

# Japanese Investor Flows

09 September 2025

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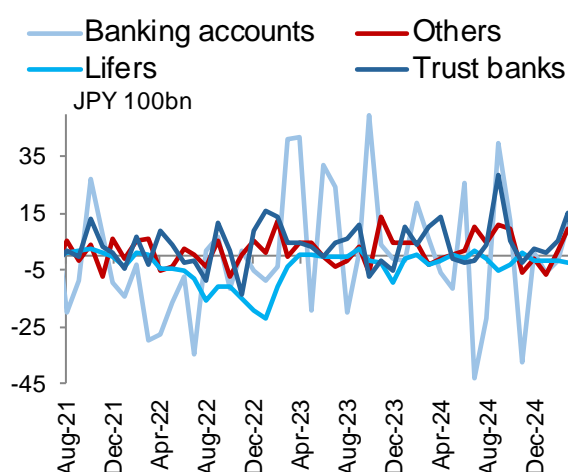
## Banks taking profit while trust banks rebalance ahead of September

- MoF's monthly International Transaction in Securities (ITS) data for August showed a **large net buying of 1yr+ overseas bonds from trust banks (on behalf of pension funds)** — the largest amount since Aug24. The net buying occurred towards the end of the month, in sync with the buying momentum seen in global rates into September and the US August payrolls report. Going back to the trust-bank flow, this was likely some type of asset rebalancing given their net selling in equities. US equities were in fact printing new highs around the end of the month, which corroborate this asset-rebalancing flow. **On the other hand, and after a July of strong net buying, Japanese banks turned net sellers in August.** We suspect this may have been some profit-taking into the US job data, and on the anticipation to September's negative seasonality in long-term bonds. **Lifers continued to be on the sidelines, with only small net buying in long-term overseas bonds and equities.**
- Going back to July, the BoP data showed that **the net buying was broad based.** USTs (+JPY2.59tn), Bunds (+JPY0.33tn), OATs (+JPY0.34tn), Canadian sovereign bonds (+JPY0.2tn), ACGBs (+JPY0.11tn) and Gilts (+JPY0.14tn) all saw net inflows. Most of these positions will probably be in the green now, except OATs, which have suffered from increased political risk premia. **We suspect the buying of OATs was probably an attempt to build up inventory given the underinvestment in France (vs historical levels).** On the other hand, BTPs (-JPY0.31tn) were the main losers — probably profit-taking from the large spread-tightening seen since March.
- Overseas equities and investment funds saw two-way flows**, with lifers, nonfin. corps, and investment trust managers on the buying side and the rest net selling.

### Japanese flows in foreign assets

Latest monthly MoF data: Aug	1yr+ bonds			Equity & investment funds			<1yr bonds		
	Net	Diff vs		Net	Diff vs		Net	Diff vs	
		3mma	12mma		3mma	12mma		3mma	12mma
JPY 100bn									
<b>Total</b>	<b>3.8</b>	<b>-17.3</b>	<b>-2.5</b>	<b>-0.9</b>	<b>7.8</b>	<b>-0.6</b>	<b>0.3</b>	<b>1.6</b>	<b>-1.1</b>
Banking accounts	-8.9	-19.7	-10.2	-3.9	-4.7	-3.4	-0.4	0.8	-1.6
Trust banks	19.9	6.6	15.1	-7.0	8.6	-0.4	-0.1	0.1	0.0
Lifers	0.8	1.2	1.6	1.2	0.0	1.5	0.1	0.0	-0.2
Financial instrument firms	-6.4	-6.1	-9.1	-0.1	0.2	-0.3	1.6	0.4	0.7
Nonfin. corps, households, NPISHs	-2.4	0.2	0.0	0.8	1.2	0.9	-1.3	0.3	-0.1
Investment trust managers	0.9	0.6	0.1	8.1	2.5	1.1	0.4	0.1	0.2

### Japan net foreign bond buying

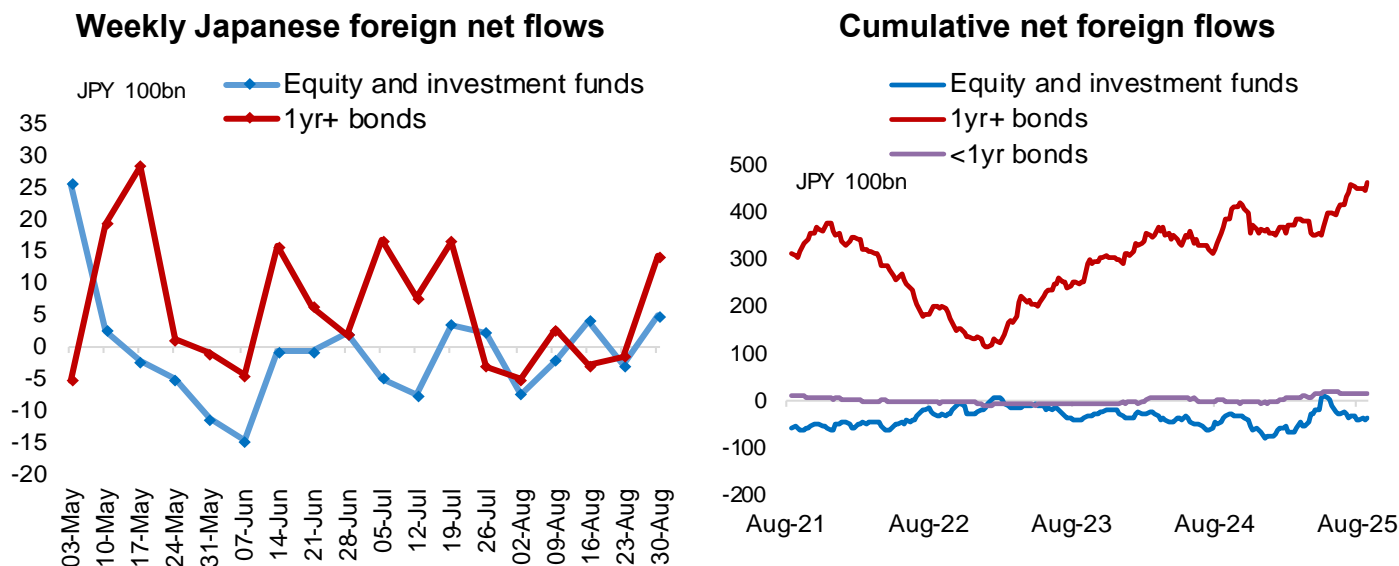


Source: Mizuho International, Japan MoF  
All figures in this publication: as of 09 September 2025

### Contents

- Weekly data / flow tables (page 2)
- Balance of Payments (3)
- Net Foreign Bond Buying, ITS vs BoP data (4)
- Net flows by asset type (5)
- Net flows by investor type + seasonality (6-7)
- Net flows by region + seasonality (8-10)
- Net flows by currency (11)
- Relative yields / ASW levels (12-13)
- FX hedging costs (14)
- Cumulative Japanese net flows (14)
- Flows – total buying vs selling (15)

## Japan Portfolio Investment Flows: Weekly Data



### Monthly net flows

Japanese investment in international assets (JPY 100bn), International Transactions in Securities data

**Positive: net buying** **Negative: net selling**

#### 1yr+ bonds

	Total	Banking accounts	Trust banks	Lifers	Financial instrument firms	Nonfin. corps, households, NPISHs	Investment trust managers	Non-lifer insurers	Public sector
Aug 2025	3.8	-8.9	19.9	0.8	-6.4	-2.4	0.9	0.0	0.0
Jul 2025	38.2	40.5	4.2	-2.0	0.1	-2.5	-2.0	0.0	0.0
Jun 2025	21.2	0.9	15.8	0.0	5.4	-2.8	2.1	0.0	0.0
May 2025	39.9	30.0	5.8	5.3	-2.2	-1.5	2.5	0.0	-0.1
Apr 2025	-19.9	-17.2	-7.8	-0.8	6.4	-2.2	1.7	0.0	0.0
Mar 2025	-9.0	-8.2	-7.4	-2.5	10.8	-1.7	0.0	0.0	0.0
Feb 2025	33.0	10.5	15.1	-2.2	10.7	-2.0	0.9	0.0	0.0
Jan 2025	2.7	-1.8	5.2	-2.1	4.8	-1.8	-1.4	-0.1	0.0
Dec 2024	-13.3	-5.8	1.1	-2.0	-2.4	-3.1	-1.0	0.0	-0.1

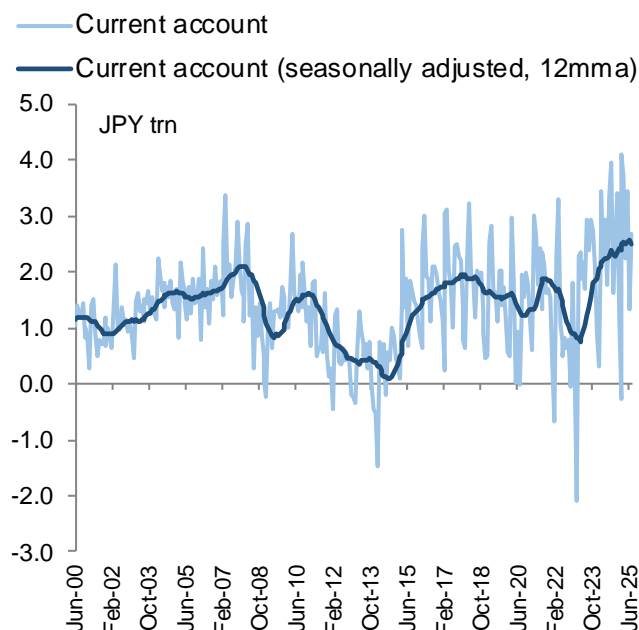
#### Equity and investment funds

	Total	Banking accounts	Trust banks	Lifers	Financial instrument firms	Nonfin. corps, households, NPISHs	Investment trust managers	Non-lifer insurers	Public sector
Aug 2025	-0.9	-3.9	-7.0	1.2	-0.1	0.8	8.1	0.0	0.0
Jul 2025	-5.4	5.2	-15.2	2.1	-0.6	-0.1	3.3	0.0	0.0
Jun 2025	-19.9	0.9	-24.4	0.3	-0.1	-1.8	5.2	0.0	0.0
May 2025	-4.2	-1.8	-5.4	0.1	0.0	-1.1	4.0	0.0	0.0
Apr 2025	32.7	0.6	27.6	-4.6	-0.6	1.7	8.0	0.0	0.0
Mar 2025	20.0	-2.3	7.6	-3.9	5.3	2.3	11.1	0.0	0.0
Feb 2025	-3.5	-3.7	-7.4	-2.3	1.5	1.3	7.2	0.0	0.0
Jan 2025	16.2	1.4	-2.6	-0.5	0.2	0.8	16.9	0.0	0.0
Dec 2024	-3.1	2.2	-15.2	1.4	0.0	-0.5	9.1	0.0	0.0

