Flow of Funds
- Overview of Japan, the United States, and the Euro area -

June 22, 2016
Research and Statistics Department
Bank of Japan

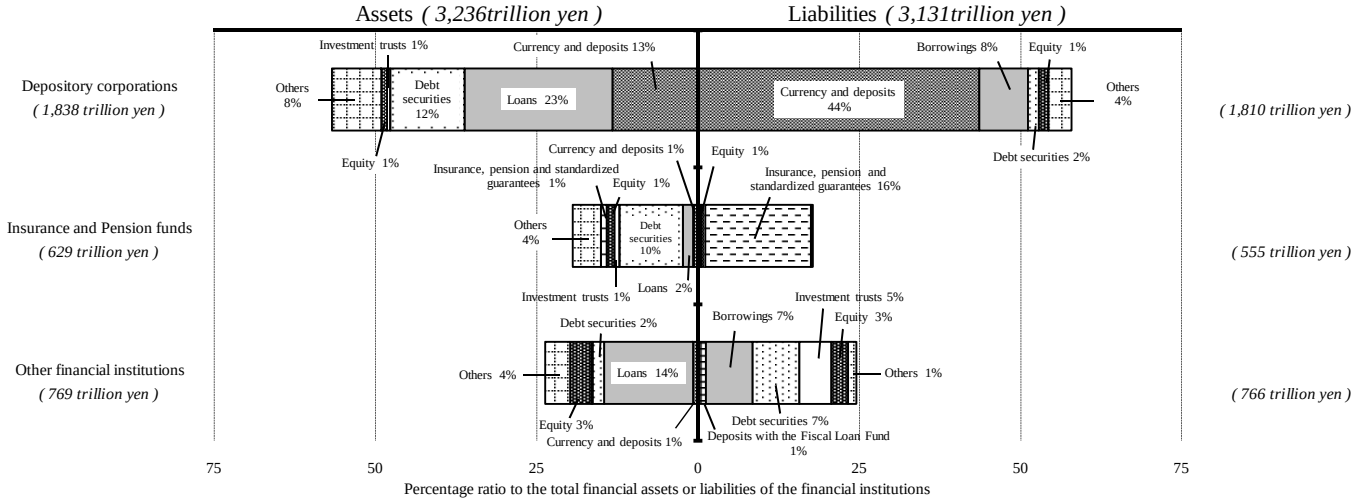
*In this paper, major sectors are compared either among Japan, the United States, and the Euro area or between Japan and the United States.

I . Overview: Japan, the United States, and the Euro area

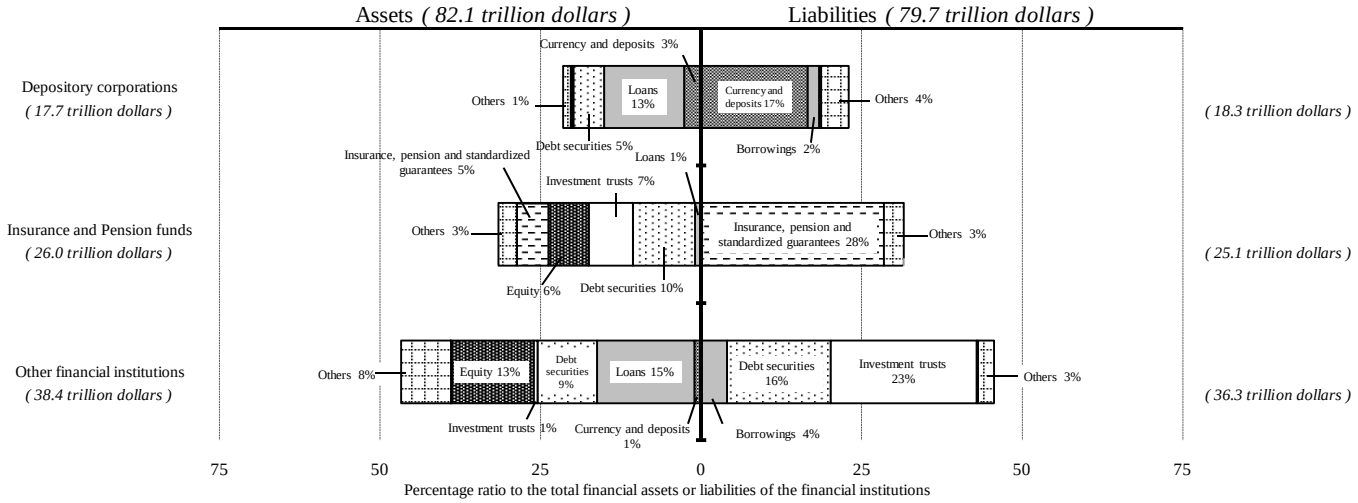
— ***Data for Japan and the United States are as of March-end 2016; those for the Euro area are as of December-end 2015.***

