

## Monetary Base and the Bank of Japan's Transactions (January 2010)

### 1. Stock Table

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

	2009/Aug.	Sep.	Oct.	Nov.	Dec.	2010/Jan.
JGBs (1)	484,565	462,529	480,216	496,209	482,390	499,359
Outright purchases (2)	484,565	462,529	480,216	496,209	482,390	499,359
Other JGB transactions (3)	0	0	0	0	0	0
Sales of JGBs to the Government under repurchase agreements (-) (4)	-176,544	-125,448	-118,696	-166,338	-89,158	-181,798
T-Bills (5)	203,338	221,561	229,749	231,614	237,510	232,556
Underwriting (6)	121,053	129,647	128,721	129,531	133,646	133,646
Outright purchases (7)	96,358	104,110	101,223	102,285	104,055	99,105
Outright sales (-) (8)	0	0	0	0	0	0
Net outright sales to the Government (-) (9)	-13,881	-12,146	0	0	0	0
Sales of T-Bills to foreign central banks and others under repurchase agreements (-) (10)	-19,234	-20,804	-22,014	-22,900	-29,627	-26,355
Purchases of JGSs under repurchase agreements (11)	41,686	70,347	37,896	38,083	69,976	36,011
Sales of JGSs under repurchase agreements (-) (12)	0	0	0	0	0	0
Funds-supplying operations against pooled collateral (13)	256,202	232,186	186,172	224,188	254,233	282,278
Fixed-rate method	-	-	-	-	32,064	64,113
Purchases of CP under repurchase agreements (14)	27,650	27,910	27,923	27,730	27,631	27,362
Outright sales of bills drawn by the Bank of Japan (-) (15)	0	0	0	0	0	0
Special funds-supplying operations to facilitate corporate financing (16)	73,059	69,477	67,430	71,401	70,560	63,759
Outright purchases of CP (17) *	1,014	975	480	170	0	-
Outright purchases of Corporate Bonds (18) *	2,488	2,531	2,461	2,411	2,047	1,968
Loans and discounts	1,450	1,435	1,450	1,450	1,450	1,450
Loans pursuant to Article 33 of the Bank of Japan Law (19)	48	33	48	48	48	48
Loans to the Deposit Insurance Corporation (DIC) and others (20)	1,202	1,202	1,202	1,202	1,202	1,202
Loans to the DIC (21)	0	0	0	0	0	0
Securities lending as a secondary source of JGSs (-) (22)	-20	0	0	0	0	0
Pecuniary Trusts (Stocks Held as Trust Property) (23) *	11,672	12,633	12,974	13,154	13,354	13,420
Deposits of the Government (-) (24)	-28,674	-21,142	-20,425	-24,199	-25,842	-26,516
Others (25) *	47,240	45,776	44,867	45,099	43,953	43,800
Monetary Base	925,892	979,966	930,483	938,072	1,058,477	967,294

Banknotes in circulation	761,678	759,173	762,486	762,691	809,543	769,041
Coins in circulation	45,187	45,263	45,228	45,313	45,564	45,392
Current account balances	119,027	175,530	122,769	130,068	203,370	152,861
Reserve Balances (26)	110,545	162,685	112,567	119,693	182,627	139,394
Monetary Base	925,892	979,966	930,483	938,072	1,058,477	967,294

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 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 discount bills (T-Bills, consisting 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 T-Bills. The amount does not match with the sum of the detailed items because of the difference in valuation. T-Bills 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 T-Bills, subtracting their redemptions. Stated at face value.

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

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

(9)The amount outstanding of net T-Bills sales to the Government and others (i.e., the difference between the amount of T-Bills sold to and purchased from the Government and others). Redeemed T-Bills are excluded. Stated at face value.

(10)The amount outstanding of T-Bills sold to foreign central banks and others under repurchase agreements. Stated at face value.

(11)The amount outstanding of JGSs (JGBs and T-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.

(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 one of the following method: auction-rate method [interest rates on the loans shall be determined by multiple-rate competitive auctions] or fixed-rate method [interest rates on the loans shall be the Bank's target for the uncollateralized overnight call rate stipulated in the guideline for money market operations on the day of disbursement of the loan]).

(14)The amount outstanding of CP, dematerialized commercial paper issued by domestic corporations, dematerialized commercial paper issued by foreign corporations with guarantees, government-guaranteed dematerialized commercial paper, dematerialized asset-backed commercial paper, and dematerialized commercial paper issued by real estate investment corporations 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 of loans to financial institutions by special funds-supplying operations to facilitate corporate financing (loans that provide funds with the 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).

(17)The amount outstanding of CP (excluding asset-backed commercial paper and commercial paper issued by real estate investment corporations), dematerialized commercial paper issued by domestic corporations, dematerialized commercial paper issued by foreign corporations with guarantees, asset-backed commercial paper, and dematerialized asset-backed commercial paper purchased from financial institutions. Figures equal the accumulated amount of securities, subtracting principally their redemptions. Stated at acquisition cost. 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.