Source all charts: Mizuho International, Japan MoF

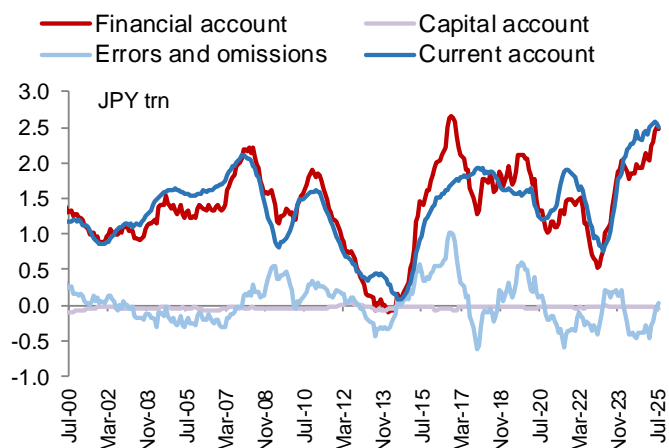
## Japan Balance of Payments

Non-seasonally adjusted	JPY (trn)	12m mov. av.	Diff from 12mma
<b>Current account</b>	<b>2.68</b>	<b>2.50</b>	
Goods	-0.19	-0.22	
Services	-0.70	-0.19	
Primary income	4.07	3.38	
Secondary income	-0.51	-0.47	
<b>Errors and omissions</b>	<b>-0.64</b>	<b>0.02</b>	
<b>Capital account</b>	<b>-0.02</b>	<b>-0.03</b>	
Capital transfers	-0.01	-0.02	
Gross acq. / Disposals of nonprod. nonfin. assets	-0.01	-0.01	
<b>Financial account</b>	<b>2.03</b>	<b>2.48</b>	
Direct investment	1.08	2.11	
Portfolio investment	-3.02	0.01	
Fin. derivs (non-reserves)	0.60	0.19	
Other investment	3.12	-0.29	
Reserve assets	0.25	0.46	
<b>Seasonally adjusted</b>			
<b>Current account (SA)</b>	<b>1.88</b>	<b>-</b>	
Goods	-0.28	-	
Services	-0.45	-	

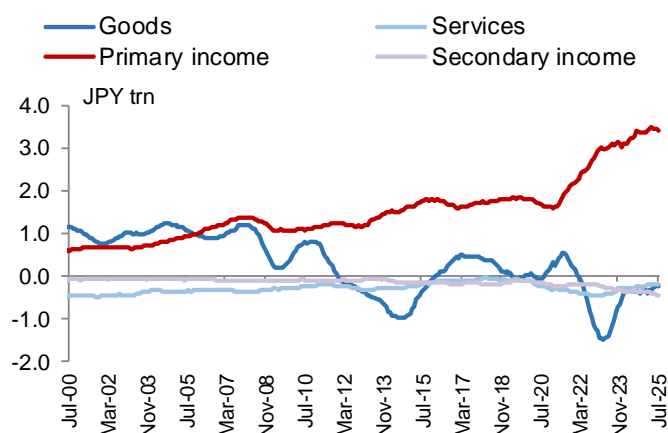


## Balance of payments components: 12 month moving averages

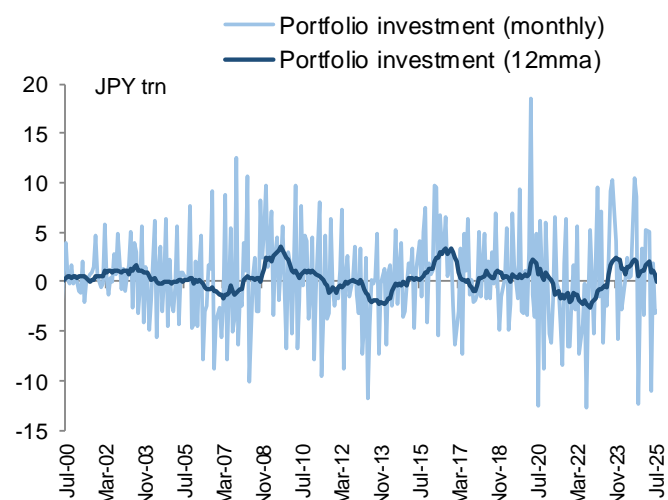
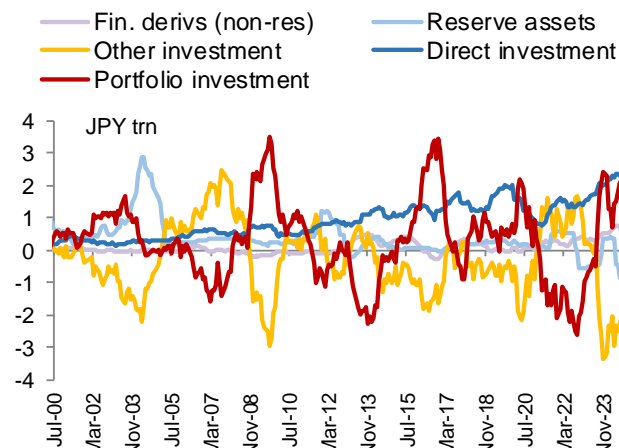
BoP components



Current account components



Financial account components



Source all charts: Mizuho International, Japan MoF

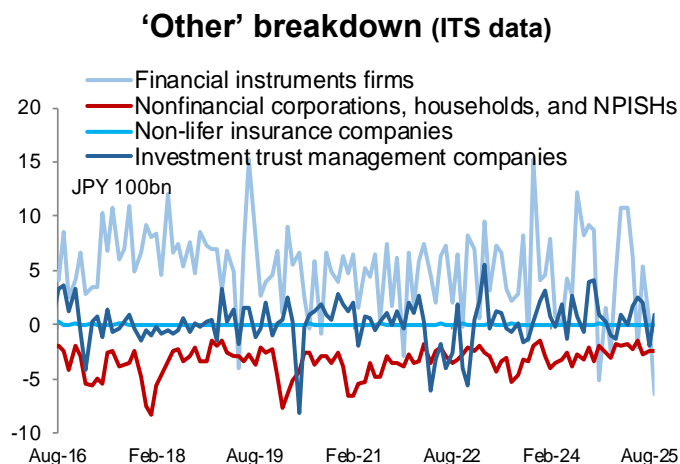
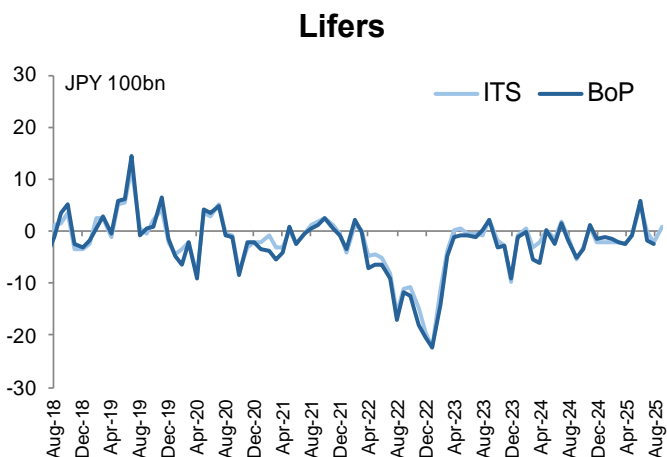
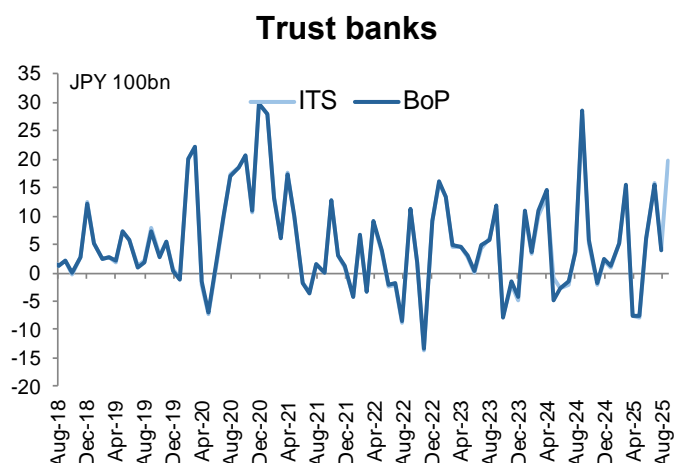
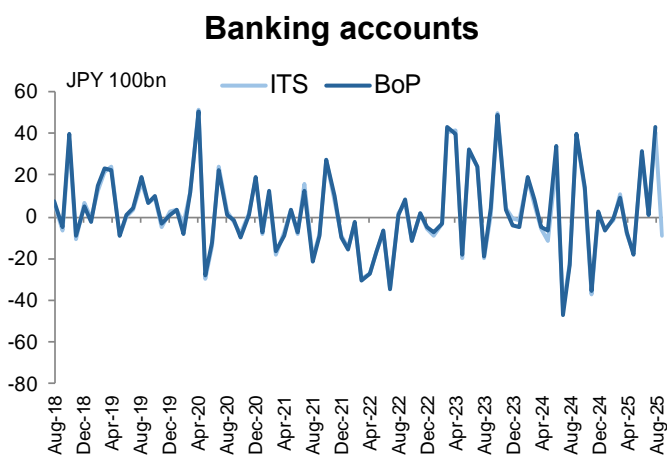
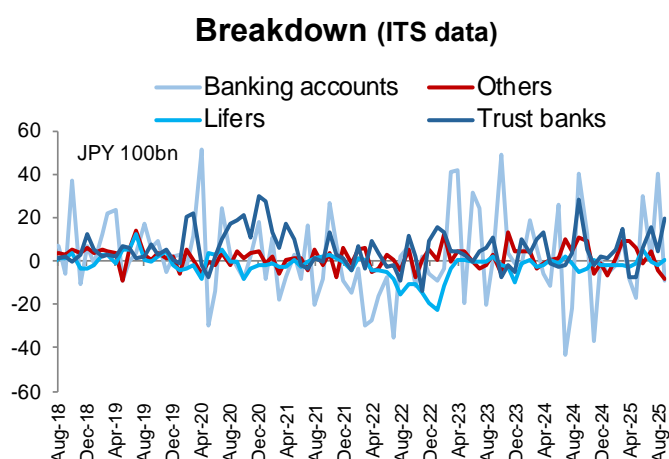
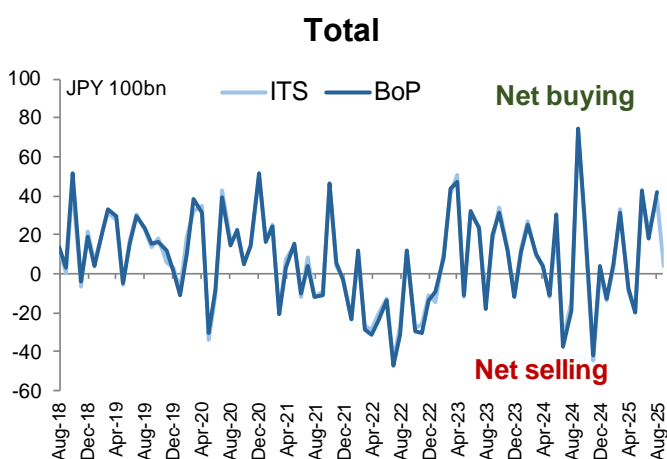
## Japan Net Foreign Bond Buying: 1Yr+ Bonds

Two primary sources of portfolio flows data in Japan:

- International Transactions in Securities (ITS): Portfolio investment statistics based on reports from major investors designated by the Ministry of Finance.
- Balance of Payments (BoP), portfolio investment: based on flows of designated major investors and other investors.

