on board) prices at the Japanese port of export are surveyed for the EPI and the CIF (cost, insurance, and freight) prices at the Japanese port of import are surveyed for the IPI. For the PPI, the ratio of sample prices that are collected at the producer stage has been increased from 84% for the 2005 base index to 91%.

○Price Survey Procedure

At the beginning of every month, companies are requested to report the sample price of the previous month. The sample prices of foreign-currency-based transactions are recorded on an original contract currency basis. In compiling indexes on a yen basis, the sample prices in the contract currency are converted into their yen equivalents using the

monthly average spot exchange rates (TTM: Telegraphic Transfer Middle Rate).

○Treatment of missing prices

If no price report was received for a particular month, the changes in the sample price will, in principle, be assumed to remain unchanged from the previous month. However, the sample prices of foreign-currency-based transactions reflect the exchange rate for the current survey month when converted into a yen basis.

○Pricing Methods

The direct use of prices of repeated transactions is the basic pricing method for the CGPI. However, other pricing methods such as the unit value method or the markup method are also used when the direct use of prices of repeated transactions is not applicable for capturing actual price developments. In general, list price survey is considered to be the last resort.

○Utilization of Provisional Prices

When a contract lasts for several months (quarterly, bi-annual contracts, etc.), and a shipment price is determined only after the contract has begun (or indeed after the contract has terminated), the index is composed using "provisional prices" (the interim prices used until the finalized prices are determined) when available. These prices, which should be accurate up to a point, are used until the index is revised based on the finalized prices when the retroactive index revision is scheduled.

○Adoption of Prices from Other Statistics and Databases

In some indexes, the BOJ applies prices from other statistics and databases, which are regarded to be accurate, cost-efficient, and available continuously.

○Sample Price Replacement and Quality Adjustment Method

The relevant sample price is replaced without delay in cases: (1) when one of the services ceases to be a representative in the market of the item concerned; (2) when there is a change in contract terms; and (3) when it becomes necessary to replace the reporting company for some reason. When replacing a sample price, the BOJ tries to adjust any difference between the old and new sample prices using the quality adjustment method so that the index reflects pure price changes. One of the following five quality adjustment methods are used for replacement: the direct comparison method; the unit price comparison method; the production cost method; the overlap method; and the hedonic regression method. The hedonic regression method—one of the quality adjustment methods based on econometric analysis—estimates the prices of new products by the regression function of their characteristics. This method estimates the functional relationship between the characteristics and prices of products in the market. It yields estimates of the value of the product's quality change that may be used to value the quality improvement resulting from changes in various characteristics of the product. The value of the quality change can then be removed from the reported price change to measure the pure price change that is appropriate for the CGPI. The hedonic regression method is currently applied to 5 IT-related commodities with short product cycles and a significant quality improvement accompanied by technological innovation: servers; personal computers; computer printers; digital cameras; and video cameras.

6. Index Formula

Fix-weighted Laspeyres Formula

The fix-weighted Laspeyres formula, which is a weighted arithmetic mean based on fixed value-based weights set in the base period, is adopted for the index calculation.

$$\text{Fix-weighted Laspeyres formula: } P_{0,t}^L = \frac{\sum p_{t,i} q_{0,i}}{\sum p_{0,i} q_{0,i}} = \sum \frac{p_{t,i}}{p_{0,i}} w_{0,i}$$

$P_{0,t}^L$: price index in period t relative to base period 0, compiled using the fix-weighted Laspeyres formula,

$p_{t,i}$: price of commodity i in period t ,

$p_{0,i}$: price of commodity i in base period 0,

$w_{0,i}$: value-based weight of commodity i relative to the total value of all commodities, fixed in base period 0,

$q_{0,i}$: quantity of commodity i in base period 0.

