12. Financial Markets

As for stock prices, after declining from the 22,400-yen level to the 21,900-yen level, the Nikkei Stock Average rose to the 22,900-yen level, and thereafter declined to the 22,700-yen level. The yen against the U.S. dollar (inter-bank spot rate), after moving in the direction of depreciation from the 106-yen level to the 107-yen level, moved in the direction of appreciation to the 106-yen level, and thereafter moved in the direction of depreciation to the 107-yen level.

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<tbody>
<tr>
<td><strong>Call rates</strong></td>
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<tr>
<td>(uncollateralized overnight)</td>
<td>-0.061</td>
<td>-0.052</td>
<td>-0.062</td>
<td>-0.046</td>
<td>-0.034</td>
<td>-0.033</td>
<td>-0.043</td>
<td>-0.036</td>
<td>-0.047</td>
<td>-0.048</td>
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<tr>
<td><strong>Euro-yen TIBOR</strong></td>
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<tr>
<td>(3 months)</td>
<td>0.072</td>
<td>0.031</td>
<td>0.064</td>
<td>0.027</td>
<td>0.015</td>
<td>0.017</td>
<td>-0.030</td>
<td>-0.002</td>
<td>-0.042</td>
<td>-0.047</td>
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<td><strong>Japanese Government Bond Yields</strong></td>
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<td></td>
<td>0.071</td>
<td>-0.101</td>
<td>0.051</td>
<td>-0.105</td>
<td>-0.093</td>
<td>-0.038</td>
<td>0.001</td>
<td>-0.006</td>
<td>-0.006</td>
<td>0.014</td>
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<td><strong>Stock prices</strong></td>
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<tr>
<td>Tokyo Stock Price Index (TOPIX)</td>
<td>1,729</td>
<td>1,595</td>
<td>1,680</td>
<td>1,596</td>
<td>1,679</td>
<td>1,583</td>
<td>1,497</td>
<td>1,412</td>
<td>1,488</td>
<td>1,585</td>
</tr>
<tr>
<td>The NIKKEI Stock Average</td>
<td>22,310</td>
<td>21,697</td>
<td>21,995</td>
<td>21,890</td>
<td>23,041</td>
<td>21,808</td>
<td>20,784</td>
<td>19,208</td>
<td>20,543</td>
<td>22,486</td>
</tr>
<tr>
<td><strong>Exchange rates</strong></td>
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<tr>
<td>(¥/$)</td>
<td>110.40</td>
<td>108.99</td>
<td>110.90</td>
<td>108.65</td>
<td>108.72</td>
<td>108.79</td>
<td>107.61</td>
<td>107.93</td>
<td>107.31</td>
<td>107.56</td>
</tr>
<tr>
<td>(¥/Euro)</td>
<td>130.35</td>
<td>122.02</td>
<td>128.46</td>
<td>120.80</td>
<td>120.33</td>
<td>120.10</td>
<td>118.54</td>
<td>117.21</td>
<td>116.91</td>
<td>121.14</td>
</tr>
<tr>
<td>(¥/KRW)</td>
<td>9.97</td>
<td>10.70</td>
<td>10.04</td>
<td>10.88</td>
<td>10.81</td>
<td>10.95</td>
<td>11.34</td>
<td>11.34</td>
<td>11.46</td>
<td>11.22</td>
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<td><strong>BOJ Current account balances</strong></td>
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<td>(¥100 million, YoY)</td>
<td>3,830,017</td>
<td>3,969,489</td>
<td>3,869,696</td>
<td>3,999,624</td>
<td>4,023,727</td>
<td>3,961,565</td>
<td>4,231,680</td>
<td>4,089,771</td>
<td>4,195,810</td>
<td>4,409,460</td>
</tr>
<tr>
<td>Monetary base</td>
<td>4,914,988</td>
<td>5,090,077</td>
<td>4,966,863</td>
<td>5,129,020</td>
<td>5,158,360</td>
<td>5,108,709</td>
<td>5,312,748</td>
<td>5,189,225</td>
<td>5,308,787</td>
<td>5,440,233</td>
</tr>
<tr>
<td>Money stock</td>
<td>10,024,525</td>
<td>10,269,920</td>
<td>10,082,592</td>
<td>10,346,057</td>
<td>10,369,228</td>
<td>10,426,242</td>
<td>10,836,048</td>
<td>10,640,380</td>
<td>10,822,246</td>
<td>11,045,517</td>
</tr>
<tr>
<td>Broadly defined liquidity</td>
<td>17,734,174</td>
<td>18,077,232</td>
<td>17,811,752</td>
<td>18,201,405</td>
<td>18,260,269</td>
<td>18,349,273</td>
<td>18,670,746</td>
<td>18,482,146</td>
<td>18,640,936</td>
<td>18,889,156</td>
</tr>
<tr>
<td>Loans by banks (YoY)</td>
<td>2.1</td>
<td>2.3</td>
<td>2.2</td>
<td>2.1</td>
<td>2.1</td>
<td>2.1</td>
<td>2.1</td>
<td>2.1</td>
<td>2.1</td>
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</tr>
<tr>
<td>Straight corporate bond issues (YoY)</td>
<td>-1.7</td>
<td>28.5</td>
<td>15.4</td>
<td>28.2</td>
<td>25.4</td>
<td>23.9</td>
<td>-15.4</td>
<td>-42.4</td>
<td>-40.0</td>
<td>31.2</td>
</tr>
</tbody>
</table>

