

Monetary Base and the Bank of Japan's Transactions (September 2008)

1. Stock Table

(amount outstanding as of end of the month;
100 million yen)

	2008/Apr.	May	Jun.	Jul.	Aug.	Sep.
JGBs(1)	476,280	483,142	439,052	445,766	452,149	422,611
Outright purchases(2)	476,280	483,142	439,052	445,766	452,149	422,611
Other JGB transactions(3)	0	0	0	0	0	0
Sales of JGBs to the Government under repurchase agreements(-)(4)	-102,934	-136,970	-47,432	-125,091	-137,003	-89,232
TBs and FBs(5)	194,619	207,960	221,590	224,665	216,526	233,028
Underwriting(6)	117,009	119,203	132,460	137,532	137,308	140,503
Outright purchases(7)	77,778	88,985	89,612	87,664	89,737	100,752
Outright sales(-)(8)	0	0	0	0	0	0
Net outright sales to the Government (-)(9)	0	0	0	0	-10,000	-8,000
Sales of TBs and FBs to foreign central banks and others under repurchase agreements(-)(10)	-20,247	-18,837	-16,898	-20,186	-21,130	-24,512
Purchases of JGSs under repurchase agreements(11)	62,831	44,036	49,862	36,196	34,301	84,153
Sales of JGSs under repurchase agreements (-)(12)	0	0	0	0	0	0
Funds-supplying operations against pooled collateral(13)	255,199	285,019	216,300	296,130	314,215	257,206
Purchases of CP under repurchase agreements(14)	3,080	0	2,990	0	0	2,990
Outright sales of bills drawn by the Bank of Japan(-)(15)	0	0	0	0	0	-1,350
Loans and discounts	1,202	1,202	1,202	1,202	1,203	15,010
Loans pursuant to Article 33 of the Bank of Japan Law(16)	0	0	0	0	1	13,808
Loans to the Deposit Insurance Corporation (DIC) and others(17)	1,202	1,202	1,202	1,202	1,202	1,202
Loans to the DIC(18)	0	0	0	0	0	0
Securities lending as a secondary source of JGSs (-)(19)	0	0	0	0	0	-117
Pecuniary Trusts (Stocks Held as Trust Property) (20) *	13,879	13,569	13,399	13,235	13,027	12,776
Deposits of the Government(-)(21)	-29,551	-52,248	-22,645	-31,425	-34,481	-25,914
Others(22) *	42,973	50,521	52,425	48,246	48,779	46,111
Monetary Base	897,331	877,394	909,845	888,738	887,586	932,760

Banknotes in circulation	773,313	755,698	762,909	760,337	759,271	754,929
Coins in circulation	45,430	45,322	45,238	45,247	45,282	45,298
Current account balances	78,588	76,374	101,698	83,154	83,033	132,533
Reserve Balances(23)	74,782	70,549	96,612	79,829	80,229	124,210
Monetary Base	897,331	877,394	909,845	888,738	887,586	932,760

Notes to the stock table:

(1)The amount outstanding of Japanese Government Bonds (JGBs) in the assets in 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 that of JGBs. JGBs held by the Bank are revalued at the end of the first half of every fiscal year and of the full 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.

In April 2001, the Bank of Japan changed its accounting practice for government securities under repurchase/resale agreements. Due to this change, there is no continuity between figures through March 2001 and those from April 2001.

(2)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 issued to roll over matured JGBs and underwritten by the Bank, and sales to the Special Account for Government Debt Consolidation Fund.

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

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

(5)The amount outstanding of treasury bills (TBs) and financing bills (FBs) in the assets in 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 TBs and FBs. The amount does not match with the sum of the detailed items because of the difference in valuation. TBs and FBs held by the Bank are revalued at the end of the first half of every fiscal year and of the full 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.

In April 2001, the Bank of Japan changed its accounting practice for government securities under repurchase/resale agreements. Due to this change, there is no continuity between figures through March 2001 and those from April 2001.

(6)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 TBs and FBs, subtracting their redemptions. Stated at face value.

(7)The amount outstanding of TBs and FBs purchased from financial institutions. Figures equal the accumulated amount of these TBs and FBs, subtracting principally their redemptions including those redeemed before maturity. Stated at acquisition cost.