Chart 1. Financial assets and liabilities of financial institutions

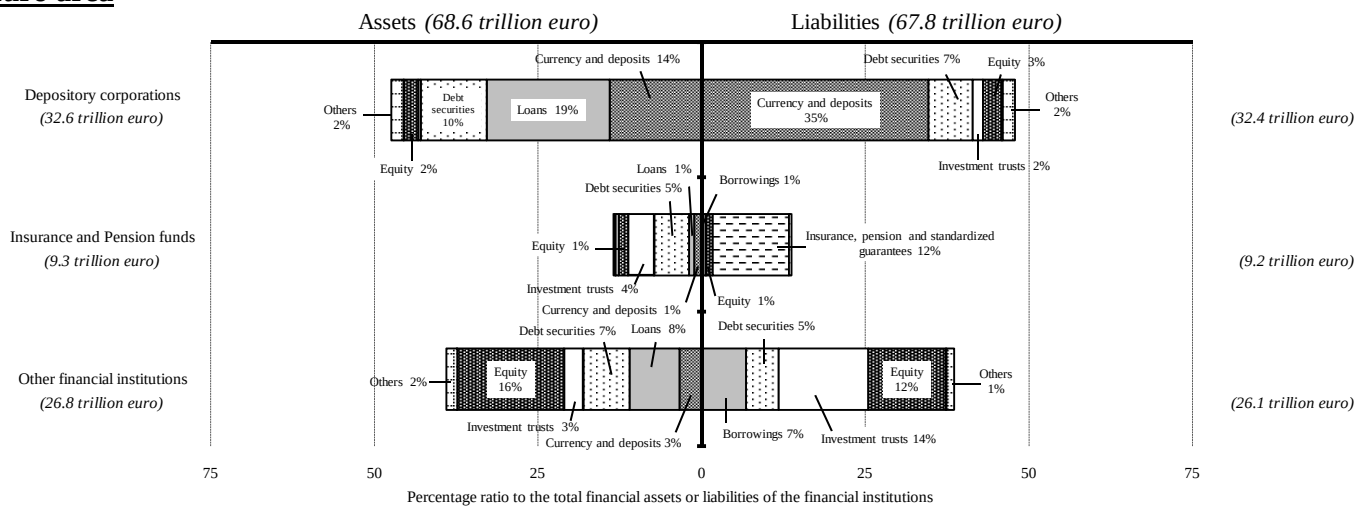
Japan



United States



Euro area



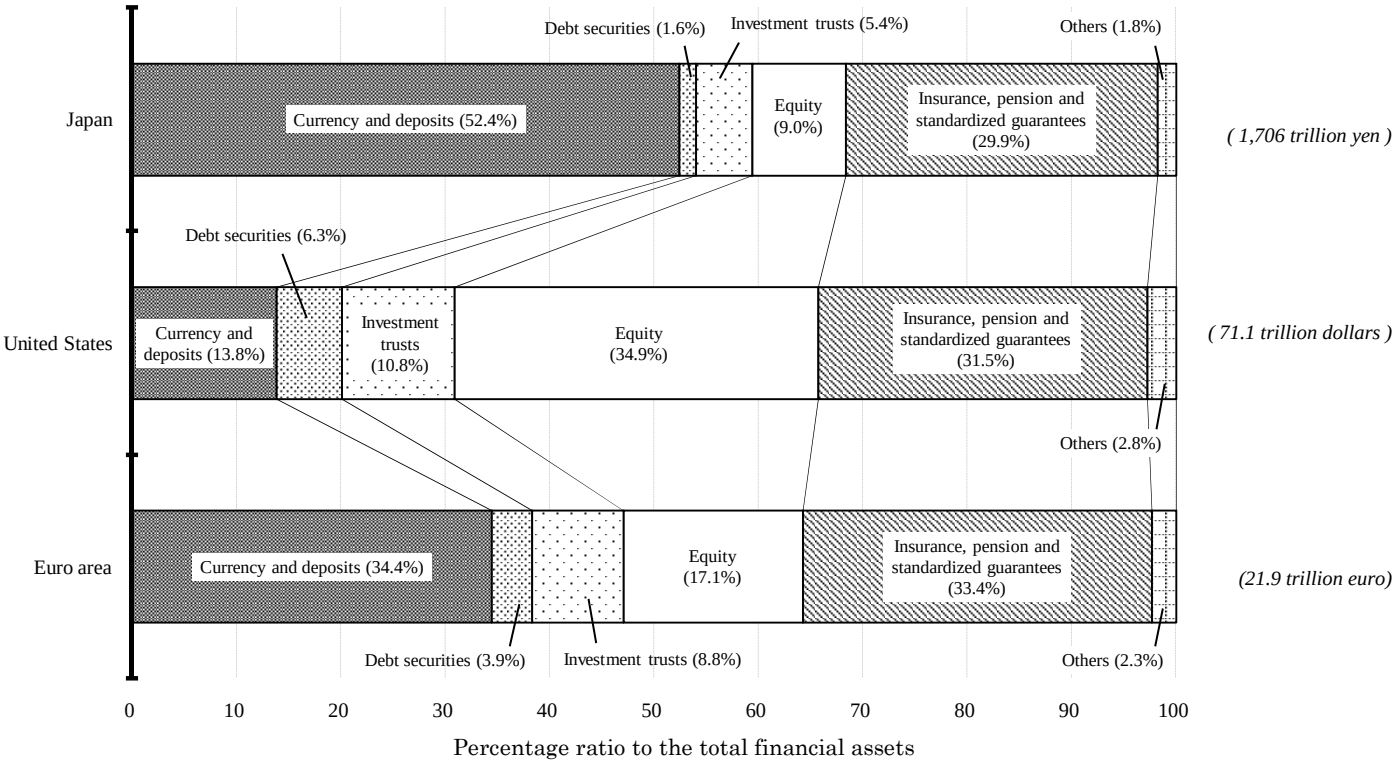
* "Other financial institutions" for Japan are the sum of "Securities investment trusts," "Other financial intermediaries," "Financial auxiliaries," and "Public captive financial institutions."

** "Depository corporations" for the Euro area includes central bank sector.

*** "Others" is the residual which is the remaining after deducting "Currency and deposits," "Deposits with the Fiscal Loan Fund"(Japan only), "Loans/Borrowings," "Debt securities," "Investment trusts," "Equity," and "Insurance, pension and standardized guarantees" from total financial assets/liabilities.

