

Relaxation of the Terms and Conditions for the Securities Lending Facility  
for the Cheapest-to-Deliver Issues

The Bank of Japan decided to increase the upper limit on the consecutive-day purchases of the same issue under the Securities Lending Facility (SLF) for 10-year JGBs #369 and #370 for the time being as follows, in order to ensure stability in the market by easing excessive tightening in supply and demand of Japanese government securities in the repo market. The change below will be effective from September 1, 2025.

Regular conditions <sup>(Note 1)</sup>	A maximum of 50 business days, in principle
After relaxation	A maximum of 80 business days, in principle <sup>(Note 2)</sup>

Notes: 1. With regard to 10-year JGBs #368, the regular conditions will be applied to new transactions made on and after September 1. The regular conditions will continue to be applied to 10-year JGBs #371.

2. The total number of consecutive-day purchases, including those through August 29.

Regarding the reduction in the Bank's repurchase amount under the SLF, the Bank will continue to implement the measures shown in "Change in the Treatment of the Reduction in the Bank of Japan's Repurchase Amount under the Securities Lending Facility" published on June 17, 2025.<sup>(Note 3)</sup>

Notes: 3. Among the issues applicable to the relaxed conditions for the reduction in the repurchase amount under the SLF, issues whose amount outstanding in the market at present is less than 1.5 trillion yen (the upper limit on the reduction of each issue) are 10-year JGBs #362, #364, #366, #367, #368, and #369.

The Bank will continue to closely monitor the situation of sales and purchases, as well as lending, of the cheapest-to-deliver issues in the JGB cash and repo markets and take measures as necessary.

For further information, please contact the Market Operations Division, Financial Markets Department (post.fmd26@boj.or.jp).