(8)The amount outstanding of TBs and FBs sold to financial institutions. Figures equal the accumulated amount of these TBs and FBs, subtracting their redemptions. Stated at sales-proceeds value.

(9)The amount outstanding of net TB/FB sales to the Government and others (i.e., the difference between the amount of TBs/FBs sold to and purchased from the Government and others). Redeemed TBs and FBs are excluded. Stated at face value.

(10)The amount outstanding of TBs and FBs sold to overseas central banks and others under repurchase agreements. Stated at face value.

(11)The amount outstanding of JGSs (JGBs, TBs and FBs) 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.

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

(13)The amount of loans to financial institutions 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 competitive auctions).

(14)The amount outstanding of CP, dematerialized commercial paper issued by domestic corporations, dematerialized commercial paper issued by foreign corporations with guarantees, and dematerialized asset-backed commercial paper purchased from financial institutions under repurchase agreements. Stated at face value.

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

(16)The amount outstanding of loans and bills discounted pursuant to Article 33 of the Bank of Japan Law and loans backed by loans on deeds pursuant to Article 43, the proviso of Section 1 of the Law. Includes 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. Excludes loans to financial institutions by funds-supplying operations against pooled collateral.

(17)The sum 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.

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

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

(20)The amount outstanding of the 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.

(21)The amount outstanding of the treasury deposit, the domestic designated deposit, and other deposits held by the Government.

(22)Includes the following items: gold, foreign currency assets, premises and movable property, coins in circulation, reserves for possible losses, capital accounts, deposits with agents, and purchase of foreign securities from Foreign Exchange Fund Special Account with resale clause.

(23)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-September 2007.

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

2. Flow Table

(change during the month; 100 million yen)

	2008/Apr.	May	Jun.	Jul.	Aug.	Sep.
JGBs *	7,477	6,862	-44,090	6,714	6,383	-29,538
Outright purchases(1)	12,545	11,893	12,115	12,145	12,256	12,149
Other JGB transactions(2)	0	0	0	0	0	0
Redemptions(-)(3)	-5,068	-5,031	-56,205	-5,431	-5,873	-41,687
Sales of JGBs to the Government under repurchase agreements(-)(4)	-1,276	-34,036	89,538	-77,660	-11,912	47,771
TBs and FBs *	-10,486	13,341	13,630	3,075	-8,139	16,502
Underwriting(5)	11,747	6,195	49,873	12,072	5,753	35,971
Outright purchases(6)	15,779	19,920	15,952	15,964	16,040	15,697
Outright sales(-)(7)	0	0	0	0	0	0
Net outright sales to the Government (-)(8)	0	0	-18,679	0	-10,000	-11,635
Redemptions(-)(9)	-38,012	-12,774	-33,516	-24,961	-19,932	-23,531
Sales of TBs and FBs to foreign central banks and others under repurchase agreements(-)(10)	-1,482	1,410	1,939	-3,288	-944	-3,382
Purchases of JGSs under repurchase agreements(11)	-21,770	-18,795	5,826	-13,666	-1,895	49,852
Sales of JGSs under repurchase agreements (-)(12)	0	0	0	0	0	0
Funds-supplying operations against pooled collateral(13)	-36,004	29,820	-68,719	79,830	18,085	-57,009
Purchases of CP under repurchase agreements(14)	0	-3,080	2,990	-2,990	0	2,990
Outright sales of bills drawn by the Bank of Japan(-)(15)	6,001	0	0	0	0	-1,350
Loans and discounts	-950	0	0	0	1	13,807
Loans pursuant to Article 33 of the Bank of Japan Law(16)	-950	0	0	0	1	13,807
Loans to the Deposit Insurance Corporation (DIC) and others(17)	0	0	0	0	0	0
Loans to the DIC(18)	0	0	0	0	0	0
Securities lending as a secondary source of JGSs (-)(19)	0	0	0	0	0	-117
Pecuniary Trusts (Stocks Held as Trust Property) (20) **	-381	-310	-170	-164	-208	-251
Deposits of the Government(-)(21)	5,507	-22,697	29,603	-8,780	-3,056	8,567
Others(22) **	-1,716	7,548	1,904	-4,178	533	-2,668
Monetary Base	-55,080	-19,937	32,451	-21,107	-1,152	45,174