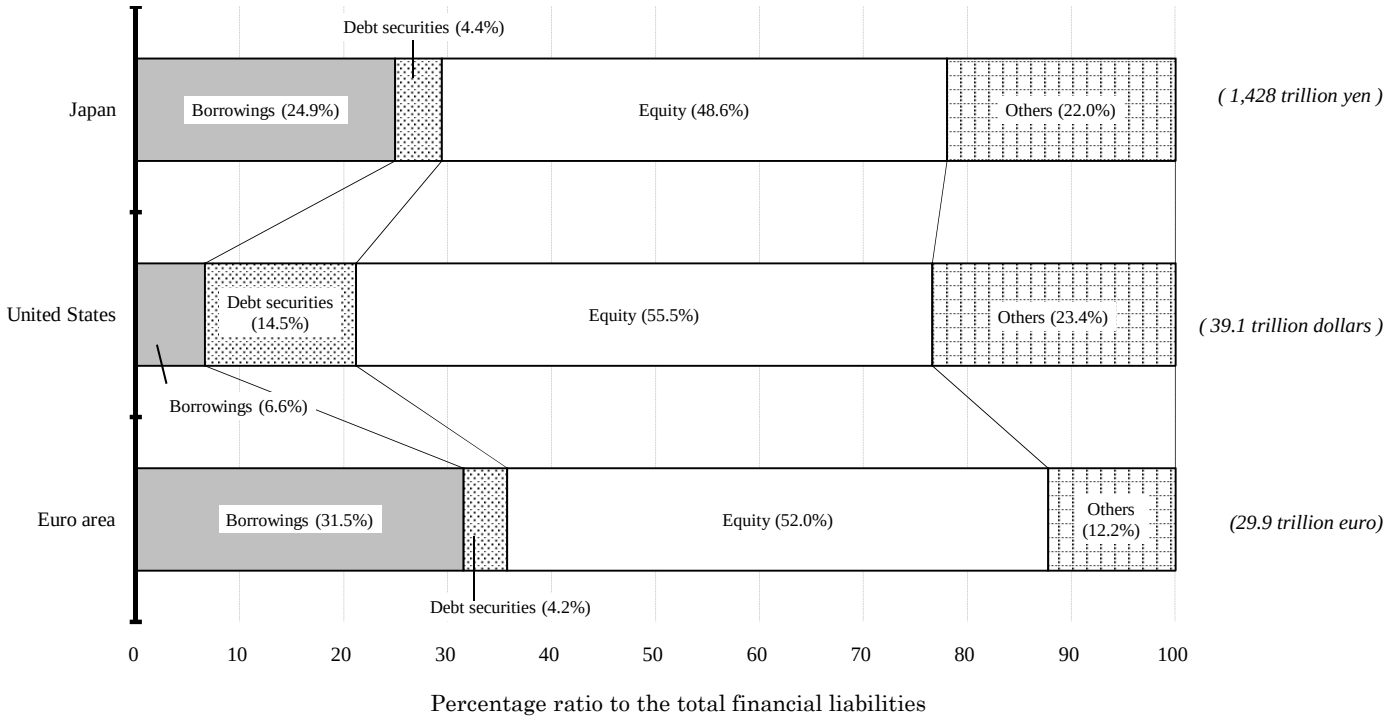
**** "Currency and deposits" held by depository corporations for US includes "Vault cash" and "Reserves at Federal Reserve."

Chart 2. Financial assets held by households



* "Others" is the residual which is the remaining after deducting "Currency and deposits," "Debt securities," "Investment trusts," "Equity," and "Insurance, pension and standardized guarantees" from total financial assets.

