

## Footnotes

### [page 1] The Basic Discount Rates and Basic Loan Rates

- (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.

### [page 2] Guideline for Money Market Operations

Excerpts from the Bank's releases.

### [page 3] Reserve Requirement Ratios

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

1. Dates in parentheses show the effective dates.
2. (a) 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.
- (b) The reserve ratios on deposits of authorized foreign exchange banks were abolished on December 1, 1998.
- (c) The reserve ratios on deposits of *sogo* banks were abolished on April 1, 1993.
- (d) No reserve ratio is set for deposits within the classification of designated accounts as "50 billion yen or less" by their amount.
- (e) Includes debentures succeeded by designated financial institutions under the Act on Reserve Requirement System through acquisitions of other designated financial institutions from April 1996.
- (f) Reserve requirements for authorized foreign exchange banks were abolished as the Foreign Exchange Bank Act was repealed on December 1, 1998.
- (g) Applied to all designated financial institutions under the Act on Reserve Requirement System from April 1, 1998.

### [page 4] Reserves

- (a) Data represent average figures from the 16th of the current month to the 15th of the next month.
- (b) Data represent average figures from the 16th of the current month to the 15th of the next month, rounded to the nearest whole number. Figures for the last two months are preliminary and rounded off to 1 billion yen. Figures are identical to average amounts outstanding of the current account balance and required reserves for each maintenance period for "other institutions holding current accounts with the BOJ" within the data of "BOJ Current Account Balances by Sector" in "Bank of Japan Statistics."
- (c) Required reserves divided by liabilities subject to reserve requirements.
- (d) Average effective reserve requirement ratio on deposits (excluding foreign currency deposits, nonresident yen deposits, and offshore account deposits).

### [page 5] Current Account Balances Subject to the Complementary Deposit Facility

1. Figures in this table are rounded to the nearest whole number. Figures for the last two months are preliminary and rounded off to 1 billion yen.
2. (a) Current account balances and the special reserve account balances held by institutions subject to the complementary deposit facility.
- (b) Of the current account balances subtracted by the required reserve balances, the amount up to the amount of average current account balances during benchmark reserve maintenance periods from January 2015 to December 2015 (Benchmark Balance), subtracted by the required reserve balances.
- (c) The sum of the following amounts outstanding:
  - (1) Of the current account balances, the amount up to the required reserve balances.
  - (2) Of the current account balances subtracted by the required reserve balances and the balances to which a positive interest rate is applied, the amount up to the sum of the following amounts outstanding:
    - [1] The average amount outstanding of the Bank's provision of credit through the "Loan Support Program" (yen-denominated loans), the "Funds-supplying operation to support financial institutions in disaster areas" and the "Funds-supplying operation to support financial institutions in disaster areas of the Kumamoto Earthquake."
    - [2] The part of the amount stipulated in [1] which exceeds the amount outstanding of the "Loan Support Program" and the "Funds-supplying operation to support financial institutions in disaster areas" at the end of March 2016.
    - [3] The amount calculated by multiplying the Benchmark Balance by a certain ratio specified by the Bank (Benchmark Ratio).
    - [4] The amount outstanding of money reserve funds entrusted to the institutions, under the "Special Rules for Calculation of Interest of Complementary Deposit Facility."
- (d) The current account balances subtracted by the current account balances to which positive and zero interest rates are applied.

### [page 6] Monetary Base

1. Amounts outstanding at end of period can be obtained from "Monetary Base and the Bank of Japan's Transactions (pp. 7-9) (Stock Table)."
2. (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.

### [page 6] <Memo> Amount and Number of Banknotes Issued

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

### [pp. 7-9] Monetary Base and the Bank of Japan's Transactions

#### (1) Stock Table

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

1. Figures for March and September of "CP," "Corporate bonds," "Pecuniary trusts (index-linked exchange-traded funds [ETFs] held as trust property)," "Pecuniary trusts (Japan real estate investment trusts [J-REITs] held as trust property)," "Pecuniary trusts (stocks held as trust property)," and "Others" released in early April and October are preliminary. Revised figures are released in early June and December, respectively.
2. In principle, figures in this table are rounded to the nearest whole number.
3. (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 sold to the government under repurchase agreements. Stated at sales-proceeds value.
- (e) 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. 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. The amount does not match the sum of the detailed items because of the difference in valuation.
- (f) 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.
- (g) 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.
- (h) 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.
- (i) 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.
- (j) The amount outstanding of treasury discount bills sold to foreign central banks and others under repurchase agreements. Stated at face value.
- (k) The amount outstanding of Japanese government securities (JGSs) (JGBs and treasury discount bills) purchased from financial institutions under repurchase agreements. 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. Stated at acquisition cost.

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

(m) The amount outstanding of loans to financial institutions provided by funds-supplying operations against pooled collateral.

(n) 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.

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

(p) 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.

(q) The amount outstanding of loans to financial institutions in disaster areas with regard to the 2016 Kumamoto Earthquake provided by the funds-supplying operation to support financial institutions in disaster areas.

(r) The amount outstanding of loans to financial institutions under the fund-provisioning measure to support strengthening the foundations for economic growth. 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."

(s) The amount outstanding of loans to financial institutions under the fund-provisioning measure to stimulate bank lending.

(t) 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.

(u) 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.

(v) 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.

(w) 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.

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

(z) 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.

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

(C) The amount outstanding of securities lending to financial institutions to provide JGSs as collateral for the U.S. dollar funds-supplying operations. Stated at sales-proceeds value.

(D) 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.

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

(F) 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.

(G) 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.

## [page 10] Monetary Base and the Bank of Japan's Transactions

### (2) Flow Table

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

(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 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.