The BoP data has a wider coverage, but the ITS series is more timely.

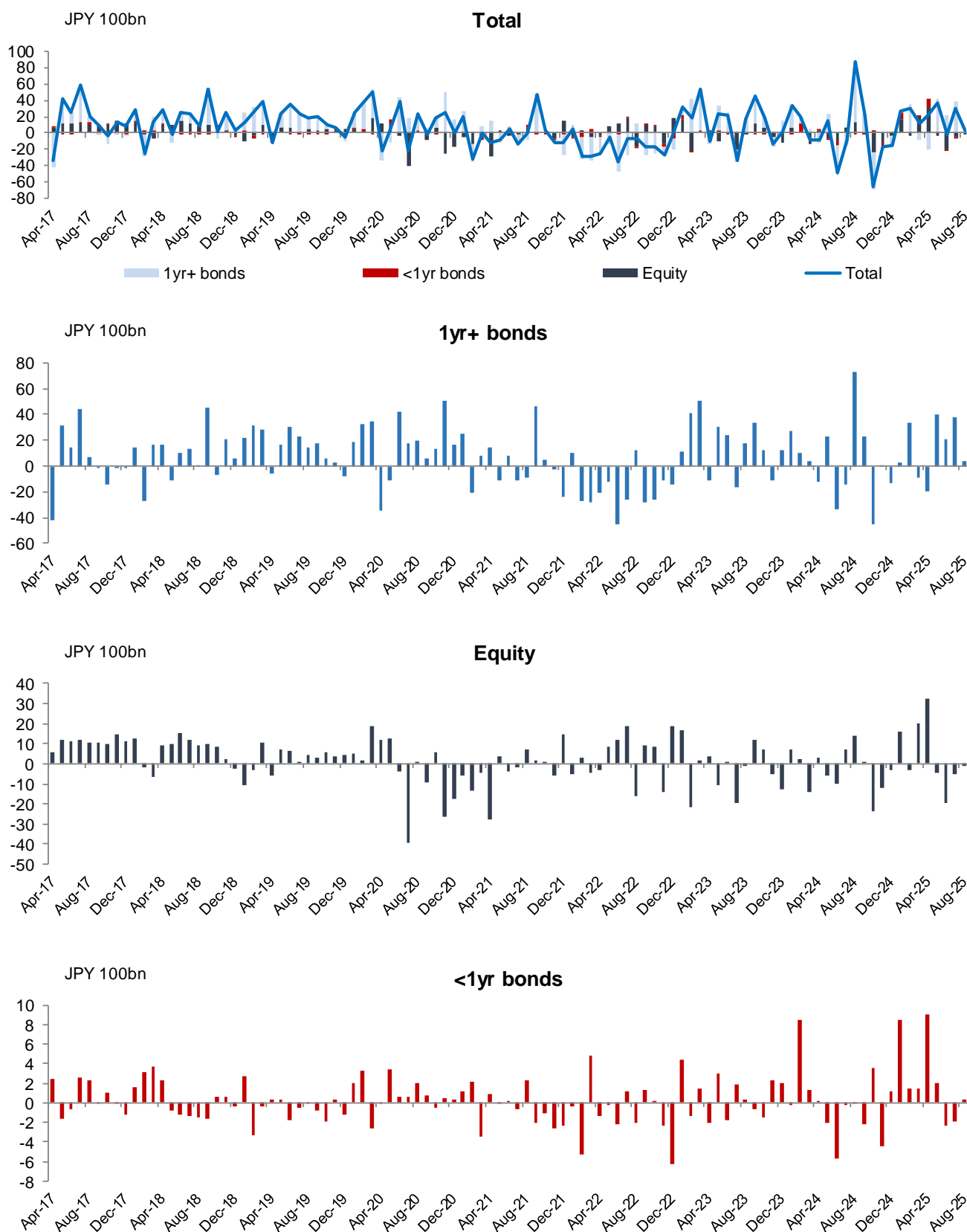
**Positive: net buying**   **Negative: net selling**