Chart 3. Financial liabilities owed by private nonfinancial corporations

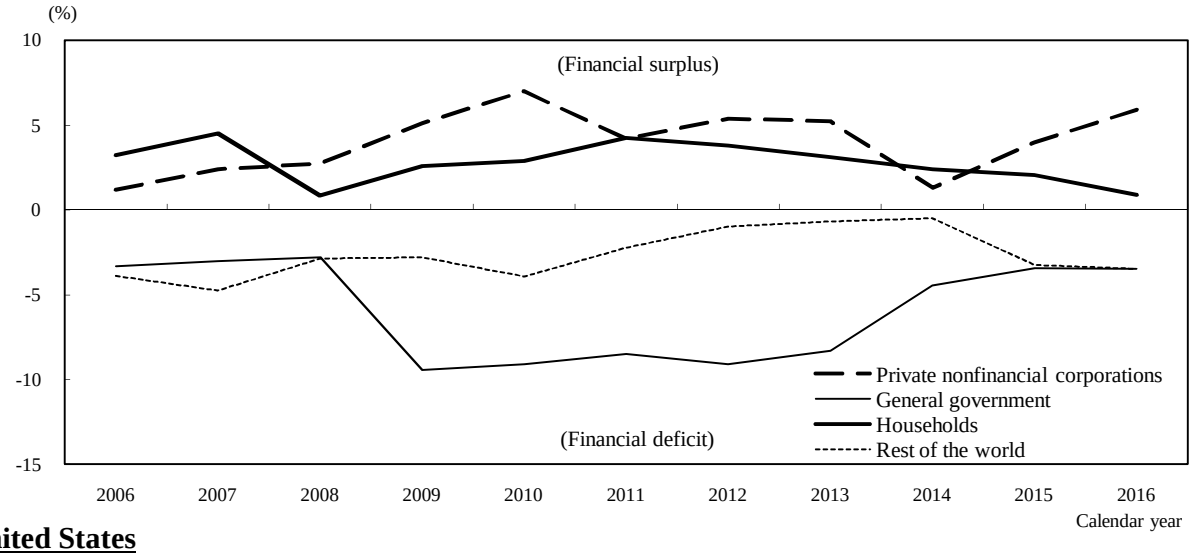


* "Others" is the residual which is the remaining after deducting "Borrowings," "Debt securities," and "Equity" from total financial liabilities.

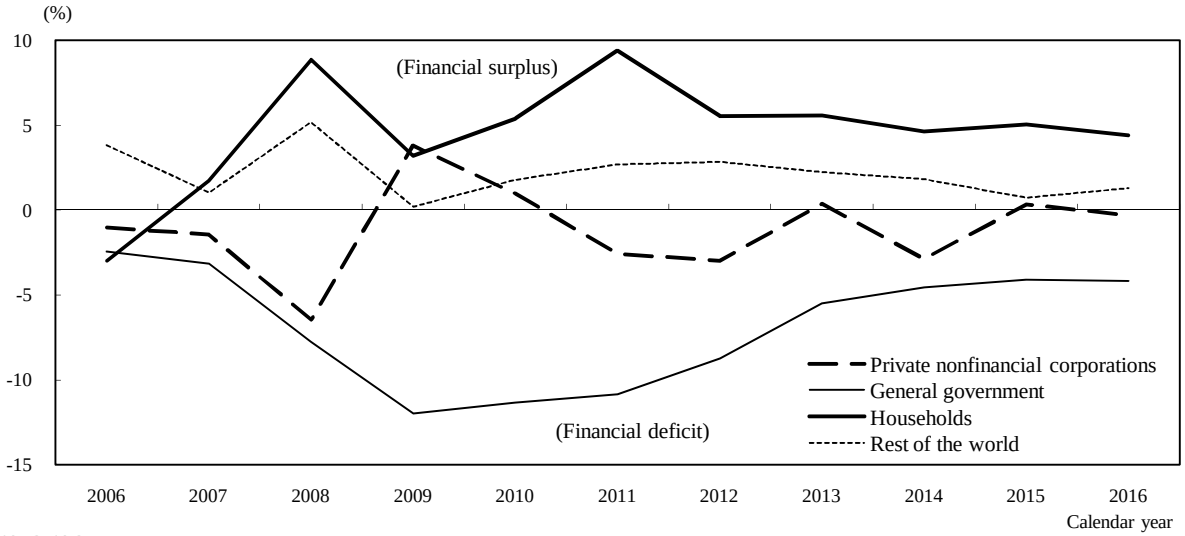
** Figures for the Euro area consist of nonfinancial corporations, which include both public and private nonfinancial corporations.