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

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

(h) 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.

(i) 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.

### [page 11] Bank of Japan Accounts (1)

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 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) 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. From June 2016, figures include the amount outstanding of loans to financial institutions provided by funds-supplying operations to support financial institutions in disaster areas of the 2016 Kumamoto Earthquake.

(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 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) 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) 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.

(m) 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.

(n) 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.

(o) 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.

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

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

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

#### [page 12] Bank of Japan Accounts (2)

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

- Figures for March and September released in early April and October, respectively, are preliminary. Final figures are released in early June and December, respectively.
- (a) Deposits held by foreign central banks and other entities.  
(b) 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.

(c) Figures include miscellaneous liabilities and current income (net accumulated profits).

(d) Through August 2001, figures include provisions for possible loan losses (from September 2001, provisions for possible loan losses was re-categorized to the deduction of "others" in the asset account).

#### [page 12] Loans and Discounts by the Bank of Japan

1. The figures are outstanding amounts of yen-denominated loans and discounts, exclusive of those of funds-supplying operations against pooled collateral and 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; 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; and loans to financial institutions provided by funds-supplying operations to support financial institutions in disaster areas of the 2016 Kumamoto Earthquake from June 2016.

3. The figures include the amount outstanding of loans under the complementary lending facility.

4. The figures in (a) exclude the amount outstanding of loans to the Resolution and Collection Corporation, and the Second Bridge Bank of Japan (the business was transferred on December 26, 2011).

The figures in (b) include the amount outstanding of loans to the Resolution and Collection Corporation, the Japan Post Bank, foreign banks in Japan, shinkin banks, cooperative-type specialized financial institutions, and the financial instruments firms, etc., and exclude that to the Second Bridge Bank of Japan, and the Deposit Insurance Corporation of Japan.

#### [page 13] Market Interest Rates (1)

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

(a) The weighted average rates of all transactions on the day. 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 in uncollateralized transactions.

(b) Average of the general collateral (GC) repo rates that exclude the highest and lowest 15 percent of all rates reported by reference institutions. Each reference institution reports the rate that is considered to be prevalent in the market as of 11:00 a.m. Through March 2012, figures are for overnight spot next transactions. From April 2012 through April 2018, figures are for T+1 overnight transactions. Through September 2012, surveyed by the Bank of Japan.

(c) 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. Annual and quarterly figures are arithmetic averages of the monthly figures.

(d) Yields on new issues with rate equivalent to A-1 or higher; average rates of several leading dealers. Annual and quarterly data are arithmetic averages of the monthly figures.

(e) The rate is the closing rate of treasury discount bills newly issued. Through January 2009, figures are the yields on financing bills and treasury bills.

(f) The rate is the closing rate of financing bills newly issued from January 2007 through January 2009.

**[page 14] Market Interest Rates (2)**

- (a) Closing rates of financing bill. Real exchange rates as of 11:00 a.m. The data for "Japanese yen" are on a 365-day basis and the data for "Euroyen" are on a 360-day basis. Through March 2014, surveyed by the Japanese Bankers Association.
- (b) The average of lender rates on euro-deposit transactions among banks on the London market at 11:00 a.m. London time, as collected by the ICE Benchmark Administration. Stated on a 360-day basis. Through January 2014, surveyed by the British Bankers' Association.
- (c) Sources by Totan Derivatives Co., Ltd. through August 2000. Sources by Totan Capital Markets Co., Ltd. through December 2007.

**[page 15] Market Interest Rates (3)**

- Some items have discontinuity. See the following footnotes for details.
- (a) Simple yields. Figures are based on the JGB closing prices at 3:00 p.m.
- (b) Joint Local Government Bonds. Figures are average compound yields calculated based on the quotations as of 3:00 p.m.
- (c) Figures are based on the Rating Matrix. Figures are average compound yields calculated based on the quotations as of 3:00 p.m. "4 years or more and less than 5 years" indicates the remaining maturity. Ratings are those of Rating and Investment Information, Inc.

**[page 16] Stock Prices**

- Some items have discontinuity. See the following footnotes for details.
- (a) There is no continuity between figures through June 2013 and those from July 2013 due to the integration of cash equity markets between the Tokyo Stock Exchange and the Osaka Exchange (through February 2014, the Osaka Securities Exchange).
- (b) PER = aggregate of stock price/aggregate of earnings per share. Excludes companies assigned to the post for stocks to be delisted. Newly listed companies are included from the day after listing.
- (c) From 1998, includes off-hour transactions. Through February 2014, surveyed by the Tokyo Stock Exchange.
- (d) From 1999, includes off-hour transactions. For contract month with the largest transaction volume.

**[page 17] Foreign Exchange Rates (1)**

- (a) Figures are middle rates between offered and bid rates as of 5:00 p.m., collected from interbank market participants, etc.
- (b) Figures are averages of middle rates between offered and bid rates as of 3:30 p.m., collected from several brokers, etc. Annualized rate =  $\text{Spread} * (360 \div \text{number of days}) \div \text{Spot rate (on 1 year = 360 days basis)}$ . Negative figures denote discounts, and positive figures denote premiums.
- (c) Volatility statistics are averages of middle rates between offered and bid rates as of 3:30 p.m., collected from market participants.
- (d) The figures are those traded in the Tokyo foreign exchange market through brokers only. Figures for swaps include outright forwards. Annual and quarterly data are averages of the monthly figures.

**[page 18] Foreign Exchange Rates (2)**

- (a) Middle rate of customer telegraphic transfer selling rate and customer telegraphic transfer buying rate (the final official quotation). Spot rates.
- (b) Annual and quarterly data are arithmetic averages of the monthly figures.