Source all charts: Mizuho International, Japan MoF

## Japan Portfolio Investment Flows: By Asset Type (ITS data)

Flows into foreign assets — **Positive: net buying** **Negative: net selling**

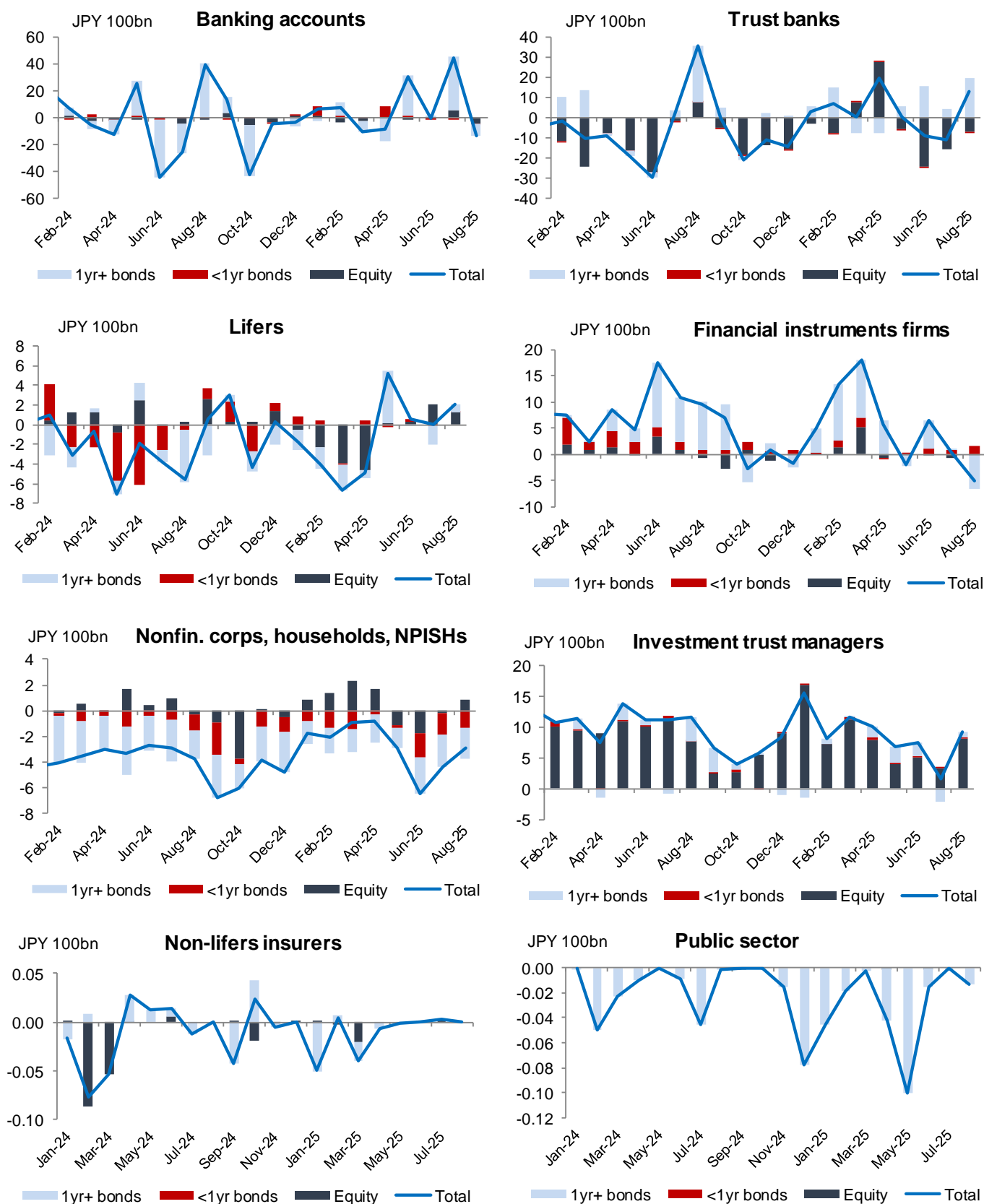


Source all charts: Mizuho International, Japan MoF

## Japan Portfolio Investment Flows: By Investor Type (ITS data)

Flows into foreign assets — **Positive: net buying** **Negative: net selling**

Refer to page 4 for context on the relative scale of these flows

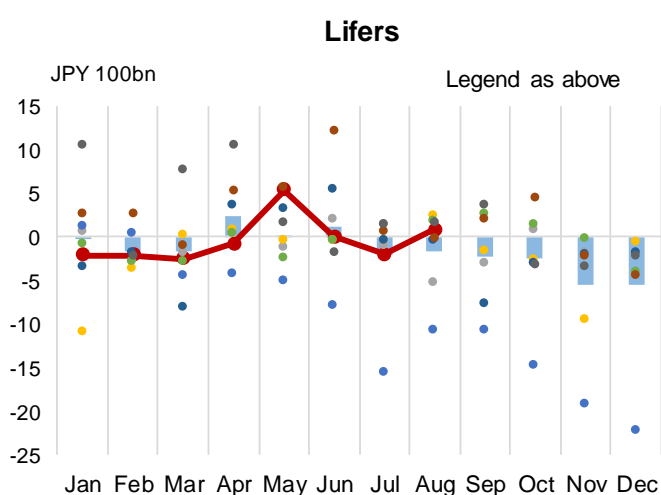
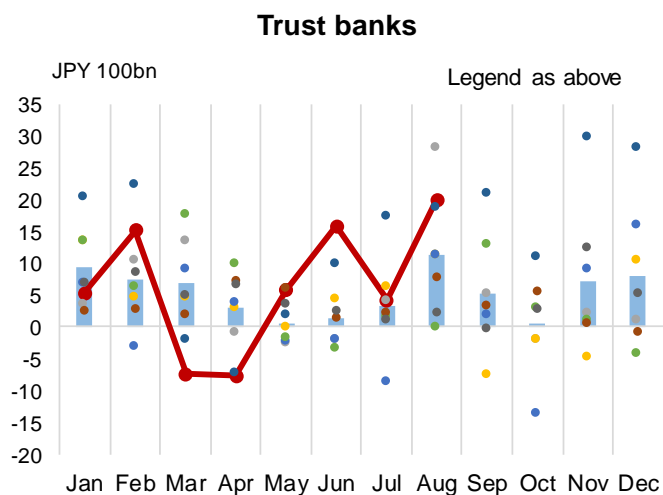
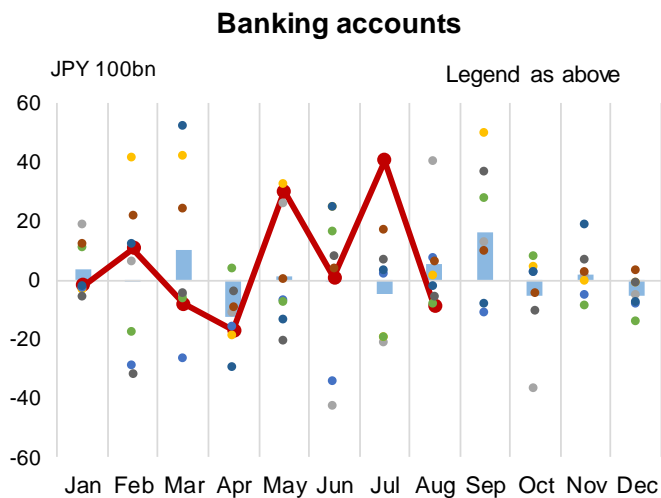
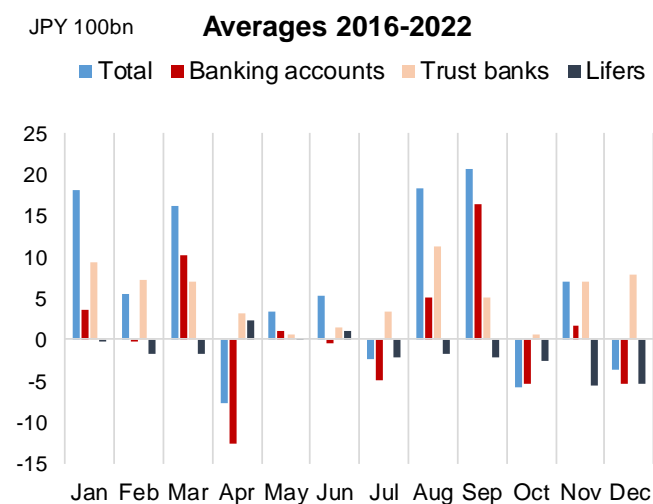
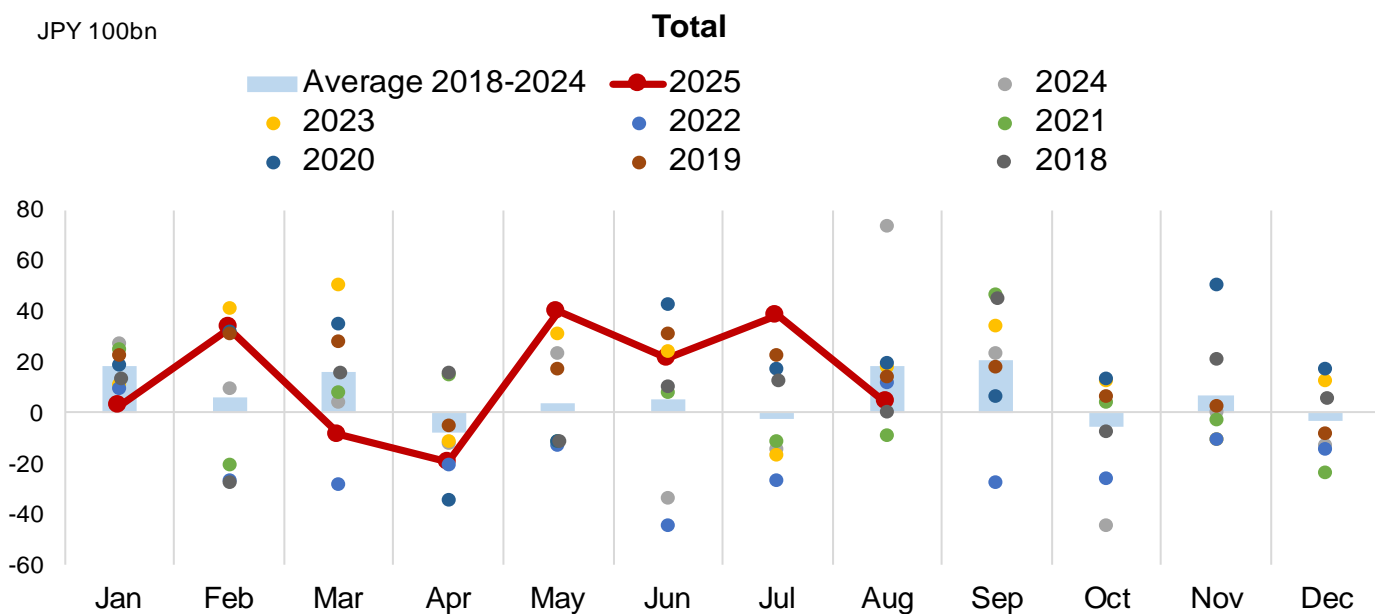


Source all charts: Mizuho International, Japan MoF



# Japan Portfolio Investment Flows: Investor Type Seasonality (ITS)

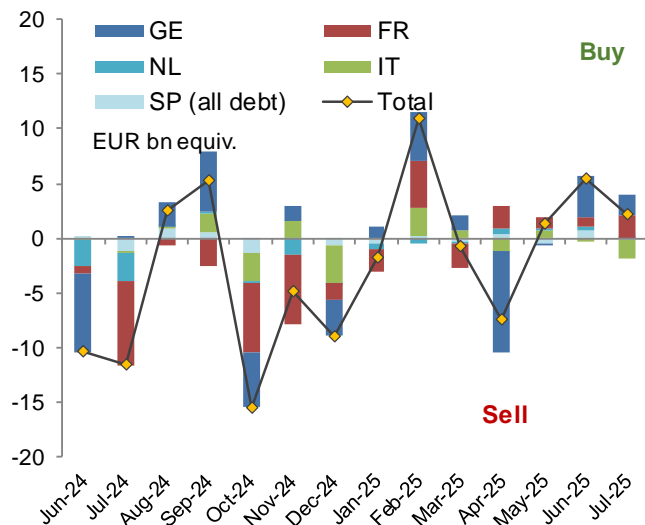
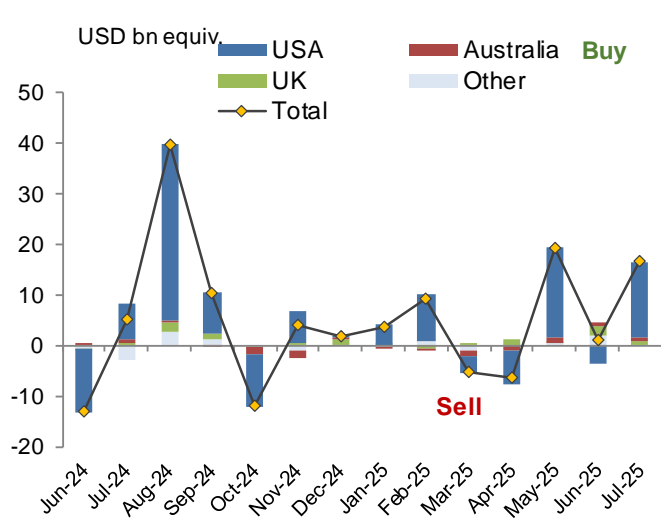
Flows into foreign 1yr+ bonds — **Positive: net buying** **Negative: net selling**



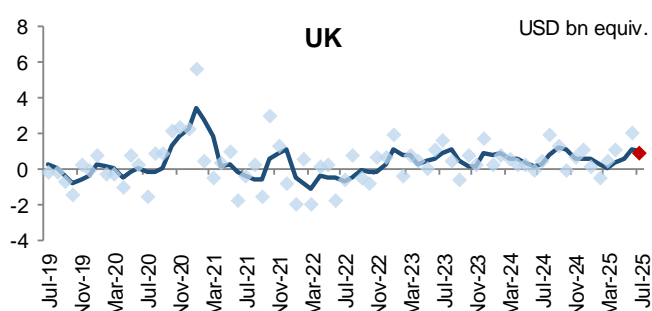
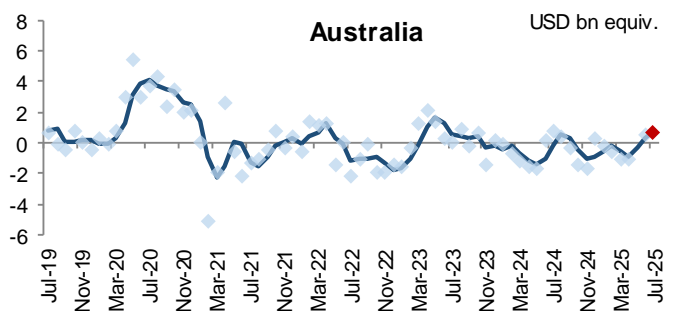
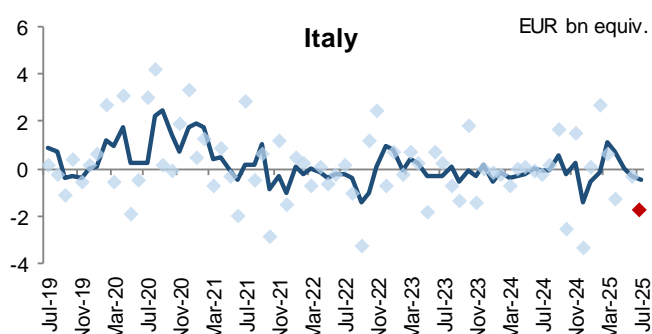
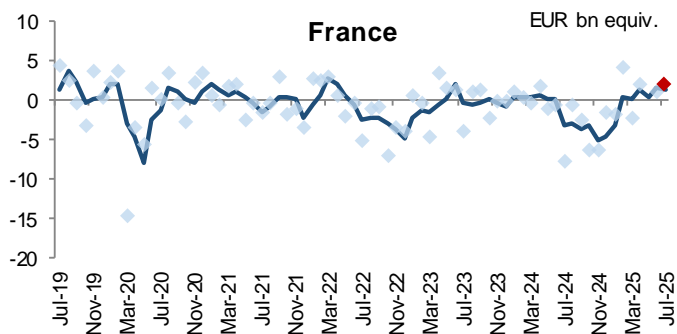
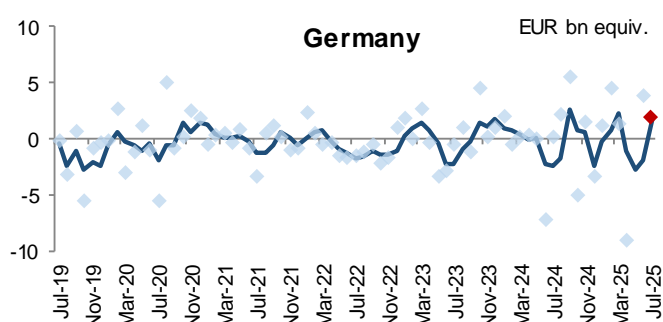
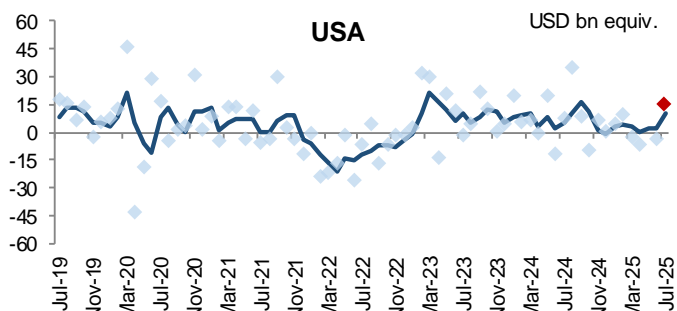
Source all charts: Mizuho International, Japan MoF