Chain-weighted Laspeyres Formula

The PPI using Chain-weighted Index adopts the chain-weighted Laspeyres formula, which is the weighted arithmetic mean based on the chained value-based weights.

$$\text{Chain-weighted Laspeyres formula: } CP_{t,m} = \begin{cases} t = 0: & \tilde{P}_{0,m}^L \\ t = 1: & CP_{t-1,12} \times (1 + \tilde{\pi}_{t,m}) \end{cases},$$

where,

- $CP_{t,m}$: price index for month m , year t , compiled using the chain-weighted Laspeyres formula,
- $\tilde{P}_{0,m}^L$: fix-weighted Laspeyres index for month m , year 0, using year 0 weight (Geometric mean is applied for the aggregation of sample prices to commodity level).
- $\tilde{\pi}_{t,m}$: rate of change in the chain-weighted Laspeyres index from December, year $t-1$ to month m , year t .

Here, $\tilde{\pi}_{t,m}$ is calculated by the following formula:

$$1 + \tilde{\pi}_{t,m} = \sum_{i \in N} (1 + \tilde{\pi}_{t,m}^i) w_{t-1}^i,$$

where,

$\tilde{\pi}_{t,m}^i$: rate of change in the commodity index from December, year $t-1$ to month m , year t ,

w_{t-1}^i : relative weight of the commodity in year $t-1$ ($\sum_{i \in N} w_{t-1}^i \equiv 1$),

and $\tilde{\pi}_{t,m}^i$ is defined as:

$$1 + \tilde{\pi}_{t,m}^i \equiv \prod_{j \in i} (1 + \pi_{t,m}^{ij})^{i_j^j / i_{t-1}^j},$$

$\pi_{t,m}^{ij}$: rate of change in the sample price index from December, year $t-1$ to month m , year t ,

w_{t-1}^{ij} : relative weight of the sample price in year $t-1$ ($\sum_{i,j \in i} w_{t-1}^{ij} / w_{t-1}^i \equiv 1$).

7. Publication

The preliminary figure indexes are released at 8:50 on the eighth working day of the month following the survey month. The finalized figures are released in line with the next month's preliminary figure indexes. A number of security measures are taken in order to protect the confidentiality of reporting companies. For example, each commodity index is, in principle, compiled using at least three sample prices supplied from plural companies unless special approvals are obtained from all the reporting companies involved. Also the BOJ may terminate the publication of an index or indexes of specified commodities when it is regarded necessary to protect the confidentiality of reporting companies. Scheduled retroactive revisions are made to the released indexes twice a year (in April and October, along with the release of the preliminary figures for the March and September indexes). Scheduled retroactive revisions cover, in principle, the most recent 18 months worth of indexes. In addition to the scheduled retroactive revisions, unscheduled revisions are conducted when a change in the figures—which have a significant impact on the overall index (such as the one resulting in changes at the index level of All commodities)—is revealed after the release; they are then revised as soon as possible.

8. Linked Indexes

○2010 Base Linked Indexes

The 2010 Base Linked Index offers a retroactively compiled series of the Basic grouping and Reference indexes for commodity, group, and higher-order classifications (or equivalent higher-order classifications in Reference indexes).

○Prewar Base Index (PBI)

The PBI is achieved by rearranging and re-basing the 2010 base PPI, EPI, IPI and ISDU to conform to the PBI groupings. The base period is the 1934-1936 average (= 1); there are 12 groups in the Basic grouping and 5 categories in the Special grouping (by use of goods).

<Services Producer Price Index (SPPI, 2010 base)>

1. Purpose and Application

The Services Producer Price Index (SPPI), previously called the Corporate Services Price Index, measures movements in prices of service products traded in the corporate sector. The purpose of the index is to facilitate a better understanding of supply/demand conditions for individual service products, as well as to provide materials for assessing the state of the economy and making decisions on monetary policy. The SPPI is also used as a deflator in calculating real values—i.e., in removing price factors from fluctuations in nominal values—such as in the estimation of the *National Accounts* (the Cabinet Office), and cited as a reference for price-setting activities.