(18)The amount outstanding of Corporate Bonds (excluding dematerialized commercial paper) purchased from financial institutions. Figures equal the accumulated amount of Corporate Bonds, subtracting principally their redemptions. Stated at acquisition cost. The value of Corporate Bonds 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.

(19)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 and special funds-supplying operations to facilitate corporate financing.

(20)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.

(21)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.

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

(23)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.

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

(25)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 Foreign Exchange Fund Special Account with resale clause for January-May 2004.

(26)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)

	2009/Aug.	Sep.	Oct.	Nov.	Dec.	2010/Jan.
JGBs *	16,569	-22,036	17,687	15,993	-13,819	16,969
Outright purchases (1)	18,717	17,991	18,844	17,914	18,744	18,050
Other JGB transactions (2)	0	0	0	0	0	0
Redemptions (-) (3)	-2,148	-40,027	-1,157	-1,921	-32,563	-1,081
Sales of JGBs to the Government under repurchase agreements (-) (4)	-35,008	51,096	6,751	-47,642	77,180	-92,640
T-Bills *	-9,328	18,223	8,188	1,865	5,896	-4,954
Underwriting (5)	6,990	44,565	11,212	5,811	29,168	8,000
Outright purchases (6)	15,890	19,997	15,994	16,128	20,098	11,998
Outright sales (-) (7)	0	0	0	0	0	0
Net outright sales to the Government (-) (8)	-13,881	-8,677	0	0	0	0
Redemptions (-) (9)	-18,327	-37,662	-19,018	-20,074	-43,370	-24,952
Sales of T-Bills to foreign central banks and others under repurchase agreements (-) (10)	811	-1,570	-1,210	-886	-6,727	3,272
Purchases of JGSs under repurchase agreements (11)	-8,019	28,661	-32,451	187	31,893	-33,965
Sales of JGSs under repurchase agreements (-) (12)	0	0	0	0	0	0
Funds-supplying operations against pooled collateral (13)	32,087	-24,016	-46,014	38,016	30,045	28,045
Fixed-rate method	-	-	-	-	32,064	32,049
Purchases of CP under repurchase agreements (14)	-282	260	13	-193	-99	-269
Outright sales of bills drawn by the Bank of Japan (-) (15)	0	0	0	0	0	0
Special funds-supplying operations to facilitate corporate financing (16)	-109	-3,582	-2,047	3,971	-841	-6,801
Outright purchases of CP (17) **	-714	-39	-495	-310	-170	-
Outright purchases of Corporate Bonds (18) **	269	43	-70	-50	-364	-79
Loans and discounts	0	-15	15	0	0	0
Loans pursuant to Article 33 of the Bank of Japan Law (19)	0	-15	15	0	0	0
Loans to the Deposit Insurance Corporation (DIC) and others (20)	0	0	0	0	0	0
Loans to the DIC (21)	0	0	0	0	0	0
Securities lending as a secondary source of JGSs (-) (22)	-20	20	0	0	0	0
Pecuniary Trusts (Stocks Held as Trust Property) (23) **	0	961	341	180	200	66
Deposits of the Government (-) (24)	-1,822	7,532	717	-3,774	-1,643	-674
Others (25) **	-258	-1,464	-908	232	-1,146	-153
Monetary Base	-5,824	54,074	-49,483	7,589	120,405	-91,183

Banknotes in circulation	-2,232	-2,505	3,313	205	46,852	-40,502
Coins in circulation	33	76	-35	85	251	-172
Current account balances	-3,625	56,503	-52,761	7,299	73,302	-50,509
Reserve Balances (26)	87	52,140	-50,118	7,126	62,934	-43,233
Monetary Base	-5,824	54,074	-49,483	7,589	120,405	-91,183

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 treasury discount bills (T-Bills, consisting of TBs and FBs) purchased from financial institutions. Stated at acquisition cost.
- (7)The amount of T-Bills sold to financial institutions. Stated at sales-proceeds value.
- (8)The amount of net T-Bills sales to the Government and others (i.e., the difference between the amount of T-Bills sold to and purchased from the Government and others). Stated at face value.
- (9)The amount of redemptions of T-Bills, changes in value arising from revaluation, and the difference between their book values and sales proceeds are included.
- (10)The amount of T-Bills sold to foreign central banks and others under repurchase agreements. Stated at face value.
- (11)The amount of JGSs (JGBs and T-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.
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- (18)The amount of Corporate Bonds (excluding dematerialized commercial paper) purchased from financial institutions. Changes in value arising from revaluation are included.
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- (20)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.
- (21)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.
- (22)The amount of securities lending to financial institutions as a secondary source of JGSs. Stated at sales-proceeds value.
- (23)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.
- (24)The changes in the balances of the treasury deposit, the domestic designated deposit, and other deposits held by the Government.
- (25)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 Foreign Exchange Fund Special Account with resale clause for January-May 2004.
- (26)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 "T-Bills" 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.