## Japan Portfolio Investment Flows: By Region (BoP data)

**Sovereign 1yr+ bonds — Positive: net buying Negative: net selling**



### Net sovereign 1yr bond flows, 3m moving average

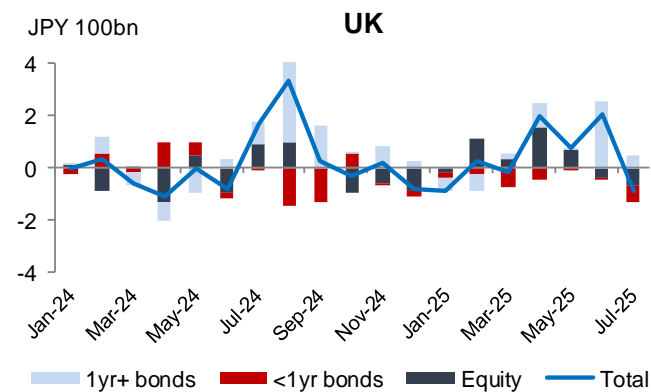
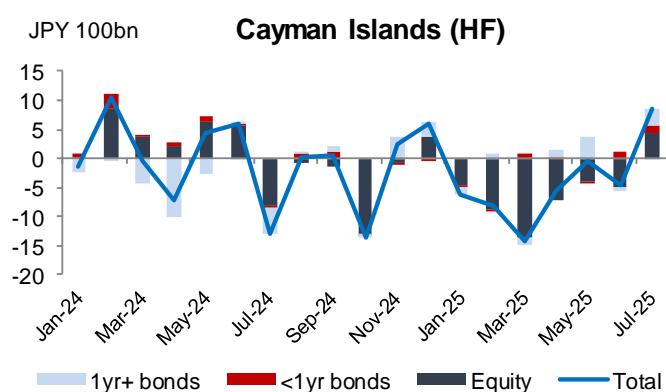
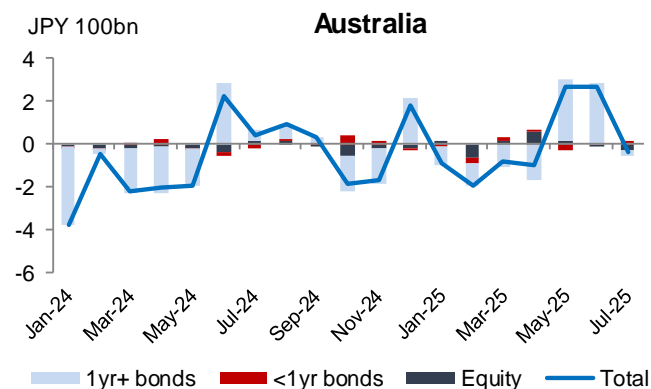
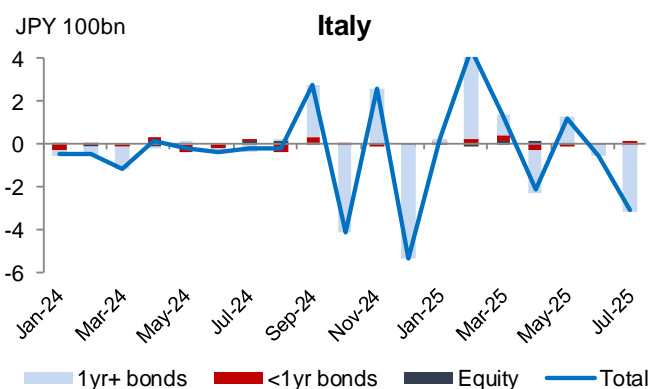
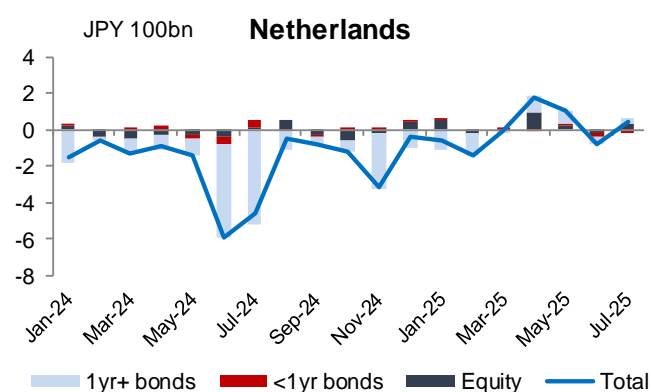
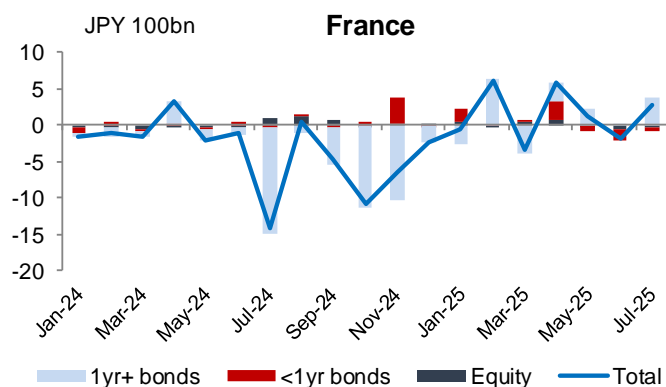
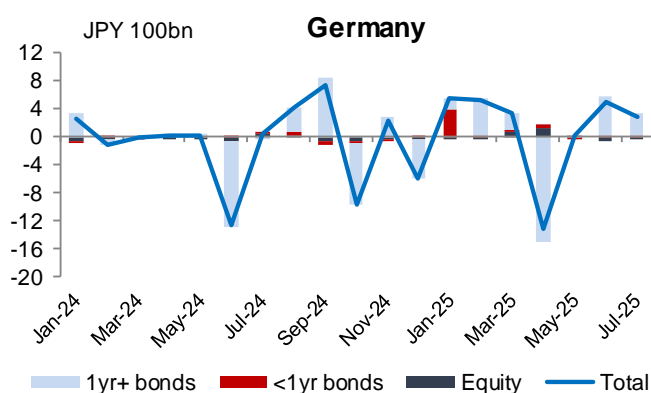
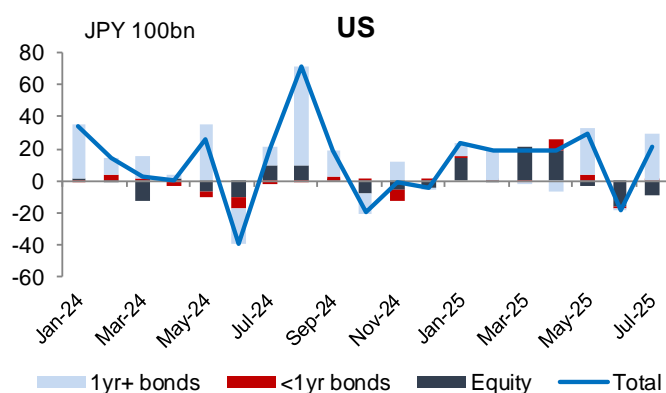


Source all charts: Mizuho International, Japan MoF



## Japan Portfolio Investment Flows: By Region (BoP data)

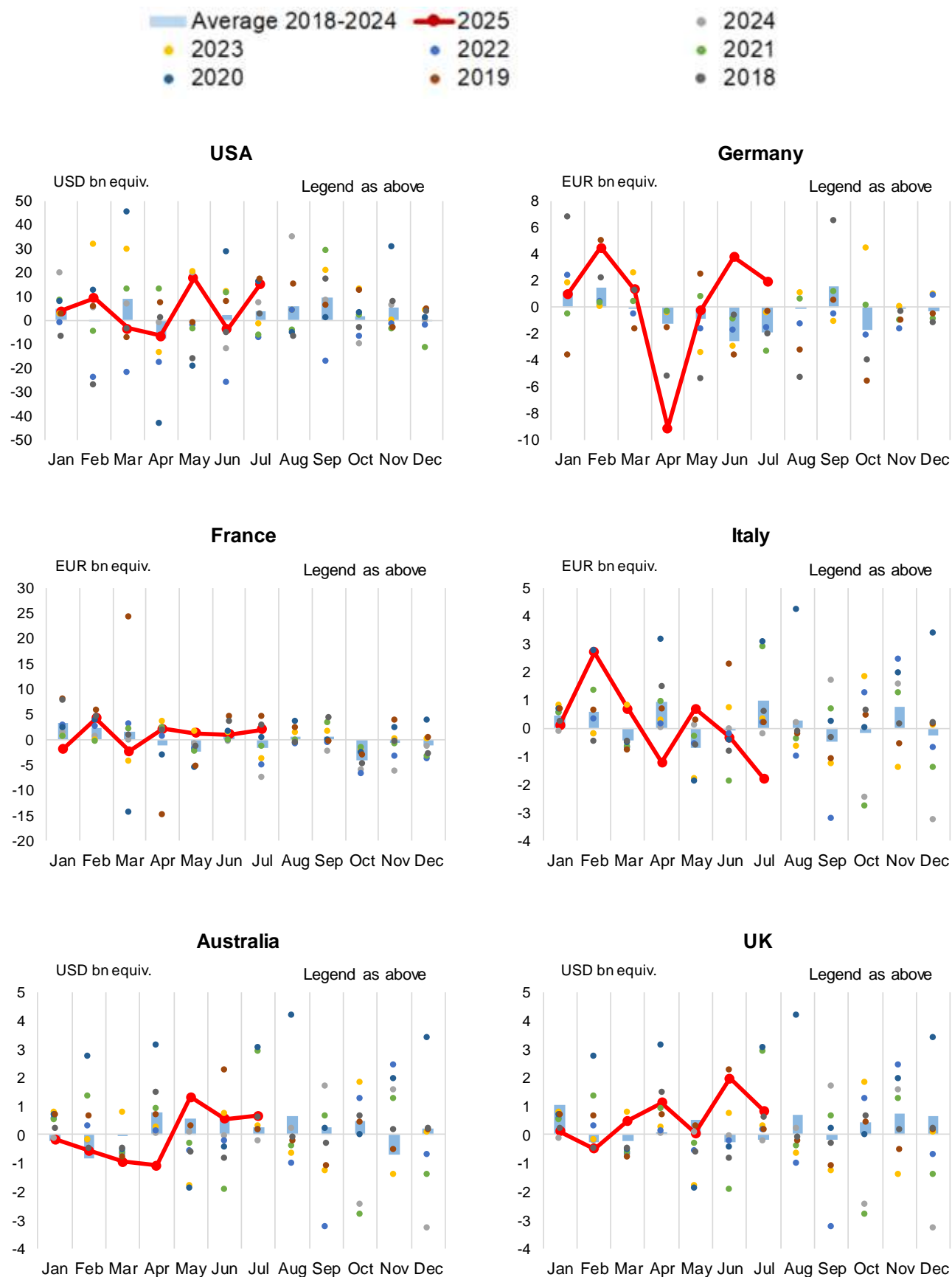
Flows into foreign assets — **Positive: net buying** **Negative: net selling**