2. Coverage

The SPPI covers service products that are provided by businesses to other businesses and to the central and local governments in Japan. Although

service products provided to individuals are beyond the scope of the SPPI, the index covers some service products (such as postal services and telecommunications services) that are provided to both individuals and businesses. The 2010 SPPI covers around half of all service transactions among businesses in Japan and does not cover some service products such as financial intermediation, wholesale services, and retail services.

3. Structure, Classification and Weights

The SPPI is composed of the Basic grouping index and the Reference indexes.

○Basic Grouping Index

The Basic grouping index covers domestic service products traded among businesses. The Basic grouping index is subdivided into 7 Major groups, 22 Groups, 57 Subgroups, and 147 Items. An Item corresponds to an elementary aggregate. The weight assigned to each Item is based on the value of domestic transactions among businesses for that Item during the base year 2010. These weights have been derived mainly from values reported in the "Updated Input-Output Tables" (the Ministry of Economy, Trade and Industry). The Basic grouping index includes the consumption tax and transactions contracted in foreign currencies are converted into yen terms. For reference purposes, the BOJ also publishes "All items (excluding International transportation)" and "Contract currency basis" expressed in the original currency.

○Reference Indexes

The Reference indexes are compiled and published to meet users' needs.

(a) Items used for calculating the Basic grouping index

(a-1) Leasing

This index is compiled by using the lease rate data surveyed in the Basic grouping index. The index does not include the consumption tax.

(a-2) Building maintenance and Security services

These indexes are compiled by rearranging the sample prices of "Building cleaning services," "Facility management services," and "Security services (except Alarm monitoring services)" by type of customer (private sector or public sector). The indexes include the consumption tax.

(b) Services Export Price Index (SEPI) and Services Import Price Index (SIPI)

Prices of service exports from Japan are surveyed for the SEPI, while those of service imports to Japan are surveyed for the SIPI. The indexes are published on both a yen basis and a contract currency basis. The indexes do not include the consumption tax.

(c) Services Producer Price Index excluding Consumption Tax

This index is compiled using prices excluding the consumption tax. The structure, classification and weights are identical to those of the Basic grouping index (except [Reference] Contract currency basis).

4. Base Year for Index and Weight Calculation

The calendar year 2010 is used as the base year for both the indexes and weight calculation.

5. Criteria for the Selection of Subgroups and Items

In principle, service products provided to businesses and governments with transaction values exceeding 500 billion yen are selected as Subgroups. Section of Items for each Subgroup depends on whether sufficient information for calculating weights is available and whether the sample prices can be collected continuously under specified transaction terms.

6. Sample Prices

○Basic Principles of Price Survey

Surveyed prices and service product information, which are referred to as sample prices, are used to compile the Item indexes. At least three sample prices from multiple respondents are surveyed for each Item. Every month, respondents are asked to report prices for the previous month, specifically prices at the time of delivery to the customer. When the transactions are denominated in foreign currencies, reported prices are converted into their yen equivalents using the monthly average spot exchange rate.

○Pricing methods

Direct use of prices of repeated transactions is the basic pricing method for the SPPI. In cases where the direct use of prices of repeated transactions does not provide an accurate reflection of actual price behavior, the following methods are also used.

(a) List price method

List prices, such as standard prices or recommended prices with fixed services or contract conditions, are surveyed if such prices are thought to reflect actual transaction prices in the market.

(b) Unit value method

Average prices, i.e., the total value of transactions divided by the total number of transactions for a given group of products, are surveyed if averaging does not significantly compromise the principles stated above.

(c) Model pricing method

The model pricing method is used to survey prices of service products with price discrimination and custom-made service products which are not traded repeatedly. For service products with price discrimination, the Bank assumes that customers are offered different price menus depending on their types, and then surveys the weighted average of the set of lowest prices by type of customer. For custom-made service

products which are not traded repeatedly, the Bank surveys prices of service products that have been "normalized" in terms of quality, contract conditions, and transaction partners.

(d) Pricing based on working time method

Prices of service products per unit of labor input are surveyed in cases where the quality of the service product is proportional to the quantity of labor input.