Chart 4. Financial surplus and deficit of major sectors (as a percentage of nominal GDP)

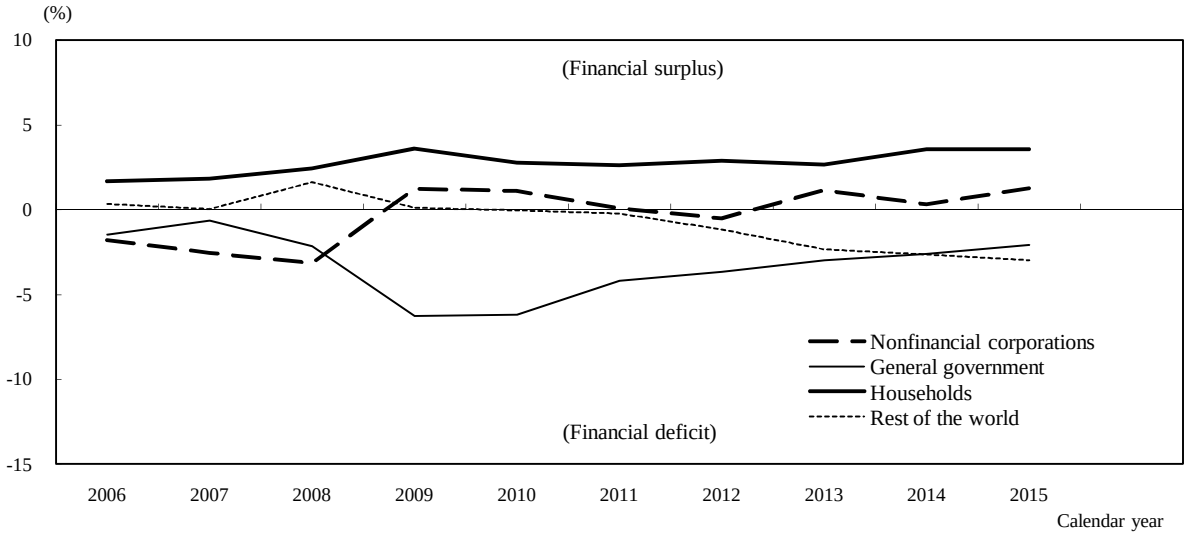
Japan



United States



Euro area



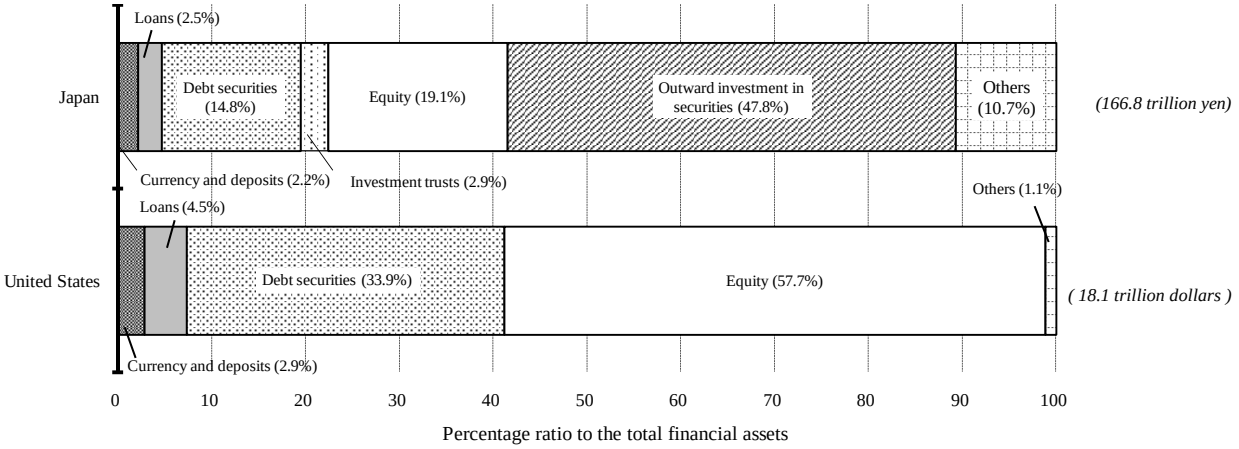
* Figures for 2016 are the sum of the data of the most recent four quarters: up to the first quarter of 2016 for Japan and the United States.

