

March 17, 2022

Bank of Japan

Extension of the Bilateral Local Currency Swap Agreement with
the Reserve Bank of Australia

To enhance the financial stability of Australia and Japan, the Bank of Japan has decided to extend the bilateral local currency swap agreement with the Reserve Bank of Australia to March 17, 2025, allowing for the exchange of local currencies between the two central banks of up to AUD 20 billion or JPY 1.6 trillion.

By utilizing the swap agreement, the Bank of Japan would be prepared to provide liquidity in Australian dollars, should Japanese financial institutions face unexpected difficulties in Australian dollar settlements, and if the Bank judges the liquidity provision to be necessary for ensuring the stability of Japan's financial system.