

**Market Operations following the Shortening of JGB Settlement Cycle to T+1**

Following the shortening of Japanese government bond (JGB) settlement cycle to T+1, the Bank of Japan will shorten the settlement cycle of outright purchases of JGBs and treasury discount bills (T-Bills) from two business days (T+2) to one business day (T+1), and will change the operation timetable as shown in the attachment.

Also, while not accompanying changes in the attached timetable, the Bank will shorten the settlement cycle of Fixed-Rate Funds-Supplying Operations against Pooled Collateral (forward-day operations) from T+2 to T+1.

The above will be applied from the operations offered on May 1, 2018, the scheduled implementation date of the T+1 settlement cycle for JGB transactions.

## Operation Timetable <sup>(Note 1)</sup>

### 1. Same-day operations

	Funds-Supplying Operations against Pooled Collateral				Purchase/Sale of Japanese Government Securities with Repurchase Agreements			
	Head Office		All Offices		Purchase		Sale	
Offer	9:20	12:50	9:20	12:50	9:20	12:50	9:20	12:50
Bid-submission cut-off time	9:50	13:20	10:20	13:50	9:50	13:20	9:50	13:20
Notification of respective results to auction participants	Around 10:05	Around 13:35	Around 10:35	Around 14:05	Around 10:05	Around 13:35	Around 10:05	Around 13:35
Cut-off time for submission of documents (for start)	---				---			
Cut-off time for settlement on start day	16:15 <sup>(Note 2)</sup>				15:00			
Cut-off time for submission of documents (for maturity)	---				---			
Cut-off time for settlement on maturity date	16:15 <sup>(Note 2)</sup>				15:00			

	Sale of Bills	
Offer	9:20	12:50
Bid-submission cut-off time	9:50	13:20
Notification of respective results to auction participants	Around 10:05	Around 13:35
Cut-off time for submission of documents (for start)	---	---
Settlement time on start day	Around 14:30 <sup>(Note 3)</sup>	Around 16:30 <sup>(Note 3, 4)</sup>
Cut-off time for submission of documents (for maturity)	10:30 on maturity date <sup>(Note 5)</sup>	
Settlement time on maturity date	Around 12:30 or 14:30 <sup>(Note 3)</sup>	

2-1. Forward-day operations (morning offer)

	Purchase/Sale of Japanese Government Securities with Repurchase Agreements	
	Purchase	Sale
Offer	9:30	
Bid-submission cut-off time	10:10	
Notification of respective results to auction participants	Around 10:25	
Cut-off time for submission of documents (for start)	---	
Cut-off time for settlement on start day	15:00	
Cut-off time for submission of documents (for maturity)	---	
Cut-off time for settlement on maturity date	15:00	
Number of business days from offer to start <sup>(Note 6)</sup>	T+1	

	Purchases of CP with Repurchase Agreements	
Offer	9:30	
Bid-submission cut-off time	13:00	
Notification of respective results to auction participants	Around 13:40	
Cut-off time for submission of documents (for start)	15:00 one business day prior to start day	
Settlement time on start day	Around 14:30 <sup>(Note 3)</sup>	
Cut-off time for submission of documents (for maturity)	15:00 one business day prior to maturity date	
Settlement time on maturity date	At and after 10:30 <sup>(Note 3)</sup>	
Number of business days from offer to start <sup>(Note 6)</sup>	T+2	

	Outright Purchase/Sale of Treasury Discount Bills	Outright Purchases of Japanese Government Bonds	
		Competitive Auction Method	Fixed-Rate Method
Offer	10:10	10:10	
Bid-submission cut-off time	11:20	11:40	
Notification of respective results to auction participants	Around 11:35	Around 12:00	
Cut-off time for submission of documents (for start)	---	---	
Cut-off time for settlement on start day	15:00	15:00	
Cut-off time for submission of documents (for maturity)	---	---	
Cut-off time for settlement on maturity date	---	---	
Number of business days from offer to start <small>(Note 6)</small>	T+1	T+1	

2-2. Forward-day operations (afternoon offer)

	Funds-Supplying Operations against Pooled Collateral	
	Head Office	All Offices
Offer	13:00	
Bid-submission cut-off time	13:30	14:00
Notification of respective results to auction participants	Around 13:45	Around 14:15
Cut-off time for submission of documents (for start)	---	
Cut-off time for settlement on start day	16:15 <small>(Note 2)</small>	
Cut-off time for submission of documents (for maturity)	---	
Cut-off time for settlement on maturity date	16:15 <small>(Note 2)</small>	
Number of business days from offer to start <small>(Note 6)</small>	T+1 and onwards	T+1 and onwards

	Sale of Bills
Offer	13:00
Bid-submission cut-off time	13:30
Notification of respective results to auction participants	Around 13:45
Cut-off time for submission of documents (for start)	---
Settlement time on start day	Around 14:30 <sup>(Note 3)</sup>
Cut-off time for submission of documents (for maturity)	10:30 on maturity date <sup>(Note 5)</sup>
Settlement time on maturity date	Around 12:30 or 14:30 <sup>(Note 3)</sup>
Number of business days from offer to start <sup>(Note 6)</sup>	T+1 and onwards

	Outright Purchases of Japanese Government Bonds
	Fixed-Rate Method
Offer	14:00
Bid-submission cut-off time	15:30
Notification of respective results to auction participants	Around 15:50
Cut-off time for submission of documents (for start)	---
Cut-off time for settlement on start day	15:00
Cut-off time for submission of documents (for maturity)	---
Cut-off time for settlement on maturity date	---
Number of business days from offer to start <sup>(Note 6)</sup>	T+1

### 3. Other

	Securities Lending Facility <sup>(Note 7)</sup>	
Acceptance of requests for offer	9:00 - 11:15	12:30 - 13:15
Offer	11:50	13:50
Bid-submission cut-off time	12:15	14:15
Notification of respective results to auction participants	Around 12:30	Around 14:30
Cut-off time for submission of documents (for start)	---	
Cut-off time for settlement on start day	13:15	15:30 <sup>(Note 8)</sup>
Cut-off time for submission of documents (for maturity)	---	
Cut-off time for settlement on maturity date	15:00	15:00
Number of business days from offer to start <sup>(Note 6)</sup>	T+0	

Notes 1: This is a standard timetable, and operations may be conducted on a timetable different from the above. The time for notification of respective results to auction participants is an approximation and may differ from that shown in the timetable.

2: The cut-off time shall be 17:15 on days when payments made through the Domestic Funds Transfer System are extended by 60 minutes.

3: Settlement will be made by the Bank of Japan.

4: Settlement time shall be around 17:30 on days when payments made through the Domestic Funds Transfer System are extended by 60 minutes.

5: Submission of documents is unnecessary when the bills are held in safekeeping.

6: In the "number of business days from offer to start," "T+2," for example, indicates that the start day is two business days after the offer date.

7: This operation is conducted as the sale of Japanese government securities with repurchase agreements.

8: Settlement time shall be 15:00 for issues on days when redemption or an interest payment is due on the following day.