** See notes on the last page for the definition of each sector.

Ⅱ. Overview: Japan and the United States

— ***Data are as of March-end 2016.***

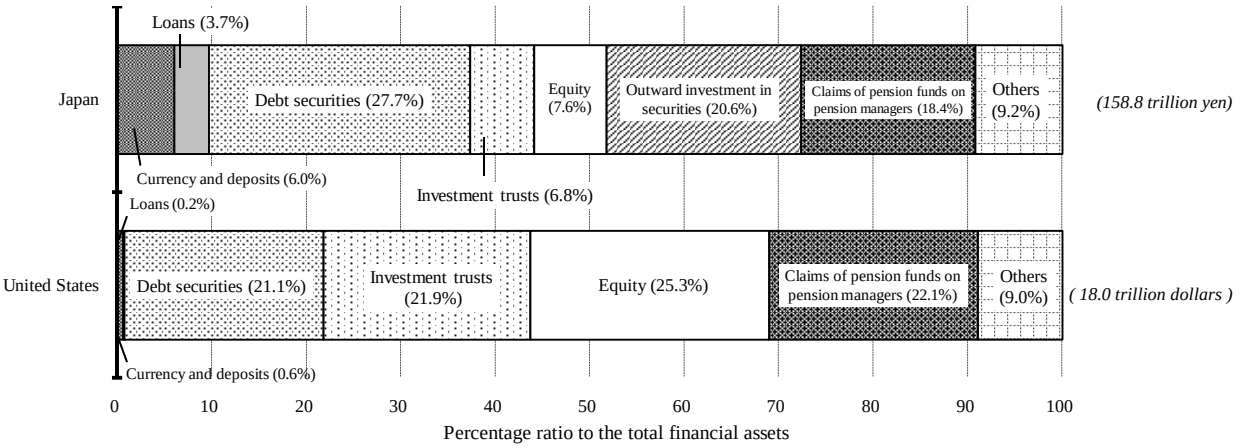
Chart 5. Financial assets held by investment trusts



* "Others" is the residual which is the remaining after deducting "Currency and deposits," "Loans," "Debt securities," "Investment trusts," "Equity," and "Outward investment in securities"(Japan only) from total financial assets.

** Data for US include both outward and domestic investment in securities.

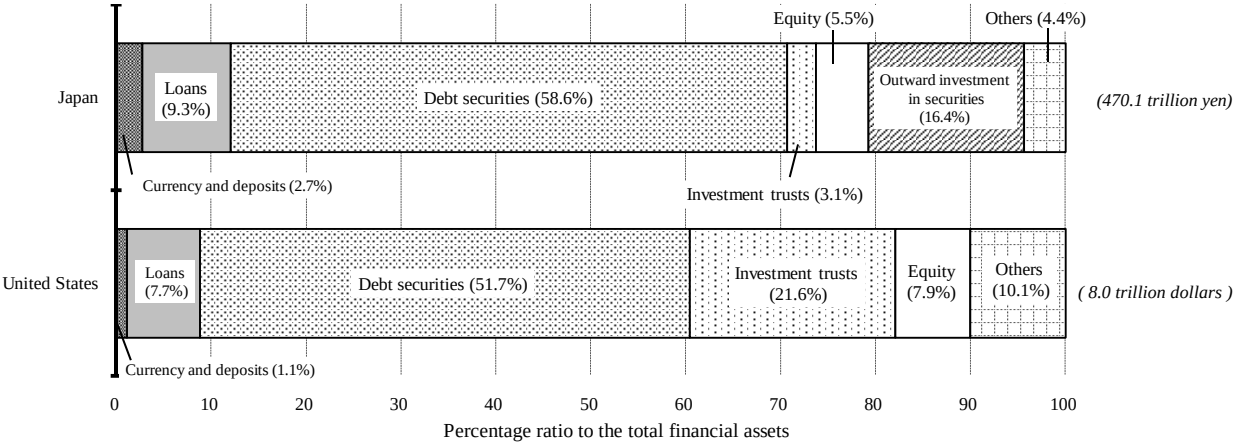
Chart 6. Financial assets held by pension funds



* "Others" is the residual which is the remaining after deducting "Currency and deposits," "Loans," "Debt securities," "Investment trusts," "Equity," "Outward investment in securities"(Japan only), and "Claims of pension funds on pension managers" from total financial assets.