**[page 19] Deposit and Savings Rates (1)**

- Some items have discontinuity. See the following footnotes for details.
- Through September 2007, an average rate for the week including the last business day of each month. From October 2007, a rate on the first business day of the week including the last business day of each month. Through September 2007, the survey is conducted on approximately 500 financial institutions and data cover domestically licensed banks (excluding several banks), all shinkin banks and part of shinkumi banks, labour banks, agricultural cooperatives, fishery cooperatives, and the Shoko Chukin Bank. From October 2007, the survey is conducted on approximately 400 financial institutions and data cover domestically licensed banks (excluding several banks), all correspondent shinkin banks and the Shoko Chukin Bank.

**[page 20] Deposit and Savings Rates (2)**

- 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 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 and quarterly figures are arithmetic averages of the monthly figures. Figures include floating interest rate deposits from October 18, 1993.

**[page 21] Lending Rates**

- Some items have discontinuity. See the following footnotes for details.
- (a) The rate adopted by the greatest number of city banks (Mizuho

Bank, MUFG Bank, Sumitomo Mitsui Banking Corporation, Resona Bank, Saitama Resona Bank, at the end of last month). From January 23, 1989 the banks independently set the rate taking funding costs etc., into consideration.

(b) 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 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.

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

(d) Floating interest rates. Prior to 1994, the figures are in line with long-term prime lending rates. Middle rates on housing loans provided by city banks. Monthly data show the rates as of the beginning of each month. Annual data show the rates as of the beginning of the last month of each year.

(e) Through March 2001, figures are Deposits with the Trust Fund Bureau (7 years or more).

**[page 22] Average Amounts Outstanding of Money Stock**

- Some figures are preliminary.
- (a) Financial institutions surveyed for M2: 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.
 

(b) Financial institutions surveyed for M3: financial institutions surveyed for M2 (see 2 [a] above), the Japan Post Bank, 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.

(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.
- The definitions of the indices in the money stock differ from those in the former series. For figures for the former series, refer to "Average Amounts Outstanding of Money Stock" on p. 83.
 

--- 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 M<sub>2</sub>+CDs have the same range of money issuers and financial assets (except for nonresident yen deposits). Similarly, the current M3 and the former M<sub>3</sub>+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 M<sub>1</sub>. For L, the range of financial assets differs from that of the former broadly-defined liquidity. For details of discontinuity between the current and former series caused, for example, by the differences in definitions of the indices, refer to "Guide to Japan's Money Stock Statistics."

**[page 23] Principal Accounts (1)**

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

- 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 are those of banking accounts. Beginning from 1986, figures include offshore accounts (established in December 1986). Figures exclude accounts of overseas offices. Figures are not adjusted for transfers from mergers, etc.
- (a) Total of deposits minus checks and bills.

**[page 24] Principal Accounts (2)**

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

- (a) 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 are those of banking accounts with the exception of "trust principal," which is included in trust accounts. Beginning from 1986, figures include offshore accounts (established in December 1986). Figures exclude accounts of overseas offices. Figures are not adjusted for transfers from mergers, etc.

(b) Sum of principal outstanding of trust account items, namely, money trusts, pension trusts, employees' property formation benefit trusts, and loan trusts.

(c) Figures are based on "Deposits, Vault Cash, and Loans and Bills Discounted." Excludes figures in offshore accounts (established in December 1986), trust accounts, and overseas office accounts.

(d) 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 Euro-yen impact loans in accounts overseas. Loans to nonresidents are excluded. Figures exclude loans to financial institutions and the central government.

(e) The figures are adjusted for special items include the following.

- Securitization of loans: changes in the amounts outstanding of securitized loans from the previous year.
- Exchange rate changes: changes in amounts outstanding of foreign-currency denominated impact loans converted into Japanese-yen denominated amounts, based on year-to-year U.S. dollar/yen rate changes.
- Loan write-offs and related items: total amount of loan write-offs in the past year, including those through special reserves, losses on loan asset sales to the Cooperative Credit Purchase Corporation (dissolved on March 26, 2004), other losses on loan asset sales, renunciation of loan claims, and etc.

#### [page 25] Principal Accounts (3)

As reported by Life Insurance Association of Japan members.

#### [page 26] Financial Assets (1)

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

(a) Includes funds of funds. Total asset basis.

(b) Source: Flow of Funds Accounts, the household sector's total financial assets. The most recent figures are preliminary. Data up until fiscal year 2003 are based on the 1993SNA, data from fiscal year 2004 onward are based on the 2008SNA. Figures in this table are rounded to the nearest whole number.

#### [page 27] Financial Assets (2)

Through the second quarter of 2002, surveyed by the Bank of Japan.

#### [page 28] Various DIs on Loans (1)

1. The sample of surveyed banks was reviewed in April 2018. 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 2016 cooperate with the survey. The aggregated loan amount of the surveyed 50 banks accounts for 76 percent of the total amount outstanding of loans held by all domestically licensed banks and shinkin banks (the average during fiscal 2016). 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. 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.
2. The Bank of Japan conducts the survey quarterly in January, April, July, and September. The Bank sends a questionnaire at the middle of the previous month of the survey month, and compiles the results in the early part of the survey month.
3. (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)

#### [page 29] Various DIs on Loans (2)

(a) Short-term Economic Survey of All Enterprises in Japan.

(b) Percentage share of enterprises responding for "accommodative" minus "severe."

(c) Percentage share of enterprises responding for "easy" minus "tight."

#### [page 30] Short-term Money Markets (1)

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

(a) Figures indicate the outstanding of bond trading with repurchase agreement (*gensaki*) in securities companies and financial institutions. Figures are on a par price basis. Figures include those of call loan and discount companies.

