

October 13, 2008

Bank of Japan

Further Measures to Improve Liquidity in Short-Term U.S. Dollar Funding Markets

In order to provide broad access to liquidity and funding to financial institutions, the Bank of England (BoE), the European Central Bank (ECB), the Federal Reserve, the Bank of Japan, and the Swiss National Bank (SNB) are jointly announcing further measures to improve liquidity in short-term U.S. dollar funding markets.

The BoE, ECB and SNB will conduct tenders of U.S. dollar funding at 7-day, 28-day, and 84-day maturities at fixed interest rates for full allotment. Funds will be provided at a fixed interest rate, set in advance of each operation. Counterparties in these operations will be able to borrow any amount they wish against the appropriate collateral in each jurisdiction. Accordingly, sizes of the reciprocal currency arrangements (swap lines) between the Federal Reserve and the BoE, the ECB, and the SNB will be increased to accommodate whatever quantity of U.S. dollar funding is demanded. The Bank of Japan will be considering the introduction of similar measures.

Central banks will continue to work together and are prepared to take whatever measures are necessary to provide sufficient liquidity in short-term funding markets.

Information on Related Actions Being Taken by Other Central Banks

Information on the actions that will be taken by the other central banks is available at the following websites:

Bank of England	http://www.bankofengland.co.uk
European Central Bank	http://www.ecb.int
Federal Reserve	http://www.federalreserve.gov
Swiss National Bank	http://www.snb.ch