** Data for US include both outward and domestic investment in securities.

Chart 7. Financial assets held by insurance



* "Others" is the residual which is the remaining after deducting "Currency and deposits," "Loans," "Debt securities," "Investment trusts," "Equity," and "Outward investment in securities"(Japan only) from total financial assets.

** Data for US include both outward and domestic investment in securities.

Notes to Charts 1 to 7

Data source

Bank of Japan, *Flow of Funds Accounts,* released on June 17, 2016
http://www.boj.or.jp/en/index.htm

FRB, *Financial Accounts of the United States, First Quarter 2016,* released on June 9, 2016
http://www.federalreserve.gov/releases/z1/Current/

ECB, *Euro Area Accounts,* released on April 28, 2016
http://www.ecb.europa.eu/stats/prices/acc/html/index.en.html

Sectors and transaction items

Sectors and transaction items of the United States [hereafter "US"] and Euro area [hereafter "EA"] are reclassified according to the Japan's Flow of Funds Accounts (see below).

Sectors

Depository corporations

[US] U.S.-Chartered Depository Institutions, Foreign Banking Offices in U.S., Banks in U.S.-Affiliated Areas, Credit Unions

[EA] Monetary Financial Institutions : *Includes central bank as well as depository corporations.*

Insurance and pension funds (Sectors marked with an asterisk indicate pension funds)

[US] Life Insurance Companies, Property-Casualty Insurance Companies, Private Pension Funds*, State and Local Government Employee Retirement Funds*, Federal Government Employee Retirement Funds*

[EA] Insurance Corporations and Pension Funds

- In Euro Area Accounts, insurance corporations and pension funds are combined into one sector.

Other financial institutions (Sectors with an asterisk indicate investment trusts. Sectors with double asterisks indicate nonbanks)

[US] Money Market Mutual Funds*, Mutual Funds*, Closed-End and Exchange-Traded Funds*, Government-Sponsored Enterprises, Agency-and GSE-Backed Mortgage Pools**, Issuers of Asset-Backed Securities**, Finance Companies**, Real Estate Investment Trusts, Security Brokers and Dealers, Funding Corporations, Holding Companies

[EA] Non-Money-Market Investment Funds, Other financial intermediaries, Financial auxiliaries, Captive financial institutions

Private nonfinancial corporations

[US] Nonfinancial Corporate Business

[EA] Non-financial Corporations : *Includes both private and public nonfinancial corporations.*

General government

[US] State and Local Governments, Federal Government : *Social security funds not included.*

[EA] General Government : *Includes social security funds.*

Households

[US] Households and Nonprofit Organizations

[EA] Households, Including Non-profit Institutions Serving Households

- In Japan's FFA, households excludes private nonprofit institutions serving households.

Transaction items

Currency and deposits

[US] U.S. Deposits in Foreign Countries, Checkable Deposits and Currency, Time and Savings Deposits

[EA] Currency and Deposits

Loans/Borrowings

[US] Net Interbank Transactions, Federal Funds and Security Repurchase Agreements, Loans

[EA] Loans

Debt securities

[US] Debt Securities

[EA] Short-term Debt Securities, Long-term Debt Securities

Investment trusts

[US] Money Market Mutual Fund Shares, Mutual Fund Shares

[EA] Investment fund shares (including MMF shares)

Equity

[US] Corporate Equities, Proprietors' Equity in Noncorporate Business, Investment by parent

[EA] Listed Shares, Unlisted Shares and other equity

Insurance, pension and standardized guarantees

[US] Life Insurance Reserves, Pension Entitlements

[EA] Insurance and pension schemes

Claims of pension funds on pension managers

[US] Claims of pension fund on sponsor

Financial surplus and deficit

[US] Net Lending (+) or Borrowing (-) (Financial Account)

[EA] Net Lending (+) / Net Borrowing (-) from Financial Accounts

Note

Some items with small amount outstanding are not explicitly shown on charts.