(b) 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 1998. 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. Based on deposit outstanding including deposits beyond maturity.

#### [page 31] Short-term Money Markets (2)

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

(a) "Amounts outstanding of CP underwritten by banks" represents month-end figures for the amount of CP (including ABCP) underwritten by city banks, regional banks, regional banks II, three trust banks (Mitsubishi UFJ, Mizuho, Sumitomo Mitsui), Shinsei Bank, Aozora Bank, Norinchukin Bank, the Shoko Chukin Bank, Shinkin Central Bank, financial instruments firms holding current accounts at the Bank of Japan, and foreign banks' branches holding current accounts at the Bank of Japan. Figures include ABCP issued by foreign corporations (so-called Samurai ABCP), but exclude other CP issued by foreign corporations. For figures through April 2002 a few banks are excluded due to unavailable data.

(b) "Amounts outstanding of CP issued by banks" represents month-end figures for the amount of CP issued by city banks, regional banks, regional banks II, three trust banks, Shinsei Bank, Aozora Bank, Norinchukin Bank, the Shoko Chukin Bank, Shinkin Central Bank, and foreign banks' branches holding current accounts at the Bank of Japan.

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

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

(e) Based on assets outstanding (denominated in foreign currency and yen).

#### [page 32] Bonds Market (1)

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

(a) Figures include Fiscal Investment and Loan Program bonds and 30-year discount bonds. Figures include inflation-indexed bonds but exclude treasury discount bills. The amounts are based on face value.

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

(c) Figures through April 1998 surveyed by the Bond Underwriters Association of Japan.

(d) Through May 2008, figures include private offering corporate bonds. From January 1998, figures exclude asset-backed bonds.

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

#### [page 33] Bonds Market (2)

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

1. Aggregated from reports on the monthly turnover of corporate and public bonds on the over-the-counter market.

2. The total of sales and purchases including those for bonds with repurchase agreements. Par value basis.

3. Figures for government bonds, public offering municipal bonds and government-guaranteed bonds are the totals calculated from securities companies' turnovers and financial institutions' dealings. From April 1994 these figures include the turnover of call loan dealers.

4. (a) Figures includes the aggregate trading volume of treasury discount bills, treasury bills, and financing bills.

#### [page 34] Bonds Market (3)

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

(a) Figures include Fiscal Investment and Loan Program bonds and 30-year discount bonds. Figures include inflation-indexed bonds but exclude treasury discount bills. The amounts are based on face value.

(b) Figures through April 1998 surveyed by the Bond Underwriters Association of Japan.

(c) Through May 2008, figures include Private Offering Corporate Bonds. From January 1998, figures exclude asset-backed bonds.

#### [page 35] Bonds Market (4)

(a) Total of 5-year Japanese government bond (JGB) futures, 10-year JGB futures, and 20-year JGB futures. Figures are the total amount of sales and purchases by Trading Participants (the amount of agency

transactions by General Trading Participants and Bond Futures Trading Participants whose paid-in capital is less than 3 billion yen are excluded). This table is compiled from figures reported on the basis of weekly total. The total volume of a week which ranges over two months is reckoned in date for the month which includes a majority of the trading days of the week. Includes ToSTNeT.

(b) Figures for 10-year JGB futures. Includes (1) proprietary trading of all Trading Participants and (2) brokerage trading ordered through the Osaka Exchange by securities companies with paid-in capital of 3 billion yen or more and by major financial institutions, both of which are Trading Participants. Monthly data are the simple sum of the relevant business week data, and therefore do not necessarily include the first and/or last few days of the month.

#### [page 36] Stock Market (1)

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

(a) Beginning from 1999, figures include the Mothers market. Beginning from July 16, 2013, figures include the JASDAQ Standard and JASDAQ Growth markets due to the integration of cash equity markets between the Tokyo Stock Exchange and the Osaka Exchange (through February 2014, the Osaka Securities Exchange). Figures only cover common stocks and do not include preferred stocks, etc.

(b) Through 2001, figures exclude the listed stocks assigned to the post for stocks to be delisted. The figures are the end of period basis.

(c) Annual and quarterly figures are the simple arithmetic averages of monthly figures.

(d) Indicates the aggregate of ordinary trades and special trades, including correction of erroneous trades and off-hour transactions.

(e) Includes off-floor trading from 1998. Through February 2014, surveyed by the Tokyo Stock Exchange.

(f) Includes off-floor trading from 1999. For contract month with the largest transaction volume.

#### [page 37] Stock Market (2)

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

1. There is no continuity between figures through July 15, 2013 and those from July 16, 2013 due to the integration of cash equity markets between the Tokyo Stock Exchange and the Osaka Exchange (through February 2014, the Osaka Securities Exchange).

2. Figures are derived from General Trading Participants with capital of 3 billion yen or more.

3. Because the data are based on weekly trading reports, weeks spanning two months are included in whichever month has the greatest number of trading days in the week concerned.

4. Total of regular trades, trading to correct errors, and off-floor trades.

#### [page 38] Corporate Bankruptcies

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

(a) Figures are aggregates of bankruptcies with total liabilities of over 10 million yen.

(b) Through March 2000, data exclude corporations capitalized at 1 million yen or less. Beginning from April 2000, data cover all corporations. The numbers of cases of "suspension of business transactions with banks" are based on notices dishonoring checks and bills (the first and second notices issued under Tokyo Clearinghouse regulations).

(c) The "dishonored checks and bills" figures are based on the check clearance failure dates.

#### [page 39] Payments and Settlements (1)

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

(a) Figures for January 2001 to March 2003 do not include funds transfers related to the Bank's purchases of JGBs from financial institutions that conduct transactions with the Bank of Japan using Simultaneous Processing of DVP and Collateralization (SPDC). Calculated by counting each payment instruction once.

