

Interest rate risk hedging of JPY-denominated insurance liabilities

Derivative usage and recent trends in Japan and offshore hedging practices

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Executive summary

Interest rate risk management has long been a key issue for Japanese life insurers due to the long-duration nature of insurance liabilities and the challenges of matching those liabilities with available long-duration assets in the domestic market.

We review publicly disclosed derivative positions of 41 Japanese life insurance companies and provide observations on how interest rate derivatives are used in practice. Our analysis shows that interest rate swaps (IRS) remain the dominant hedging instrument both in terms of notional exposure and frequency of use. Other instruments, including bond forwards, bond futures, and swaptions, are used more selectively and typically reflect specific hedging objectives, accounting considerations, or market opportunities.

Our review also highlights the important role of Japanese GAAP (JGAAP) in shaping hedging behavior. Because insurance liabilities are generally evaluated using locked-in assumptions while derivatives are marked to market unless hedge accounting is applied, insurers must carefully balance economic hedge effectiveness against potential accounting volatility and operational complexity. Recent disclosures suggest that insurers have increasingly utilized receive-floating, pay-fixed IRS in the rising rate environment to reduce duration exposure without realizing losses on underlying bond portfolios.

We also discuss practical considerations for managing long-duration JPY liabilities, including liquidity management, collateral requirements, basis risk, and operational infrastructure. In recent years, offshore reinsurance solutions have become increasingly relevant as some insurers seek additional flexibility in managing interest rate risk under more economic value-based frameworks.

As the Japanese interest rate environment continues to evolve, insurers may increasingly evaluate a broader range of hedging instruments, organizational structures, and risk management frameworks to manage long-duration interest rate exposure more effectively.

Interest rate risk management in Japan

In Japan, interest rate risk management has long been a key management issue for life insurance companies for decades.

Many Japanese life insurance liabilities are long-dated, which reflects the long-term nature of protection and savings products offered in the market. In some cases, the effective duration of these liabilities can extend 20 to 30 years. As a result, the economic value of insurer balance sheets is highly sensitive to changes in interest rates.

While asset and liability duration positions across the industry have become more balanced in recent years, managing interest rate risk still requires more than simply matching overall duration. Liability cash flows may extend beyond the maturity profile and liquidity of available assets in the domestic market, particularly in the ultra-long-end sector. In addition, liability sensitivities may change as interest rates and policyholder behavior evolve over time. Changes in interest rates can therefore still materially affect the economic value and sensitivity profile of insurer balance sheets.

In addition to overall duration positioning, insurers must also manage differences in convexity between assets and liabilities. In prolonged low interest rate environments, liability convexity may exceed that of the supporting asset portfolio to cause liability duration to extend more rapidly as interest rates decline further.

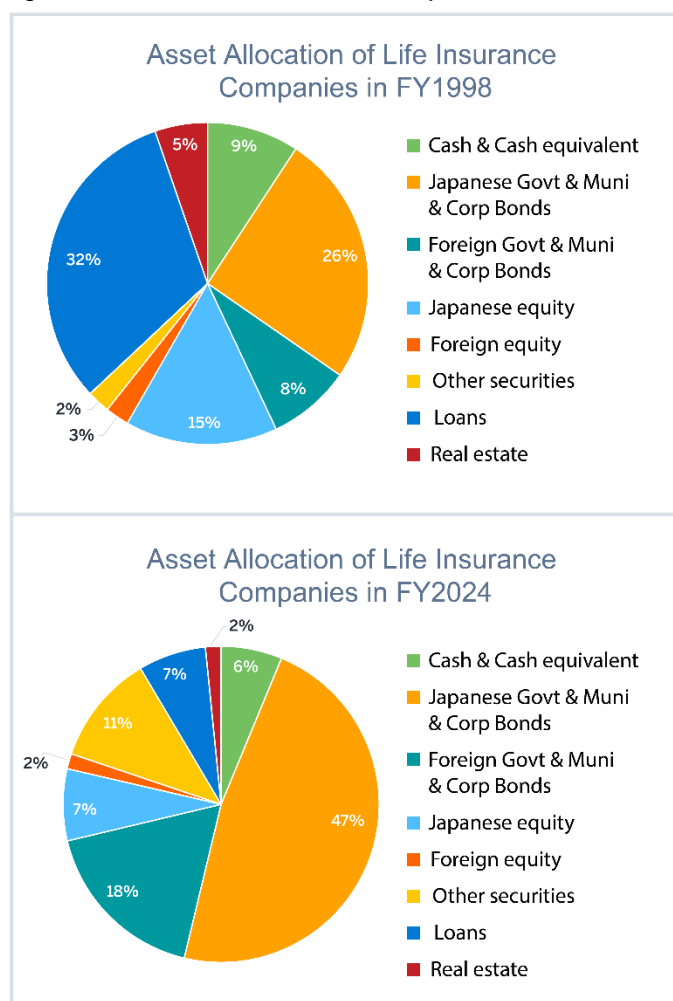
More recently, the rapid increase in interest rates has introduced a different set of challenges. The magnitude and speed of the change in interest rate environment have caused meaningful change in liability duration through the gamma of the liability. The gamma is inherent in long-duration liabilities, but the gamma could be significant for products in which policyholder behavior is more sensitive to interest rate changes. The mechanism is that policyholders behave dynamically because higher market yields may increase incentives for policyholders to surrender policies and reinvest into higher-yielding alternatives. This process, often referred to as disintermediation, can shorten liability duration as future liability cash flows decline following policy lapses. Although the Japan market has not observed material disintermediation yet, most insurers have modelled such dynamic policyholder behavior in the lapse assumption.