(e) Percentage fee method

Where surveyed prices take the form of commission rates such as for financial services or leasing services, the gross growth rate of the price, defined as the multiple of the gross growth rate of the commission rate and the gross growth rate of some appropriate price index (inflater), is surveyed.

○Treatment of Missing Prices

If no price report is received for a particular month, the sample price is assumed to remain unchanged from the previous month. When the prices are contracted in foreign currencies, prices for the previous month in their original currencies are used and converted into yen terms. Such sample prices therefore reflects changes in foreign exchange rates.

○Adoption of Prices from Other Statistics and Databases

For some Items such as "Marine freight transportation" and "Civil engineering and architectural services," prices collected from other statistics and databases considered to be reliable and accurate are adopted as sample prices.

○Sample price replacement and quality adjustment methods

The relevant sample price is replaced immediately when (1) a service product ceases to be representative of the market for the service in question, (2) there is a change in contract terms, or (3) it becomes necessary to replace the reporting company for some reason. When replacing a sample price, the Bank tries to adjust for any differences between the old and new sample prices using one of the following quality adjustment methods so that the index reflects pure price changes.

Method	Description
Direct comparison method	The reported price differences between the old and new products reflect pure price changes.
Unit price comparison method	The quality of products is assumed to be proportional to the quantity of products, and prices are measured per unit of size, weight, or number.
Overlap method	The price differences between the old and new products are assumed to represent pure quality differences when both services are available simultaneously for a certain period of time and when the relative prices of the two products are stable.
Production cost method	The changes in production costs are assumed to reflect quality differences. For this method, we ask respondents to provide data which include information on the difference in production costs between the old and new products.
Hedonic regression method	The functional relationship between the characteristics and prices of products in the market is estimated to measure the value of the change in product quality. The pure price change can be obtained by subtracting this value from the reported price change.

7. Index Formula

The index formula is the fix-weighted Laspeyres formula. The prices of each service are converted into index values at every period and a weighted arithmetic mean based on the fixed value-based weights for the base year is adopted for the index calculation:

$$\text{Fix-weighted Laspeyres formula: } P_{0,t}^L = \frac{\sum P_{t,i} q_{0,i}}{\sum P_{0,i} q_{0,i}} = \sum \frac{P_{t,i}}{P_{0,i}} w_{0,i}$$

$P_{0,t}^L$: price index in period t relative to base period 0, compiled using the fix-weighted Laspeyres formula

$P_{t,i}$: price of service i in period t

$P_{0,i}$: price of service i in base period 0

$w_{0,i}$: value-based weight of service i relative to the total value of services, fixed in base period 0

$q_{0,i}$: quantity of service i in base period 0

The index for Item, which is the lowest level within an index structure, is compiled by the weighted arithmetic mean of the relative Sample price index, i.e., the ratio of the current period price to the base period price, using relative weight within the Item. Similarly, the index of upper classification levels (Subgroup, Group, Major group, All items) is compiled, like the Item index, using Laspeyres formula and appropriate

relative weight.

8. Publication

In principle, preliminary figures are released on the eighteenth business day of the month following the survey month. The release date may be brought forward a few business days when the number of business days in the month is limited. Revised figures are released together with the next month's preliminary figure indexes; revised data are marked with the symbol "r."

Each index for an Item is, in principle, compiled using at least three sample prices reported by multiple companies unless special approvals are obtained from all the reporting companies involved. Also, the Bank may terminate the publication of an index or indexes for specified services, marking the indexes with the symbol "x," where necessary to protect the confidentiality of reporting companies.

Scheduled retroactive revisions are made to the released indexes twice a year (in March and September, at the time of the release of preliminary figures for the February and August indexes). Scheduled retroactive revisions cover, in principle, the most recent eighteen months' worth of indexes. When contract terms last for several months, and when prices are determined only after the contract has been fulfilled, the final prices are initially considered "missing." These missing prices are replaced with the final prices upon making the periodic revisions. Some figures such as "Cellular phone services and PHS services," "Mobile data communications services," and "Custom software" are susceptible to the revisions.