(b) Transfers in the JGB book-entry system. Figures from January 2001 exclude transactions using substitute certificates. Figures prior to October 9, 2015, include registrations in the JGB registration system. Calculated by counting each payment instruction once.

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

#### [page 40] Payments and Settlements (2)

(a) Calculated by counting each payment instruction once.

#### [page 42] Gross Domestic Product (2)

Fiscal-year figures are original, and quarterly figures are seasonally adjusted.

#### [page 43] Economic Conditions

(a) Large enterprises: capital with 1 billion yen and more. Small enterprises: capital with 20 million yen to less than 100 million yen.

(b) Percentage share of enterprises responding for "favorable" minus "unfavorable."

#### [page 44] Industrial Production, Producer Shipments, and Producer Inventory (1)

The base year is 2010. Figures prior to 2007 are retroactively compiled on the 2010 base.

#### [page 45] Industrial Production, Producer Shipments, and Producer Inventory (2)

1. The base year is 2010. Figures prior to 2007 are retroactively compiled

on the 2010 base.

2. (a) The fiscal-year and quarter-end figures are indices for the last month of the period.

(b) The fiscal-year figures are calculated by using the original series.

#### [page 46] Industrial Production, Producer Shipments, and Producer Inventory (3)

(a) The base year is 2010. The fiscal-year figures are calculated using the original series. Figures prior to 2007 are retroactively compiled on the 2010 base.

(b) Large enterprises: capital with 1 billion yen and more. Small enterprises: capital with 20 million yen to less than 100 million yen.

(c) Percentage share of enterprises responding for "excess demand" minus "excess supply."

(d) Percentage share of enterprises responding for "excessive or somewhat excessive" minus "insufficient or somewhat insufficient."

#### [page 47] Personal Consumption (1)

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

(a) Figures from April 2018 are discontinuity-adjusted figures.

(b) Fiscal-year figures are the simple arithmetic averages of quarterly figures.

(c) Figures exclude housing, automobiles, money gifts and remittance.

(d) "Consumption expenditures"/"disposable income" \* 100.

(e) The fiscal-year and quarter-end figures are indices for the last month of the period.

(f) Through fiscal 2003, the figures are based on "One-person households Consumer Confidence Survey." The figures of fiscal year and quarter are the end of the period.

#### [page 48] Personal Consumption (2)

(a) Based on "Current Survey of Commerce."

(b) After adjusting for the number of stores.

(c) *Indices of Commercial Sales Value by Type of Business* ("Machinery & Equipment" in "Retail"). The base year is 2015.

(d) Seasonally adjusted series are estimated by the Bank of Japan using the Bureau of Census X-12-ARIMA method. The figures exclude the consumption tax.

#### [page 49] Personal Consumption (3)

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

(a) Data are the sum of passenger cars (new passenger car registrations as reported by the Japan Automobile Dealers Association), small-sized passenger cars (the source is the same as that of passenger cars) and mini-vehicles (those under 660cc; mini-vehicles sales figures are as reported by the Japan Light Motor Vehicle and Motorcycle Association). Seasonally adjusted series are estimated by the Bank of Japan using the Bureau of Census X-12-ARIMA method. From January 2004, data are released on both model size and engine size bases.

(b) The fiscal-year figures are the original series.

(c) Original series.

(d) The figures are travel services provided by major travel agencies.

Figures from April 1989 include the consumption tax.

#### [page 50] Housing Investment

(a) The fiscal-year figures are the original series.

#### [page 51] Business Fixed Investment (1)

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

(a) The figures cover 280 corporations. From fiscal 2006, figures exclude mobile phone.

(b) Because of the recalculation by the revision of the Japan Standard Industrial Classification has resulted in the discontinuation of figures until fiscal 2004 and from fiscal 2005 onward.

(c) The base year is 2010. Excludes transportation equipment and belongings. Figures prior to 2007 are retroactively compiled on the 2010 base.

(d) Data are based on "Orders Received for Construction" through March 2000, and on "Current Survey on Orders Received for Construction" from April 2000. The bases of both sets of statistics are the same. Seasonally adjusted series are estimated using the Bureau of Census X-12-ARIMA method and estimated by the Bank of Japan. Calculated on the basis of 50 construction companies. From April 1989, figures include the consumption tax.

#### [page 52] Business Fixed Investment (2)

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

(a) Seasonally adjusted series are estimated by the Bank of Japan using the Bureau of Census X-12-ARIMA method.

(b) From April 2004 (concerning seasonally adjusted data from April 2003), the definition of "mining, construction and manufacturing" was changed by the revision of the classification.

(c) The definition of "nonmanufacturing" is the total of private sector nondwelling use minus the mining, construction and manufacturing data. Estimated by the Bank of Japan. By the revision of the classification, the figures are discontinuous before and in and after April 2004 (concerning seasonally adjusted data before and in and after April 2003).

(d) Due to the addition of survey objects, discontinuity has arisen in the figures.

(e) The figures are the sum of those for both full members and supporting members. Quarterly and fiscal-year figures are simple arithmetic sums.

(f) Large enterprises: capital with 1 billion yen and more. Small enterprises: capital with 20 million yen to less than 100 million yen.

(g) Percentage share of enterprises responding for "excessive capacity" minus "insufficient capacity."

#### [page 53] Business Fixed Investment (3)

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

(a) Large enterprises: capital with 1 billion yen and more. Small enterprises: capital with 20 million yen to less than 100 million yen. Through fiscal 2002, the size classification was as follows. Large enterprises: 1,000 employees or more. Small enterprises: 50-299 employees (for wholesaling firms: 20-99 employees; for retailing, services and leasing firms: 20-49 employees).