Source all charts: Mizuho International, Japan MoF

## Japan Portfolio Investment Flows: By Region Seasonality (BoP)

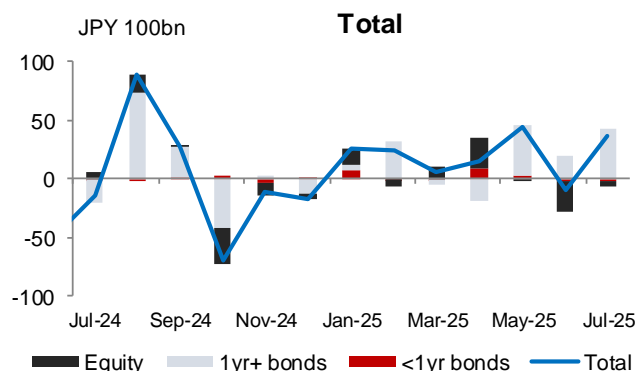
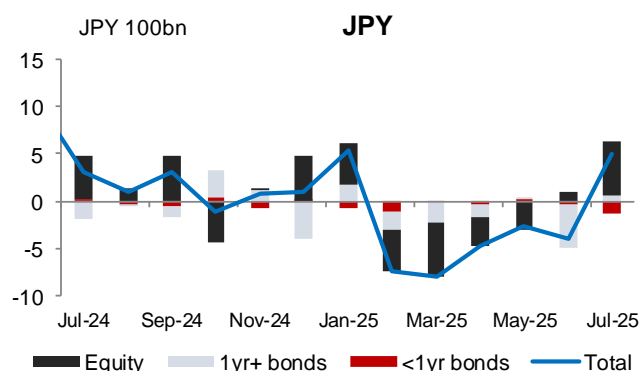
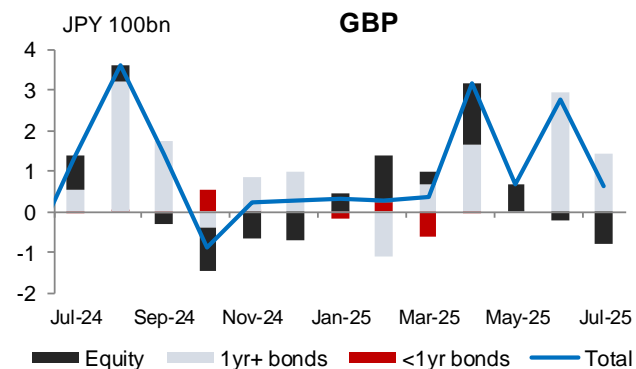
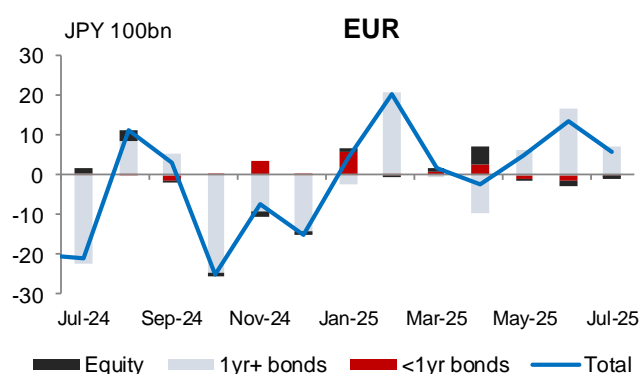
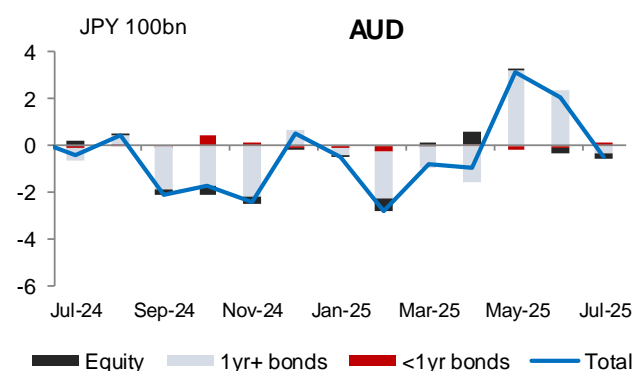
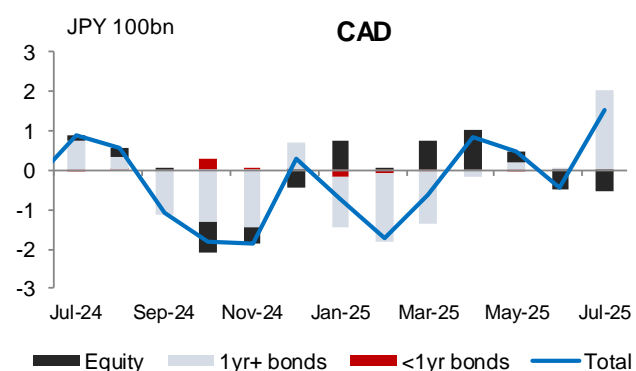
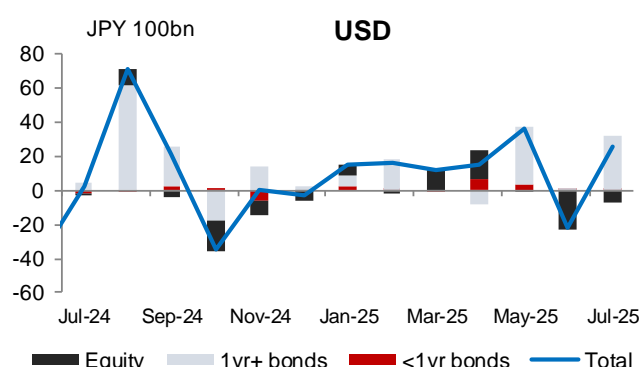
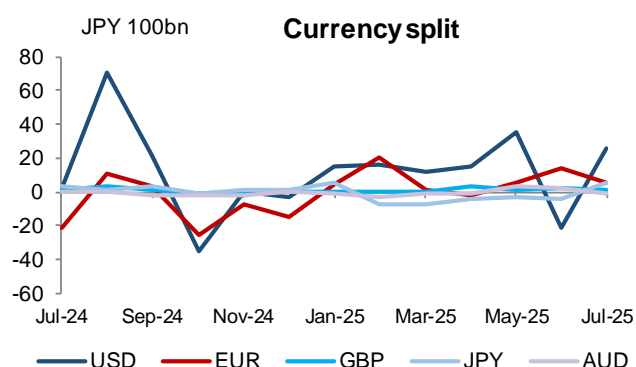
Flows into foreign 1yr+ bonds — **Positive: net buying** **Negative: net selling**



Source all charts: Mizuho International, Japan MoF

## Japan Portfolio Investment Flows: By Currency (BoP data)

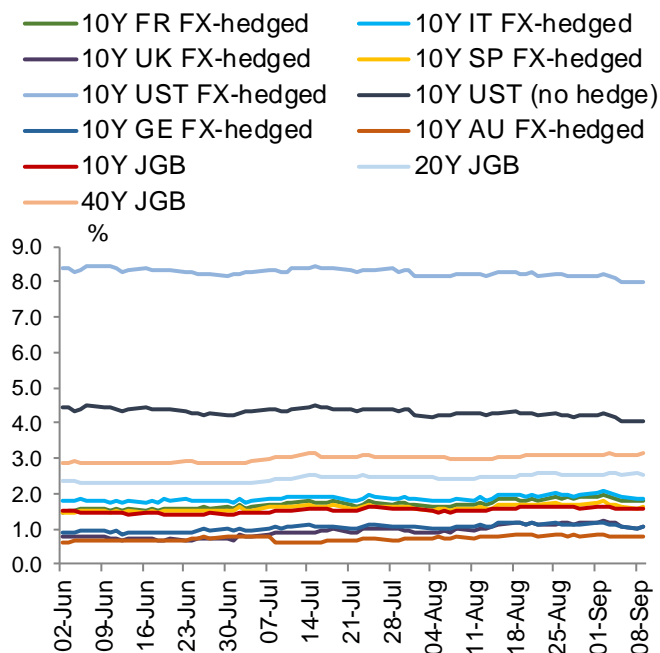
Flows into foreign assets — **Positive: net buying** **Negative: net selling**



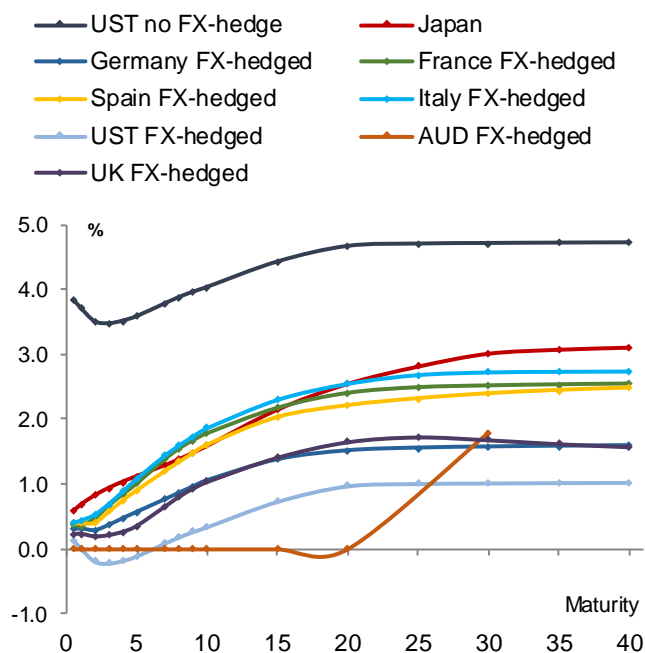
Source all charts: Mizuho International, Japan MoF

