

Outline of Outright Purchases of Japanese Government Bonds

Based on the decision by the Monetary Policy Meeting held today, the Bank of Japan decided to conduct the outright purchases of Japanese government bonds as follows, effective on April 5, 2013.

1. Amounts to be Purchased

Approximately 7.5 trillion yen per month (6.2 trillion yen for the rest of April 2013)

2. Bonds to be Purchased

Japanese government bonds with coupons (2-year bonds, 5-year bonds, 10-year bonds, 20-year bonds, 30-year bonds, 40-year bonds, floating-rate bonds, and inflation-indexed bonds).

3. Amounts to be Purchased from Specific Brackets Classified by Bond Type and Residual Maturity

Bonds with coupons (excluding floating-rate bonds and inflation-indexed bonds)				Floating-rate bonds	Inflation-indexed bonds
Residual maturity of					
up to 1 year	more than 1 year and up to 5 years	more than 5 years and up to 10 years	more than 10 years		
0.22 trillion yen per month	3.0 trillion yen per month	3.4 trillion yen per month	0.8 trillion yen per month	0.14 trillion yen per month (bimonthly)	0.02 trillion yen per month (bimonthly)

4. Frequency of Purchases

Six times per month in principle (five times for the rest of April 2013)

5. Method of Auctions

A multiple-price competitive auction.

Bonds with coupons (excluding floating-rate bonds and inflation-indexed bonds): counterparties bid “yield spreads,” which are calculated by subtracting the benchmark yields from the yields at which counterparties desire to sell bonds to the Bank.

Floating-rate bonds and inflation-indexed bonds: counterparties bid “price spreads,” which are calculated by subtracting the benchmark prices from the prices at which counterparties desire to sell bonds to the Bank.

Monthly Schedule of Outright Purchases of Japanese Government Bonds

1. April 2013

(billion yen)

	Bonds with coupons (excluding floating-rate bonds and inflation-indexed bonds)				Floating-rate bonds	Inflation-indexed bonds	Total
	Residual maturity of						
	up to 1 year	more than 1 year and up to 5 years	more than 5 years and up to 10 years	more than 10 years			
1st purchase			1,000	200			1,200
2nd purchase			1,000	300			1,300
3rd purchase	110	1,100					1,210
4th purchase			1,050	300			1,350
5th purchase		1,000			140		1,140
Total	110	2,100	3,050	800	140	0	6,200

2. May 2013

(billion yen)

	Bonds with coupons (excluding floating-rate bonds and inflation-indexed bonds)				Floating-rate bonds	Inflation-indexed bonds	Total
	Residual maturity of						
	up to 1 year	more than 1 year and up to 5 years	more than 5 years and up to 10 years	more than 10 years			
1st purchase			1,200	200			1,400
2nd purchase	110	1,000					1,110
3rd purchase			1,100	300			1,400
4th purchase	110	1,000					1,110
5th purchase			1,100	300			1,400
6th purchase		1,000				20	1,020
Total	220	3,000	3,400	800		20	7,440

(Note) The Bank of Japan will announce the succeeding monthly schedules, as it decides.