(b) Figures from the first half of fiscal 2018 are plans. Data of fiscal 2010 or later are compiled under the new lease accounting standard.

(c) Fiscal-year data are from the "Financial Statements Statistics of Corporations by Industry, Annual"; semi-annual and quarterly data are from the "Financial Statements Statistics of Corporations by Industry, Quarterly."

#### [page 54] Business Fixed Investment (4)

(a) Fiscal-year data are from the "Financial Statements Statistics of Corporations by Industry, Annual"; semi-annual and quarterly data are from the "Financial Statements Statistics of Corporations by Industry, Quarterly." Large enterprises are those with capital of over 1 billion yen and small enterprises are those with capital of over 10 million yen but less than 100 million yen.

(b) The survey is conducted on private firms in Japan's major industries capitalized at 1 billion yen or more. The figures for fiscal 2017 and 2018 indicate projections.

(c) The survey covers small manufacturing businesses with more than 20 but less than 300 employees. The figures for fiscal 2018 indicate initial plans.

#### [page 55] Public Investment

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

(a) The figures are the sum of Hokkaido Construction Surety, East Japan Construction Surety and West Japan Construction Surety. Through March 2003, surveyed by the Surety Association for Construction Companies.

(b) The figures are the sum of Central government, Incorporated administrative agency, etc. and Others. Through March 2003, figures exclude Others.

(c) The figures are the sum of Prefectures, Cities, wards, towns, villages and Local public corporations. Through March 2003, figures exclude Local public corporations.

(d) Based on "Integrated Statistics on Construction Works." From April 1989, the figures include the consumption tax. Because of the recalculation by the revision of the Japan Standard Industrial Classification and change in the basic data source have resulted in the discontinuation of figures until March 2000 and from April 2000 onward.

(e) Through March 2000, appraised value of total construction based on "Statistical Survey of Public Construction Starts" (exceeding 1 million yen per project). From April 2000, cost of construction orders received (exceeding 5 million yen per project) from public organizations based on "Statistics on Orders Received for Construction." Calculated on the basis of 50 large construction companies. From April 1989, the figures also include the consumption tax.

#### [page 56] Corporate Profits (1)

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

(a) Large enterprises: capital with 1 billion yen and more. Small enterprises: capital with 20 million yen to less than 100 million yen. Through fiscal 2002, the size classification was as follows. Large enterprises: 1,000 employees or more. Small enterprises: 50-299 employees (for wholesaling firms: 20-99 employees; for retailing, services and leasing firms: 20-49 employees).

(b) Figures from the first half of fiscal 2018 are plans.

#### [page 57] Corporate Profits (2)

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

(a) Large enterprises: capital with 1 billion yen and more. Small enterprises: capital with 20 million yen to less than 100 million yen. Through fiscal 2002, the size classification was as follows. Large enterprises: 1,000 employees or more. Small enterprises: 50-299 employees (for wholesaling firms: 20-99 employees; for retailing, services and leasing firms: 20-49 employees).

(b) Figures from the first half of fiscal 2018 are plans.

#### [page 58] Corporate Profits (3)

Fiscal-year data are from the "Financial Statements Statistics of Corporations by Industry, Annual"; quarterly data are from the "Financial Statements Statistics of Corporations by Industry, Quarterly." Large enterprises are those with capital of over 1 billion yen and small enterprises are those with capital of over 10 million yen

but less than 100 million yen.

#### [page 59] Labour and Wages (1)

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

(a) Excludes new graduates but includes part-time workers.

(b) The fiscal-year figures are the original series.

(c) The data for March through August 2011 are reference figures, estimated to complement the result for Japan as a whole, and include the data for the disaster-stricken prefectures (Iwate, Miyagi, and Fukushima).

(d) The data for March through August 2011 are reference figures, estimated to complement the result for Japan as a whole, and include the data for the disaster-stricken prefectures (Iwate, Miyagi, and Fukushima). The fiscal-year figures are the original series.

(e) Fiscal-year and quarterly figures are arithmetic averages of the monthly figures.

#### [page 60] Labour and Wages (2)

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

(a) The survey population is establishments with 5 employees or more. Index basis, base year 2015.

(b) The "nonmanufacturing" figures are calculated by subtracting the "manufacturing" figures from the "all enterprises" figures (estimated by the Bank of Japan).

(c) The data for March through August 2011 are reference figures, estimated to complement the result for Japan as a whole, and include the data for the disaster-stricken prefectures (Iwate, Miyagi, and Fukushima).

(d) Short-term Economic Survey of Enterprises in Japan.

(e) Percentage share of enterprises responding for "excessive employment" minus "insufficient employment."

#### [page 61] Labour and Wages (3)

(a) The survey population is establishments with 5 employees or more. Index basis, year 2015.

(b) Real wage basis.

(c) Nominal total cash earnings are deflated by the consumer price index (general, excluding imputed rent). Index basis.

#### [page 62] Commodity and Service Prices (1)

1. The index formula is the fix-weighted Laspeyres formula, which is a weighted arithmetic mean based on fixed value-based weights set in the base period. For the Corporate Goods Price Index, the calendar year 2015 is used as the base year for both indexes and weight calculation.

2. Indexes and the percent changes prior to the base year are as follows.

• For "All commodities" of the PPI and the EPI, indexes are calculated by converting those in each base to the latest base. The percent changes are shown in their original bases. There may be case in which the percent changes shown in this annual are not equal to those calculated by the indexes.

• "All commodities (excluding extra charges for summer electricity)" of the Producer Price Index is calculated using the simple arithmetic averages of the monthly linked indexes.