## Relative Yields: Rolling 3m FX-hedge

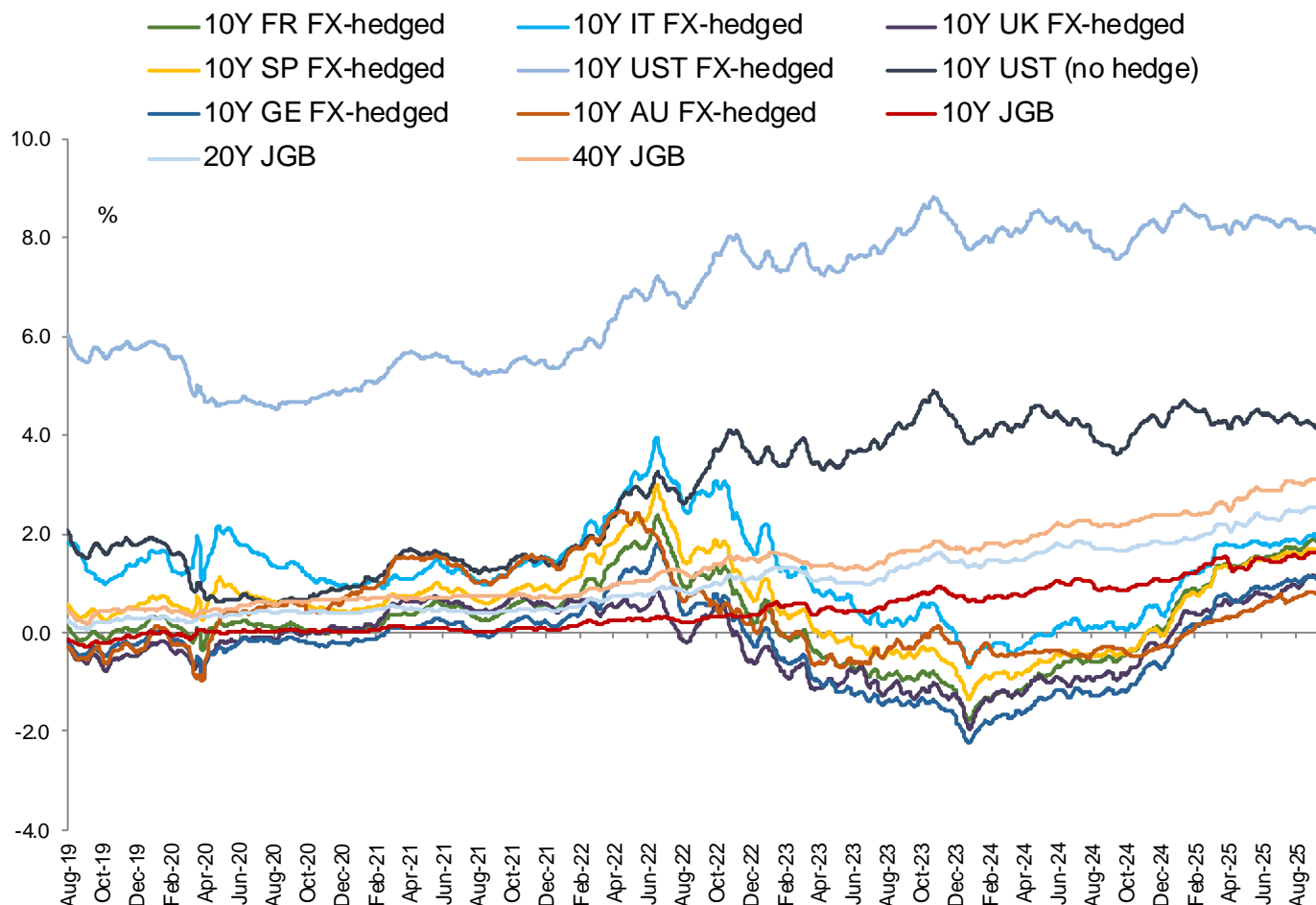
FX-hedged yield history



FX-hedged yield curve



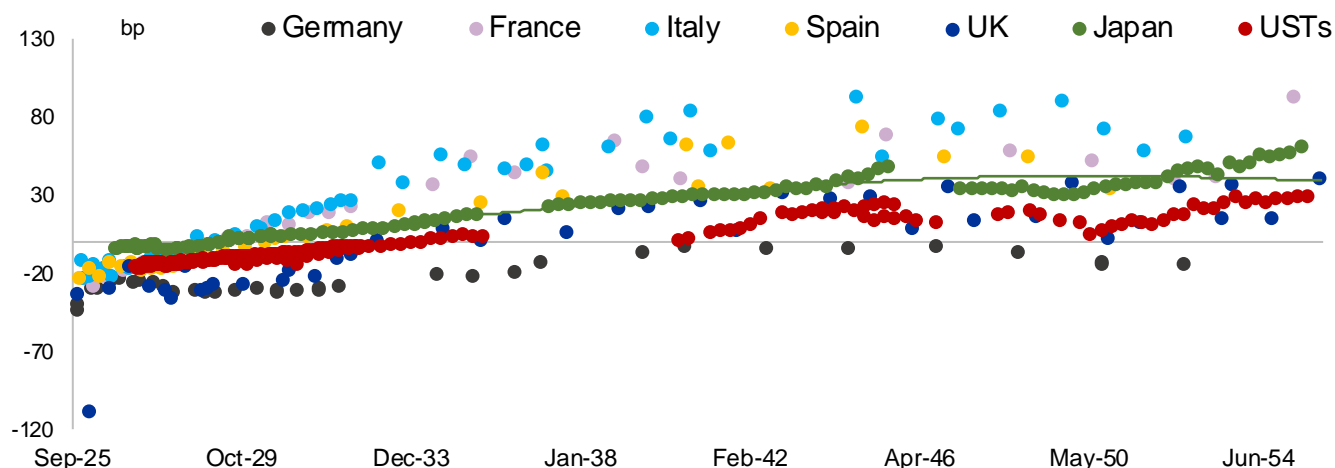
7 day moving averages



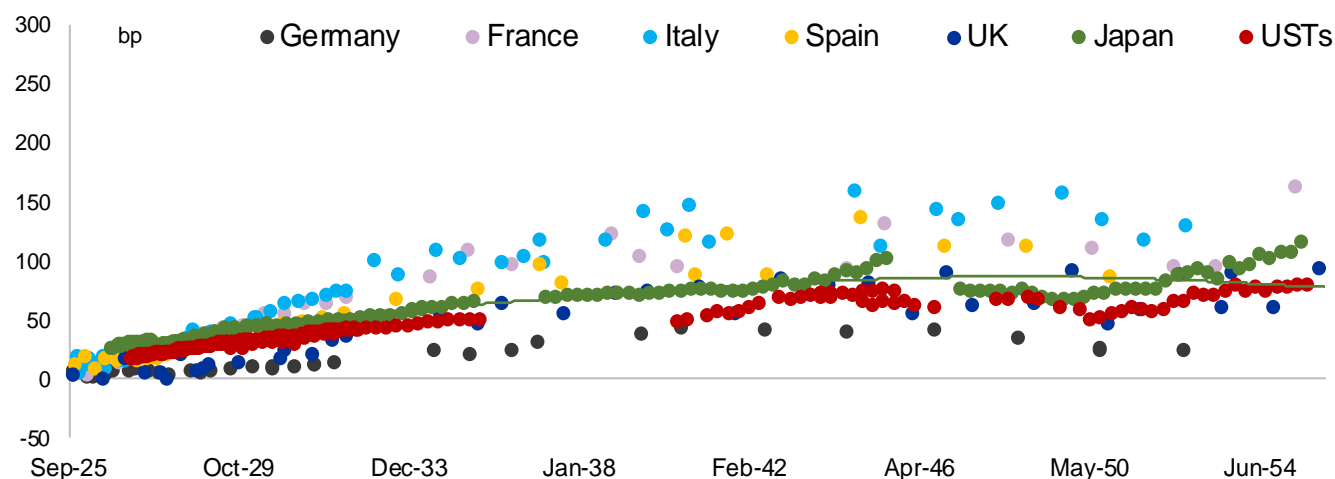
Source all charts: Mizuho International, Bloomberg

## Relative ASW Levels

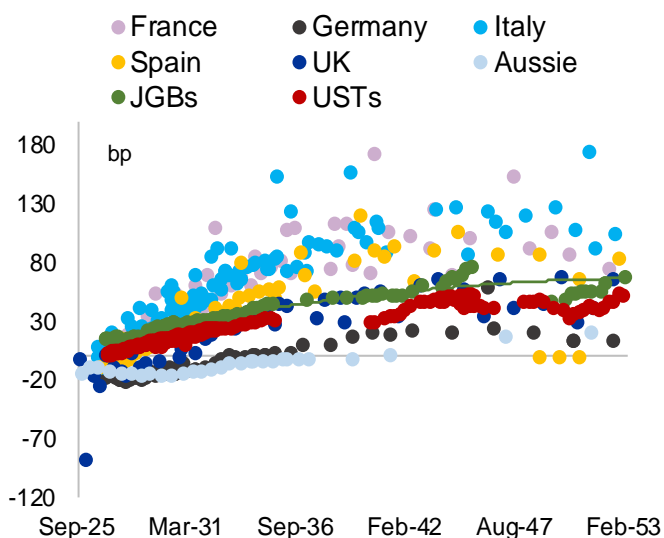
**EGB & UST ASWs swapped into JPY (comparison with JGBs)**