Banknotes in circulation	8,697	-17,615	7,211	-2,572	-1,066	-4,342
Coins in circulation	104	-108	-84	9	35	16
Current account balances	-63,881	-2,214	25,324	-18,544	-121	49,500
Reserve balances(23)	-60,935	-4,233	26,063	-16,783	400	43,981
Monetary Base	-55,080	-19,937	32,451	-21,107	-1,152	45,174

Notes to the flow table:

- (1)The amount of Japanese Government Bonds (JGBs) purchased outright from financial institutions. Stated at acquisition cost.
- (2)The amount of purchases redemptions and other transactions of Government compensation bonds. Stated at face value.
- (3)The changes in the amount outstanding of JGBs except those caused by (1) and (2), including the amount of redemptions of JGBs, changes in value arising from revaluation, and sales to the Special Account for Government Debt Consolidation Fund.
- (4)The amount of JGBs sold to the Government under repurchase agreements. Stated at sales-proceeds value.
- (5)The amount 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.
- (6)The amount of TBs and FBs purchased from financial institutions. Stated at acquisition cost.
- (7)The amount of TBs and FBs sold to financial institutions. Stated at sales-proceeds value.
- (8)The amount of net TB/FB sales to the Government and others (i.e., the difference between the amount of TBs/FBs sold to and purchased from the Government and others). Stated at face value.
- (9)The amount of redemptions of TBs and FBs, changes in value arising from revaluation, and the difference between their book values and sales proceeds are included.
- (10)The amount of TBs and FBs sold to overseas central banks and others under repurchase agreements. Stated at face value.
- (11)The amount of JGSs (JGBs, TBs and FBs) 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.
- (12)The amount of JGSs sold to financial institutions under repurchase agreements. Stated at sales-proceeds value.
- (13)The amount of loans to financial institutions 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 competitive auctions).
- (14)The amount outstanding of CP, dematerialized commercial paper issued by domestic corporations, dematerialized commercial paper issued by foreign corporations with guarantees, and dematerialized asset-backed commercial paper purchased from financial institutions under repurchase agreements. Stated at face value.
- (15)The amount of bills drawn by the Bank and sold to financial institutions. Stated at face value.
- (16)The amount outstanding of loans and bills discounted pursuant to Article 33 of the Bank of Japan Law and loans backed by loans on deeds pursuant to Article 43, the proviso of Section 1 of the Law. Includes loans under the "Temporary Lending Facility to Support Firms' Financing Activities" for December 1998-April 1999 and loans under the "Complementary Lending Facility" from March 2001. Excludes loans to financial institutions by funds-supplying operations against pooled collateral.
- (17)The sum of changes in the amounts outstanding of the 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.
- (18)The changes in the amounts outstanding loans to the DIC pursuant to the following: Article 42 and Supplementary Article 20 of the Deposit Insurance Law; Article 65 of the Law Concerning Emergency Measures for the Revitalization of the Functions of the Financial System; and Article 16 of the Financial Function Early Strengthening Law.
- (19)The amount of securities lending to financial institutions as a secondary source of JGSs. Stated at sales-proceeds value.
- (20)The change in the amount outstanding of the pecuniary trusts established to purchase stocks from banks. Figures reflect changes due to revaluation of stocks for impairment losses.
- (21)The changes in the balances of the treasury deposit, the domestic designated deposit, and other deposits held by the Government.
- (22)Includes the following items: gold, foreign currency assets, premises and movable property, coins in circulation, reserves for possible losses, capital accounts, deposits with agents, and purchase of foreign securities from Foreign Exchange Fund Special Account with resale clause.
- (23)The changes in the balances of deposits held by financial institutions subject to reserve requirements. The changes in the balances of deposits held by financial institutions subject to reserve requirements and the Japan Post for April 2003-September 2007.

* There is no continuity between figures for "JGBs" and "TBs and FBs" to March 2001 and those from April 2001 due to changes in the Bank's accounting practice in April 2001 for government securities under repurchase/resale agreements.

** Figures for March, April, September and October released in early April, May, October and November are preliminary. Revised figures for March and April are released in early June and those for September and October are released in early December.