3. (a) For the Producer Price Index, the Bank of Japan (BOJ) surveys prices of domestically-produced and domestically-traded goods in the corporate sector, mainly at the time of shipment by producers. It is compiled including the consumption tax.

(b) "All commodities excluding extra charges for summer electricity" is the index which adjusts extra charges applied during summer season from July to September. The price level of this index corresponds to that of "All commodities" of the Basic grouping indexes during the normal charge period from October to June.

(c) The prices surveyed in the Export Price Index are the FOB (free on board) prices at the time cargo is loaded. The BOJ compiles the indexes on both a yen basis and a contract currency basis.

#### [page 63] Commodity and Service Prices (2)

1. The index formula is the fix-weighted Laspeyres formula, which is a weighted arithmetic mean based on fixed value-based weights set in the base period. For the Corporate Goods Price Index, the calendar year 2015 is used as the base year for both indexes and weight calculation.

2. Indexes and the percent changes prior to the base year are as follows.

• For "All commodities" of the EPI and the IPI, indexes are calculated by converting those in each base to the latest base. The percent changes are shown in their original bases. There may be case in which the percent changes shown in this annual are not equal to those calculated by the indexes.

3. The prices surveyed in the Export Price Index are the FOB (free on board) prices at the time cargo is loaded while the prices in the Import Price Index are the CIF (cost, insurance, and freight) prices at the time the cargo is unloaded. The BOJ compiles the indexes on both a yen basis and a contract currency basis.

#### [page 64] Commodity and Service Prices (3)

1. The index formula is the fix-weighted Laspeyres formula, which is a weighted arithmetic mean based on fixed value-based weights set in the base period. The base year for both indexes and weight calculation is the calendar year 2015 for the Corporate Goods Price Index and

- 2010 for the Services Producer Price Index.
- Indexes and the percent changes prior to the base year are as follows.
    - Indexes shown below are calculated by converting those in each base to the latest base. The percent changes are shown in their original bases. There may be case in which the percent changes shown in this annual are not equal to those calculated by the indexes.
      - All items of the Services Producer Price Index
      - All items of the Services Producer Price Index (excluding International transportation)
  - (a) The "Producer Price Index using Chain-weighted Index Formula" is calculated from the Producer Price Index, using the chain-weighted Laspeyres formula. The weights are updated annually. The index after the base year is compiled by multiplying the change rate of index level which is reset every December as 100. It is compiled including the consumption tax.
    - For the Services Producer Price Index, the BOJ surveys domestic service products traded among businesses. It is compiled including the consumption tax.
    - The figures exclude "International transportation," which consists of the following 8 items: "International air passenger transportation (to/from North America)," "International air passenger transportation (to/from Europe)," "International air passenger transportation (to/from Asia)," "Ocean liners," "Ocean tramp steamers," "Ocean tankers," "International air freight transportation," and "International mail services."

**[page 65] Commodity and Service Prices (4)**

- The weights assigned to items are calculated, in principle, based on the yearly amount of expenditures by commodity in 2015, derived from the *Family Income and Expenditure Survey*. The index is calculated as the weighted arithmetic mean with fixed base (Laspeyres' formula). Percentage changes from the previous year are published figures in each base. The latest monthly figures for the Ku-area of Tokyo (all items) are preliminary.
- Weighted average of 17 items on international commodity markets. Denominated in pounds.
- Cash market. 1OZ=31.1035g.

**[page 66] Commodity and Service Prices (5)**

- All enterprises, all industries.
- "The average of enterprises' inflation outlook" is the weighted average by response percentages and is calculated excluding "Don't know" and "Don't have clear views on General Prices." Response numbers are rounded for calculation purposes: for example, "around +5%" is rounded to +5%.
- (a) Respondents are asked to select the alternative nearest to their institution's expectation of the rate of price change for their mainstay domestic products and services, as adjusted to exclude the effects of changes due to institutional factors such as the consumption tax, for "1 year ahead," "3 years ahead," and "5 years ahead" relative to the current level.
  - Respondents are asked to select the alternative nearest to their institution's expectation of the annual percentage change in general prices (as measured by the consumer price index), as adjusted to exclude the effects of changes due to institutional factors such as the consumption tax, for "1 year ahead," "3 years ahead," and "5 years ahead."

**[page 67] Land and Property Prices (1)**

- Data for the first half of each year (H1) are those as of the end of September, while those for the second half (H2) are those as of the end of March.
- Average indices for central Tokyo, Yokohama, Nagoya, Kyoto, Osaka, and Kobe.
- Data are the *Public notice of land prices* as of January 1. The updating of the figures for "Of which: Housing land in urbanization control areas" has been stopped in 2012.
- Data are prices as of July 1 according to the *Land Price Survey by Prefectural Governments*. The *Land Price Survey by Prefectural Governments* cover the whole area. The updating of the figures for "Of which: Housing land in urbanization control areas" has been stopped in 2012.

**[page 68] Land and Property Prices (2)**

- The results before March 2008 was produced in cooperation with Tokyo Association of Real Estate Appraisers.

**[page 69] Government Expenditures**

- Some items have discontinuity. See the following footnotes for details.
- Through fiscal 2016 reflect the results, and those from fiscal 2017 reflect the initial budget.
  - Excludes central government special transfers to local governments.

**[page 70] Government Revenues, etc.**

- Some items have discontinuity. See the following footnotes for details.
- Percentage figures of "other revenues," "government bond issues," and "dependency rate on government bond issues" through fiscal 2016 reflect the results, and those from fiscal 2017 reflect the initial budget.
  - (a) Includes receipts of surplus funds from the previous year and

- settlement adjustment funds.
- "Government bond issues"/"general expenditures"
  - 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). Figures in this table are rounded to the nearest whole number.
  - From fiscal 1999, figures include transactions with foreign central banks and international organizations through their yen accounts at the Bank of Japan. The funds of Japan Post were omitted from the treasury accounts from April 2003, when the Postal Service Agency changed to Japan Post. Figures in this table are rounded to the nearest whole number.

