

FOREWORD BY THE GOVERNOR



The Bank of Japan has two missions, to achieve price stability and ensure the stability of the financial system. On the price stability side, the Bank has been steadily pursuing its policy of Quantitative and Qualitative Monetary Easing with Yield Curve Control to achieve the price stability target of 2 percent in terms of the year-on-year rate of change in the consumer price index. The Bank works to fulfill the two missions by conducting, besides monetary policy, business operations in a wide range of areas such as financial system and bank examination, payment and settlement systems, market infrastructures, international finance, banknotes, treasury funds and Japanese government securities services, and public communications. The Bank pursues its various policies through the precise and deliberate execution of these central banking operations.

The *Annual Review* provides excerpts from the Japanese original *Gyoumu Gaikyo Sho* (Outline of Business Operations), which is prepared pursuant to Article 55 of the Bank of Japan Act. The *Gyoumu Gaikyo Sho* for fiscal 2019 and the *Annual Review 2020* have been drawn up and released to explain to readers the implementation of the Bank's business operations during fiscal 2019. Throughout the fiscal year, the Bank, in accordance with the *Medium-Term Strategic Plan (Fiscal 2019–2023)*, addressed various issues and moved forward with a number of measures, while ensuring that its business operations and organizational management were conducted in a timely manner in view of changes in circumstances, as can be seen, for example, from its measures in response to the spread of the novel coronavirus (COVID-19). The Bank will continue with its efforts as the country's central bank to achieve the sustainable growth and development of Japan's economy. I hope this year's *Annual Review* will help readers to gain an overview of the Bank's activities toward these ends.

A handwritten signature in black ink that reads "Haruhiko Kuroda". The signature is written in a cursive, flowing style.

KURODA Haruhiko

Governor of the Bank of Japan