(Notes)
1. Call rates, Euro–yen TIBOR, Japanese Government Bond Yields, stock prices and exchange rates are averages of the calendar year, fiscal year, quarter or month.
2. Japanese Government Bond Yields are newly issued government bond yields (10 years).
3. Exchange rate (¥/$) is interbank spot central rate and (¥/Euro) is interbank spot rate at 17:00 and (¥/KRW) is interbank spot rate at NY17:00.
4. BOJ Current account balances are average amounts outstanding for each maintenance period.
5. Monetary base and Money stock are average amounts outstanding. ( ) : Percentage changes from the previous quarter (month) at annual rate, seasonally adjusted.
6. Loans by banks are average amounts outstanding of loans by banks (major and regional banks).
7. Straight corporate bond issues are those issued on the domestic market and include yen-denominated foreign bonds and asset-backed bonds.
Yields on corporate bonds have been calculated on the expanded pool of issues with maturity of three to seven years. Yields on government bonds with 5-year maturity.

(Chart) Exchange Rate
- Against the USD
- Against the EUR (right scale)

(Chart) Nikkei Stock Average

(Chart) Short-term interest rate and long-term
- Three-month Euro-yen TIBOR
- Yield rates of 10-year government bonds
- Uncollateralized overnight call

(Chart) Spreads of Corporate Bond Yields over Government Bond Yields
- BBB-rated
- A-rated
- AA-rated

(Note) 1. Yields on corporate bonds have been calculated on the expanded pool of issues with maturity of three to seven years. Yields on government bonds with 5-year maturity.
Balance sheet of Bank of Japan and Monetary Base

(Source) Bank of Japan "Bank of Japan Accounts", "Monetary Base"

Exchange Rate Trends

(Note) The nominal rate (YEN/USD) is the interbank spot central rate (monthly average). The nominal rate (YEN/EURO) is the interbank spot rate at 17:00 (monthly average).

The real effective rate is estimated by the Bank of Japan. But, the nominal rate (YEN/USD) of circle of daily is the interbank spot rate at 17:00 of New York.
Stock Price Trends

(1968.1.4=100)

- All-time high (daily, closing price):
  - Nikkei Stock Average 38,915 yen (89.12.29)
  - TOPIX 2,884 points (89.12.18)

- Lowest since 1989 (daily, closing price):
  - Nikkei Stock Average 7,054 yen (2009.3.10)
  - TOPIX 695 points (2012.6.4)

(Notes)
1. Both Nikkei Stock Average and TOPIX are monthly averages.
2. TOPIX is based on 1968.1.4 = 100.

Short-term interest rate and long-term Trends

(\%)

- Zero interest
- Quantitative easing
- Zero interest
- Comprehensive easing
- Quantitative and Qualitative Monetary Easing
- Yield rates of 10-year government bonds
- Three-month Euro-yen TIBOR

(Year)

- Uncollateralized overnight call
- Jun 22,486 yen
- 1,585 points
- 0.014%
- Jun 3/01~3/06
- 4/06~7/06
- 10/10~3/13
- 4/13~2/16
- 2/16~
- 9/16~
- 0.047%
- Uncollateralized overnight call