

Expansion of the "Bond Market Survey" and "Liquidity Indicators in the JGB Markets"

In order to enhance dialogue with market participants, the Financial Markets Department of the Bank of Japan has undertaken various initiatives such as conducting the "Bond Market Survey" and releasing "Liquidity Indicators in the JGB Markets."

The Financial Markets Department will further develop these initiatives through the following actions. These actions will help the Bank examine bond market liquidity and functioning from a broader range of perspectives and facilitate dialogue with market participants.

1. Expansion of the variety of "Bond Market Survey" respondents

The Financial Markets Department introduced the quarterly "Bond Market Survey" in February 2015 to continuously understand market participants' views on the functioning of the bond market and outlook for long-term interest rates.¹ In addition, the Bank has utilized the information gathered through the survey for dialogue with market participants.

From the next survey in February 2018, the Financial Markets Department will expand the variety of "Bond Market Survey" respondents. The survey will include responses from major insurance companies, asset management companies, etc., in addition to those currently received from eligible institutions for the Bank's outright purchases and sales of JGBs, mainly consisting of banks and securities companies. The number of respondents will increase from 46 in the November 2017 survey to around 70 after the expansion.

¹ "Actions to Enhance Dialogue with Market Participants" (November 5, 2014)

2. Expansion of "Liquidity Indicators in the JGB Markets"

The Financial Markets Department has released "Liquidity Indicators in the JGB Markets," which consist of several indicators for measuring JGB market liquidity, generally each quarter since August 2015, and has utilized these indicators for dialogue with market participants.²

Against this background, the Financial Markets Department will compile new indicators and expand "Liquidity Indicators in the JGB Markets" from the perspective of capturing liquidity in the JGB cash market.³

The expanded "Liquidity Indicators in the JGB Markets" are planned to be released in March 2018.

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² "Release of Liquidity Indicators in the JGB Markets" (August 18, 2015)

³ The new indicators are planned to include some indicators which were explained at [the sixth round of the "Bond Market Group" meetings held on December 6 and 7, 2017](#) as having been compiled on a trial basis.