

July 31, 2024
Bank of Japan

Amendment to "Principal Terms and Conditions of Complementary Deposit Facility"

At the Monetary Policy Meeting held on July 30 and 31, 2024, the Policy Board of the Bank of Japan made the following decisions in accordance with the change in the guideline for money market operations.

The Bank will notify each eligible counterparty of the amendment to other rules related to these Policy Board decisions separately, after necessary preparations are completed.

1. The Bank shall amend the "Principal Terms and Conditions of Complementary Deposit Facility" (see Attachment 1).
2. The Bank shall amend the "Principal Terms and Conditions for the Purchase/Sale of Japanese Government Securities with Repurchase Agreements" (see Attachment 2).
3. The Bank shall amend the "Principal Terms and Conditions for the Fund-Provisioning Measure to Stimulate Bank Lending Conducted through the Loan Support Program" (see Attachment 3).
4. The Bank shall amend the "Principal Terms and Conditions for the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas" (see Attachment 4).
5. The Bank shall amend the "Principal Terms and Conditions of the Funds-Supplying Operations to Support Financing for Climate Change Responses" (see Attachment 5).

Amendment to "Principal Terms and Conditions of Complementary Deposit Facility"

- Paragraph 4. shall be amended as follows.

4. Interest Rate

The interest rate shall be ~~0-~~10.25 percent per annum.

(Supplementary Provision)

The amendment shall become effective on August 1, 2024.

Amendment to "Principal Terms and Conditions for the Purchase/Sale of Japanese Government Securities with Repurchase Agreements"

- Paragraph 6. shall be amended as follows.

6. Method for Auctions

(1) (No change)

(2) Sales with repurchase agreements

The Bank shall sell securities using one of these methods.

(a) Competitive auction method

A multiple-price competitive auction shall be conducted for each sale where counterparties bid "selling yields" (yields for the period during which securities are held by counterparties).

(b) Fixed-rate method

The Bank shall sell securities at the fixed-rate determined in advance based on the prevailing interest rates in short-term money markets.

(Supplementary Provision)

The amendment shall become effective on the date determined by the Governor.

Amendment to "Principal Terms and Conditions for the Fund-Provisioning Measure to Stimulate Bank Lending Conducted through the Loan Support Program"

- Paragraph 6. shall be amended as follows.

6. Interest Rate on Loans

The interest rate on loans shall be ~~0.1 percent per annum~~ the average of the interest rates stipulated in Paragraph 4. of the "Principal Terms and Conditions of Complementary Deposit Facility" (Policy Board Decision on January 29, 2016) during the period in which the loans are extended.

(Supplementary Provision)

The amendment shall become effective on August 1, 2024. To the loans that are disbursed under the terms and conditions prior to the amendment, the prior terms and conditions shall be applied until their maturities.

Amendment to "Principal Terms and Conditions for the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas"

- Paragraph 7. shall be amended as follows.

7. Loan Rates

The interest rate on loans shall be ~~0.1 percent per annum~~ that stipulated in paragraph 4. of the "Principal Terms and Conditions of Complementary Deposit Facility" (Policy Board Decision on January 29, 2016) as of the date of loan disbursement.

(Supplementary Provision)

The amendment shall become effective on August 1, 2024. To the loans that are disbursed under the terms and conditions prior to the amendment, the prior terms and conditions shall be applied until their maturities.

Amendment to "Principal Terms and Conditions of the Funds-Supplying Operations to Support Financing for Climate Change Responses"

- Paragraph 6. shall be amended as follows.

6. Loan Rates

The interest rate on loans shall be ~~0.1 percent per annum~~ that stipulated in paragraph 4. of the "Principal Terms and Conditions of Complementary Deposit Facility" (Policy Board Decision on January 29, 2016) as of the date of loan disbursement.

(Supplementary Provision)

The amendment shall become effective on August 1, 2024. To the loans that are disbursed under the terms and conditions prior to the amendment, the prior terms and conditions shall be applied until their maturities.