

September 29, 2008
Bank of Japan

Further Coordinated Actions Designed to Address Elevated Pressures in Short-Term Funding Markets

In response to continued strains in short-term funding markets, central banks today are announcing further coordinated actions to expand significantly the capacity to provide U.S. dollar liquidity. Central banks will continue to work together closely and are prepared to take appropriate steps as needed to address funding pressures.

Bank of Japan Actions

At the unscheduled Monetary Policy Meeting held today, the Bank of Japan decided to take further steps in providing the U.S. dollar funds in view of the increased impact of liquidity pressures in the U.S. dollar on Japanese money market. The Bank decided to increase the maximum aggregate amount of the U.S. dollar swap facility from USD 60 billion to 120 billion and to extend the term of the U.S. dollar funds-supplying operations until the end of April 2009. In addition, the Bank authorized the expansion of eligible counterparties in this operation. The Bank will continue to closely coordinate with other central banks and to strive to maintain market stability through money market operations.

Information on Related Actions Being Taken by Central Banks

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

Bank of Canada	http://www.bankofcanada.ca
Bank of England	http://www.bankofengland.co.uk
Danmarks Nationalbank	http://nationalbanken.dk
European Central Bank	http://www.ecb.int
Federal Reserve	http://www.federalreserve.gov
Norges Bank	http://www.norges-bank.no
Reserve Bank of Australia	http://rba.gov.au
Sveriges Riksbank	http://www.riksbank.se
Swiss National Bank	http://www.snb.ch