In addition to the scheduled retroactive revisions, unscheduled revisions are conducted when a change in the figures that has a significant impact on the overall index—for example, resulting in changes at the index level of All items—becomes apparent after the release; the indexes are then revised as soon as possible.

9. The 2010 Base Linked Indexes

The 2010 Base Linked Indexes offer a retroactively compiled time series of indexes for all levels of aggregation in the Basic grouping index, going back as far as January 1985. Reference indexes are also compiled for January 2000 onwards for "All items," "All items (excluding International transportation)," and "International transportation" in the Services Producer Price Index excluding Consumption Tax.

<Input-Output Price Index of the Manufacturing Industry by Sector (IOPI, 2005 base)>

1. Purpose and Uses

The IOPI focuses on the prices of products in the manufacturing industry. The IOPI consists of the Input Price Index and the Output Price Index, which covers prices of goods and services used for production and goods made by production, respectively. The main purposes of the index are: 1) facilitating comparative analyses of price fluctuations in inputs and outputs for various sectors of the manufacturing industry; and 2) facilitating analyses of price fluctuations among sectors in the manufacturing industry.

* Up to the 2000 base, inputs from service sectors are not included in the Input Price Index. From the 2005 base, Input Price Index newly covers services in addition to goods consumed in production processes of the manufacturing industry. To enhance the convenience for the users, the 2000 base Input Price Index including services (From January 2000 to December 2005) is newly compiled and released.

2. Classification and Weights

The Input Price Index covers raw and intermediate materials that include scrap and by-products used for production, fuel, and energy that are consumed in production processes (both domestic products and imports), and services provided in production processes. The Output Price Index covers manufactured products that include scrap and by-products (both domestic products and exports).

For the Input Price Index, the weights are based on the input values of goods (i.e., raw and intermediate materials, fuel, and energy) and services for the manufacturing industry at purchasers' prices in the I-O Tables during the base year 2005, published by the Ministry of Internal Affairs and Communications. For the Output Price Index, the weights are based on the values of domestic products for the manufacturing industry at producers' prices in the I-O Tables during the base year 2005.

The IOPI has two levels of sector classifications: the Manufacturing industry sector and the Major sector. The former consists of one category and the latter consists of 16 categories. Each sector has three levels of commodity groups: Aggregated major commodity group; Major commodity group; and Commodity group (except for the Major sector in the Output Price Index, which is equal to Major commodity group). The Manufacturing industry sector also has sub-indexes of Domestic products, Imports, and Services for Input Price Index, and those of Domestic products and Exports for Output Price Index, respectively.²⁾

A sub-index for the Major sector "Electrical machinery, Information and communication electronics equipment, and Electronic components"³⁾ is compiled as Reference index.

*1 Weights of Commodity group are calculated by using the weights of Commodity of the Corporate Goods Price Index (CGPI) and those of Item of the Services Producer Price Index (SPPI).

*2 For reference, a sub-index of Goods (Domestic products and Imports) for Input Price Index is also compiled.

*3 In accordance with the revision of the I-O Tables, major sector "Electrical machinery" of the IOPI is divided into three major sectors, "Electrical machinery," "Information and communications equipment," and "Electrical components." To enhance the convenience for the users, "Electrical machinery, Information and communication electronics equipment, and Electronic components," which corresponds to "Electrical machinery" of the 2000 base, is compiled as a Reference index.

3. Base year for the Index and the Weight Calculation

The base year is 2005 for both the index calculation and the weight calculation.

4. Price data (Selection of Commodities)

Commodity indexes in the CGPI and Item indexes in the SPPI are adopted in order to compile Commodity group indexes of the IOPI and they are the sole source for the IOPI price data.* The total number of selected Commodities and Items amounts to 1,263 for the Input Price Index and 1,259 for the Output Price Index. Both the Input Price Index and the Output Price Index exclude the consumption tax.

