

## Actions to Enhance Dialogue with Market Participants<sup>1</sup>

The Bank of Japan, under the quantitative and qualitative monetary easing (QQE) introduced in April 2013, has been purchasing a wide range of assets including Japanese government bonds (JGBs) and various risky assets. Furthermore, the Bank expanded the QQE on October 31, 2014, and raised the pace of purchases of assets, such as JGBs.

Against this background, the Financial Markets Department of the Bank will, through the following new initiatives, further enhance dialogue with market participants, while carefully examining developments and functions of financial markets as well as impacts of the Bank's operations on financial markets.<sup>2</sup>

### 1. Introduction of the "Bond Market Survey"

The Financial Markets Department will newly introduce the "Bond Market Survey" -- conducted quarterly. The survey will help the Bank to continuously understand market participants' views on the functions of the bond market as well as their outlook on interest rates. In addition, the Financial Markets Department aims to further enhance dialogue with market participants by making the best use of information gathered through the survey.

The "Bond Market Survey" will be conducted in early 2015, soon after preparations are finished.

---

<sup>1</sup> The Financial Markets Department has been taking actions to understand trends in market transactions and market structure, in addition to maintaining and improving market functions. These actions include conducting the "Workshop on Securitization" (2003-2004) and the "Tokyo Money Market Survey" (2008-) as well as improving the convenience of "Securities Lending Facilities."

<sup>2</sup> The Bank, in its statement regarding the introduction of the QQE released on April 4, 2013, articulated that it would enhance dialogue with market participants since the cooperation with market participants is vital to facilitate the QQE. The new initiatives are based on such idea.

(Reference) Outline of the "Bond Market Survey"

Respondents	Eligible institutions for outright sales and purchases of JGBs (voluntary basis)
Survey Items	Functions of the bond market, outlook on interest rates, etc.
Frequency	Quarterly (survey will be conducted in February, May, August and November.)
Timing of Release	The results will be released, in principle, five business days prior to the first day of the Monetary Policy Meeting in the following month of the survey
Method of Release	The Bank's web site

2. Increase in the frequency of release of "T-Bills Purchased by the Bank of Japan"

The Financial Markets Department decided to increase the frequency of release of "T-Bills Purchased by the Bank of Japan" with a view to increasing the level of convenience for market participants in observing and analyzing the amount outstanding in the market. This will begin with the data as of November 10 to be released on November 12.

	Current policy	New policy
Frequency of release	Every month	Every ten days
Timing of release	The amount outstanding as of the last business day of each month is released in the evening of two business days later.	The amount outstanding as of the 10th and 20th calendar days <sup>1</sup> and the last business day of each month will be released in the evening of two business days later.

Note: 1. If the 10th or 20th calendar day falls on a holiday or weekend, the amount outstanding as of the previous business day will be released.

3. Bringing forward the release date and making further use of the "Tokyo Money Market Survey"

As for the "Tokyo Money Market Survey" which the Financial Markets Department has been conducting since 2008, there was a considerable time lag between the conduct of the survey (August) and the release of its results (sometime between December and the following February). However, the Financial Markets Department released the results to the earliest extent possible this year, paying due attention to requests from market participants. Specifically, while keeping the data date to end-July as in the past surveys to maintain time-series consistency, the Financial Markets Department released this year's results on October 10, bringing forward the release date by more than two to four months.

The Financial Markets Department aims to promptly release information gathered through the survey and the aforementioned "Bond Market Survey," and to make further use of these surveys when engaging in dialogue with market participants and taking actions to maintain and improve market functions.

For further information, please contact the Bank of Japan at the following e-mail address.  
Market Infrastructure Division at the Financial Markets Department:  
post.fmd33@boj.or.jp