**[page 71] Balance of Payments (1)**

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

- 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. Figures in this table are rounded to the nearest whole number.
- (a) Figures through December 2013 and those from January 2014 onward are discontinued primarily due to the revision of the IMF's *Balance of Payments Manual* (the *Manual*). (Figures from January 2014 onward are compiled based on the sixth edition of the *Manual*. Figures through December 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*.)
  - Shows the value of net acquisition of assets minus net incurrence of liabilities.

**[page 72] Balance of Payments (2)**

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

- Includes foreign currency reserves, the IMF reserve position, SDRs, and Gold. There is no continuity between the data prior to March 2000 and those from April 2000 because of changes in the calculation method for public sector disclosure of reserve assets and foreign currency liquidity. From April 2000, figures are calculated based on the IMF's "Special Data Dissemination Standard."
- Based on "*International Transactions in Securities (based on reports from designated major investors)*."
- Shows net acquisition/disposition of securities. Figures in this table are rounded to the nearest whole number.

**[page 73] Customs Clearance**

- The value of exports is based on FOB (Free on Board) prices.
- The value of imports is based on CIF (Cost, Insurance and Freight) prices.
- {Total imports - (foodstuffs + raw materials + mineral fuels)}/total imports (estimated by the Bank of Japan). The classification of commodities is based on the "Foreign Trade Statistics Classification of Items Standard."
- Value of exports less value of imports (estimated by the Bank of Japan).
- Total exports value index/total imports value index. The base year is 2010. Fiscal-year and quarterly data are arithmetic averages of the monthly figures.

**[page 74] Real Exports and Real Imports**

- The quarterly and fiscal-year figures are arithmetic averages of the seasonally adjusted monthly figures.
- The customs clearance values of both exports and imports (denominated in yen) deflated by the export and import price indices (denominated in yen) respectively.

**[page 75] Crude Oil**

- Customs clearance basis.
- (a) Import value of crude oil and partly refined oil in the "Ordinary Trade Statistics."
- (b) Import quantity of crude oil and partly refined oil in the "Ordinary Trade Statistics." 1Bbl = 0.159kl.
- "Value of imports"/"amount of imports."

**[page 76] Government Economic Outlook**

The figures for Consumer Price Index include all items.

**[page 78] International Key Statistics (1)**

- Some items have discontinuity. See the following footnotes for details.
- The rate charged by the Federal Reserve Bank of New York. Since January 2003, the discount rate refers to the primary credit rate.
  - Figures from June 28, 2000 to October 14, 2008 are those of the main refinancing operations minimum bid rate.
  - Through February 2008, data are the call rate (uncollateralized overnight rate).
  - The figures are rounded off to two decimals.

**[page 79] International Key Statistics (2)**

- The base year is 2009, chain-type weighted measure.
- The base year is 2010, chain-type weighted measure.
- The base year is 2016, chain-type weighted measure.
- The base year is 2007, chain-type weighted measure.
- The base year is 2010.



- (f) The base year is 2011, chain-type weighted measure.
- (g) As annual figures are calculated from seasonally adjusted quarterly data, end figures may differ from those in other publications.
- (h) Quarterly figures are percentage changes from the previous year. As annual figures are calculated from seasonally adjusted quarterly data, end figures may differ from those in other publications.
- (i) Calculated by dividing seasonally adjusted nominal GDP by seasonally adjusted real GDP data.

**[page 80] International Key Statistics (3)**

- (a) Excludes soldiers.
- (b) As annual and quarterly figures are arithmetic averages of monthly data, end figures may differ from those in other publications.
- (c) Based on claimant count.
- (d) Annual figures are calculated from seasonally adjusted data. The base year is 1982-1984.
- (e) HICP (Harmonized Index of Consumer Prices). Data refer to the changing composition of the euro area. The base year is 2015.
- (f) The base year is 2015.
- (g) The base year is 2002.
- (h) The base year is 2016.
- (i) The base year is 2010.

**[page 81] International Key Statistics (4)**

- (a) Annual figures are calculated by seasonally adjusted quarterly figures.

**[page 82] Economic Forecasts by International Organization**

1. Source: "World Economic Outlook" of the IMF.
2. ASEAN: Thailand, Malaysia, Philippines, Indonesia, and Vietnam.
3. GDP weight calculated (by the IMF) on P.P.P (Purchasing power parity) basis.

**[page 83] (Reference) Average Amounts Outstanding of Money Stock (through April 2008)**

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

1. Some figures are preliminary.
2. (a) Financial institutions surveyed for  $M_2$ +CDs: 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. Through March 1999, foreign banks in Japan, domestically licensed foreign trust banks, and Shinkin Central Bank are excluded from the financial institutions surveyed.
- (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.
- (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. Surveyed financial institutions of other savings and deposits with financial institutions are 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 and includes negotiable certificates of deposit. Commercial papers issued by financial institutions includes those issued by insurance companies. Beginning from January 1997, figures for some components of broadly-defined liquidity are not consistent with the previous data due to revision of the estimation method and inclusion of commercial paper issued by financial institutions. Beginning from April 1999, foreign banks in Japan, foreign trust banks, Shinkin Central Bank, the Shinkumi Federation Bank, the Rokinren Bank, prefectural credit federations of agricultural cooperatives and prefectural credit federations of fishery cooperatives were added to the financial institutions surveyed.