* In accordance with the revision of the CGPI and the SPPI, Commodity indexes in the 2005 base CGPI and Item indexes in the 2005 base CSPI are adopted as the basis for the IOPI indexes for Jan. 2005–Dec. 2009, and those in the 2010 base CGPI and the 2010 base SPPI for the IOPI indexes from Jan. 2010 onward. Therefore, Commodity group indexes of the IOPI which are not covered in the 2010 base CGPI or the 2010 base SPPI are assumed to remain unchanged from Jan. 2010 onward.

5. Index Formula

The index formula is the fix-weighted Laspeyres formula. For details, refer to column 6, "Index formula for the CGPI."

6. Publication

In principle, the preliminary figures are released at 8:50 on the 20th working day of the month following the survey month. The release date may be brought forward a few working days, when the number of working days in the month is limited. Revised figures are released together with the next month's preliminary figure indexes; revised data are marked with the symbol "r."

Scheduled retroactive revisions are made to the released indexes four times a year (in March, April, September, and October, along with the release of the preliminary figures for the February, March, August, and September indexes).

7. The 2005 Base Linked Indexes

The 2005 Base Linked Index is available from January 1975 for the Manufacturing industry sector, and from January 1980 for the Major sector.^{*1 *2}

*1 Up to the 2000 base, the linked index was from January 1990. From the 2005 base, the linked index for the Manufacturing industry sector and the Major sector has been extended.

*2 The linked index of "Electrical machinery," "Information and communications equipment," and "Electrical components" are compiled from January 2000 onward.

8. Notes on Usage

It should be noted that price data obtained from the CGPI include those collected from producers or wholesalers and those on CIF or FOB basis even though they are called input prices or output prices for the manufacturing sector.

<Balance of Payments>

1. Coverage

The Balance of Payments is a statistical statement that systematically summarizes the economic transactions of an economy with the rest of the world during a period. Transactions between residents and nonresidents are recorded under the following accounts according to their nature: (1) the current account for transactions in goods, services, and income, as well as current transfers; (2) the financial account for transactions involving increases/decreases in external financial assets and liabilities; and (3) the capital account for transactions in nonproduced nonfinancial assets and capital transfers.

The relationship between these accounts is as follows:

Current account + capital account – financial account + net errors and omissions = 0.

Details of the statistics are explained in the "Explanation of 'Balance of Payments Statistics (Data Based on the BPM6)'," available on the BOJ web site.

2. Notes on usage

Figures are preliminary until the second preliminary monthly figures of each quarter are released in the first month of the quarter after next. With each annual revision, figures are replaced by annually revised figures.

<External Assets and Liabilities of Banks, etc.>

The External Assets and Liabilities of Banks, etc. covers the external assets and liabilities of resident banks in Japan (Japanese banks and branches of foreign banks in Japan) as aggregated from their balance sheets (reports on assets and liabilities positions submitted by banks and others). The statistics are broken down into assets and liabilities, which are further cross-classified by maturity (long-term/short-term) and currency of denomination (foreign currency/yen).

<International Investment Position of Japan (End of Year)>

The International Investment Position of Japan (IIP) is a statistical statement that shows at a point in time the value and composition of financial assets of residents that are claims on nonresidents (external assets) and liabilities of residents to nonresidents (external liabilities). The IIP is divided into assets and liabilities and the difference between them is the net position. Items are classified following the same principles as the financial account of the Balance of Payments.

Details of the statistics are explained in the "Explanation of 'Balance of Payments Statistics (Data Based on the BPM6)'," available on the BOJ web site.

(Reference)

<Opinion Survey on the General Public's Views and Behavior >

This quarterly survey is an opinion poll designed to grasp how the public's impressions of household circumstances and changes in financial and economic conditions at the time of each survey affect their perceptions and actions. The survey covers a nationwide sample of 4,000 individuals who are at least 20 years of age and employs a stratified two-stage random sampling method. The Bank has been conducting the survey since 1993 in order to make use of the results to improve its conduct of policies and business operations.