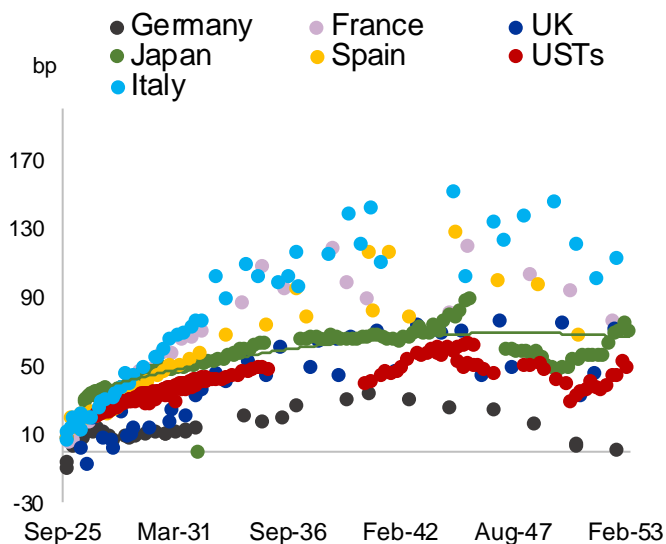
**EGB & UST ASWs swapped into USD**



**EGB & UST ASWs swapped into EUR**

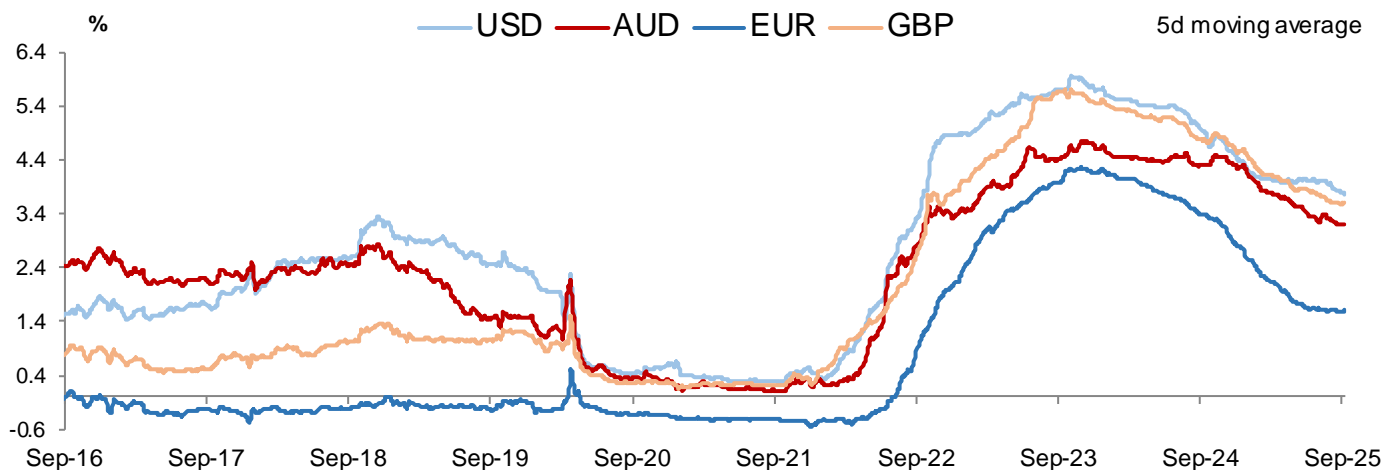


**EGB & UST ASWs swapped into GBP**



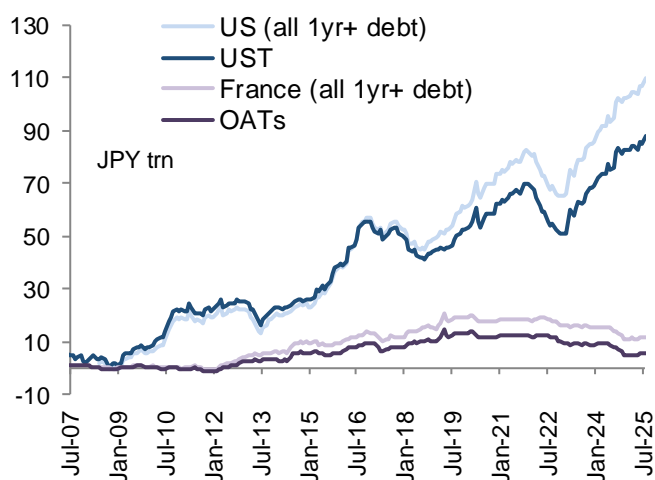
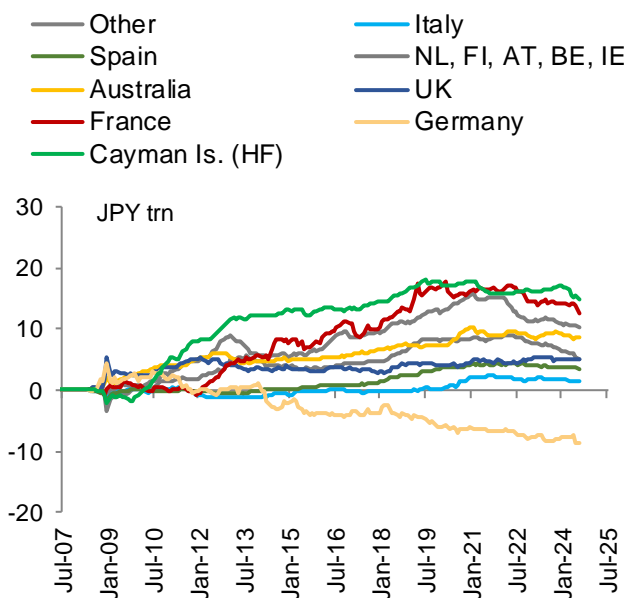
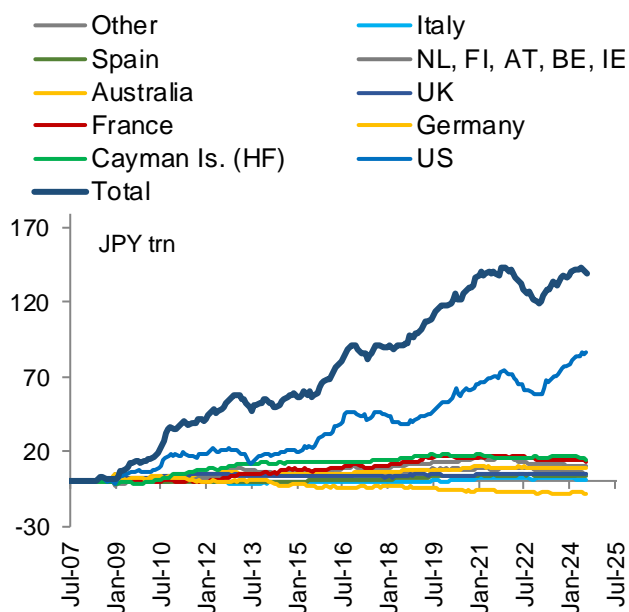
Source all charts: Mizuho International, Bloomberg

## FX hedging Costs for Japanese Investors (3m)

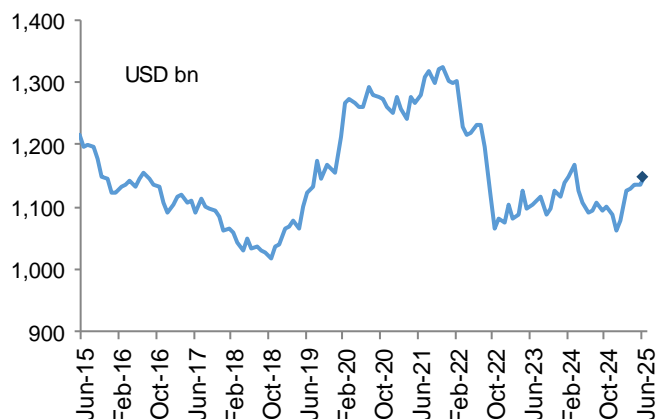


Source all charts: Mizuho International, Bloomberg

## Cumulative Japanese Net Flows – All 1Yr+ Debt



## Japanese holdings of USTs (TIC)

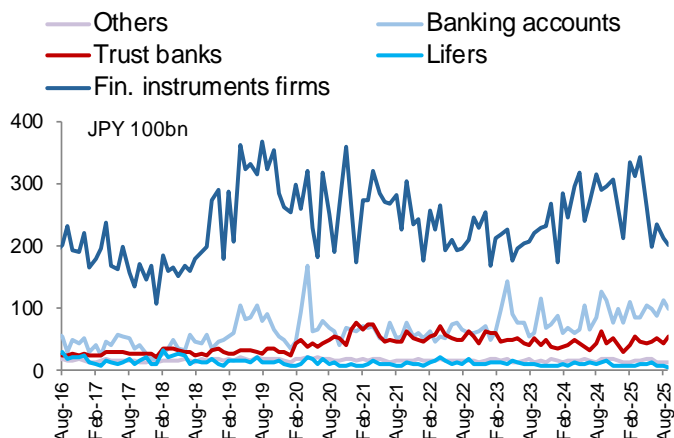


Source: Mizuho International, Japan MoF



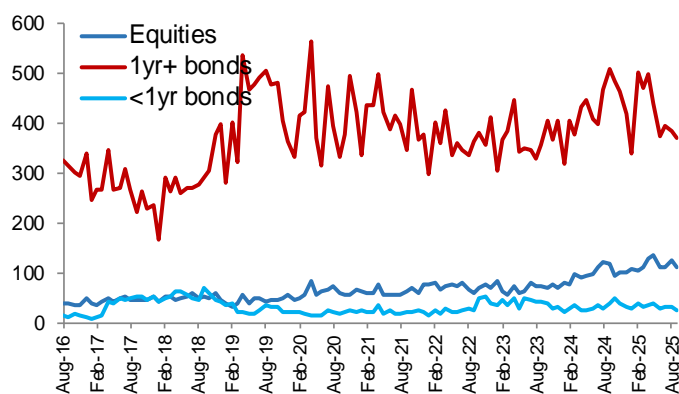
# Japan Portfolio Investment Flows: Total Buying vs Selling (ITS data)

## 1yr+ foreign bonds, total buying

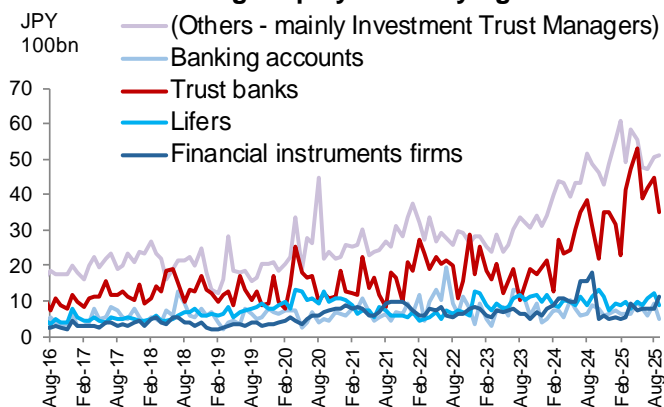


- Note: 'Financial instrument firms' in the data will likely include flows through intermediaries, and other investors trading on behalf of their clients.

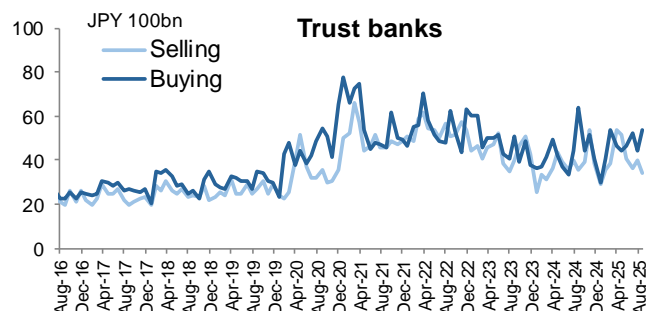
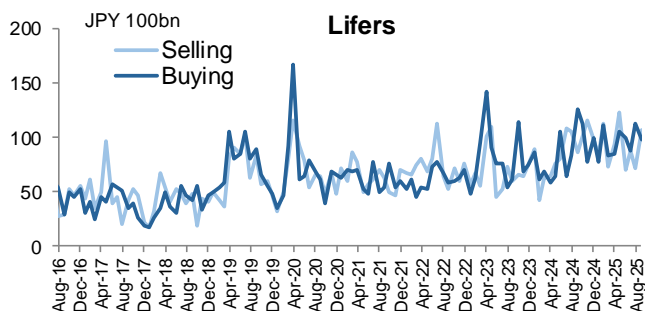
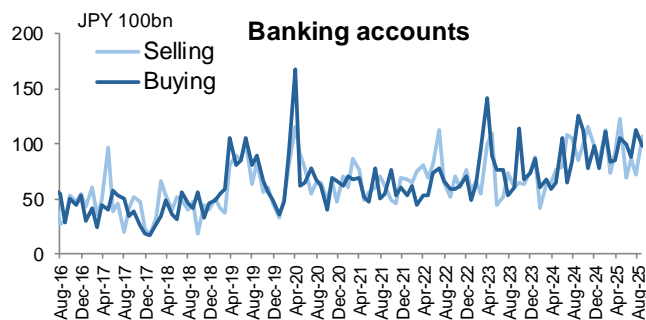
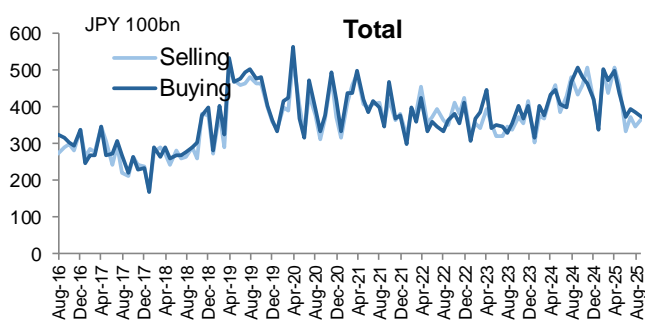
## JPY 100bn Total foreign asset buying



## Foreign equity total buying



## 1yr+ foreign bonds, gross buying vs selling



Source all charts: Mizuho International, Japan MoF

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