As a result, liability sensitivities change materially under different interest rate environments and policyholder behavior assumptions. Large interest rate movements, whether upward or downward, may therefore increase imbalance between assets and liabilities and create additional challenges for interest rate risk management.

Evolution of asset allocation and ALM in Japan

Historically, Japanese life insurers have invested heavily in equity and real estate until the financial crisis in the 1990s.

Figure 1: Shift of asset mix of life insurers in Japan



Source: Data of Life Insurance Association of Japan, based on the share of cash & cash equivalent, securities, loans, and fixed assets in industry balance sheet.

Note: Cash equivalent includes call loan and repos.

In fiscal year (FY) 1998, the proportion of bonds (including government bonds, municipal bonds, and corporate bonds, both Japanese and foreign) was only 34%, while equity and real estate consisted of 18% and 5%, respectively. Japanese companies faced challenges by sharp decline in equity price and real estate price, as well as a drop in interest rate (for example, overnight call rate was around 6% to 8% in 1991 but dropped to less than 1% in 1995). The market change caused

bankruptcies of seven life insurance companies from 1997 to 2001.

Following this crisis, Japanese life insurers gradually shifted their investment strategies toward fixed income assets and strengthened asset liability management (ALM) practices. This transition was further reinforced by the prolonged low interest rate environment in Japan. The yield on 10-year Japanese government bonds (JGBs) remained below 2% between February 1999 and December 2025, which created persistent challenges for insurers attempting to match the long duration of their liabilities with available domestic assets, especially given that many in-force liability had significant whole life block with lifetime crediting rate guarantee.

Since the crisis, the Japanese regulator has encouraged life insurers to address ALM issues, and also the field tests of new regulation—now called economic value-based solvency regulation (ESR)—evaluating life insurance liability based on market value, started in 2010, and following field tests have been conducted in 2014, 2016, 2018, and every year since then until formal introduction of ESR in FY ending March 2026. Corresponding to this trend, life insurers increased investment into bonds, reducing equity and real estate exposure. By FY2024, the proportion of bonds increased to 65%, while equity and real estate consisted of only 9% and 2%, respectively.

At the same time, derivatives have become increasingly common tools for managing interest rate risk for Japanese insurance companies. In particular, as of FY 2024, the use of IRS has expanded significantly, amounting to total face value of JPY 18 trillion for receiver swap (receive-fixed, pay-floating) and JPY 8 trillion for payer swap (pay-fixed, receive-floating).

Based on such shift in asset mix and the widespread use of derivatives, current Japanese insurer’s asset duration almost matched liability duration. In the 2024 field test of ESR, the interest rate sensitivity of net asset position under ESR regime was almost flat—impact to net asset position was zero in +50 basis points (bps) sensitivity and -1% in -50bps sensitivity. However, the total ESR impact by +50bps stress was negative due to an increase in required capital caused by an increase in mass lapse risk.

Actual derivative usage by Japanese life insurers in 2024

TYPES OF DERIVATIVES COMMONLY USED

To better understand how Japanese life insurers manage interest rate risk in practice, we reviewed publicly disclosed derivative positions of all of 41 licensed Japanese life insurers for FY2024. This analysis examines the types and notional amounts of derivatives reported in insurer financial statements and risk disclosures, which provide insight into the instruments most commonly used.

The review shows that in Japan, the most commonly used interest rate-related derivatives are IRS, as shown in Figure 2. Among 41 life insurance companies of which we have investigated disclosures, 14 companies had IRS positions at the

end of FY2024 (of which 11 companies are among top 15 largest life insurer in terms of reserve size, so the IRS usage is concentrated to large players). Some companies also utilize other derivatives, such as bond futures (seven companies) and bond forwards (four companies) in FY2024.

Options are also used, such as interest rate swaptions (five companies), bond options (three companies), and interest rate options (one company).

Figure 2: Interest rate derivative use by life insurance companies in Japan

	Notional amount of derivatives (JPY trillions)		
	FY2023	FY2024	YoY change
Interest Rate Swaps	21.0	26.3	+25%
Bond Futures	1.1	1.1	-1%
Bond Forwards	0.6	0.6	0%
Interest Rate Swaptions	3.1	2.6	-16%
Bond Options	0.5	0.2	-56%
Interest Rate Options	0.1	0.2	+82%
Total Return Swaps	0.4	0.2	-42%

	Number of companies using each derivatives		
	FY2023	FY2024	YoY change
Interest Rate Swaps	17	14	-3
Bond Futures	6	7	+1
Bond Forwards	5	4	-1
Interest Rate Swaptions	6	5	-1
Bond Options	4	3	-1
Interest Rate Options	2	1	-1
Total Return Swaps	2	2	0

Source: Disclosure of each company

From ALM perspective, the largest volume of exposure also comes from IRS, and the total notional amount of IRS positions was more than JPY 26 trillion at the end of FY2024, followed by interest rate swaptions amounting to JPY 2.6 trillion.

So, we will put primary focus of our analysis on IRS because of the significance observed here.

IRS positions: long versus short

Because the asset duration has been shorter than liability in the past, historically most of the IRS positions were utilized to enhance the asset duration, so most of IRS were receive-fixed, pay-floating swaps. However, recently the use of opposite position, i.e., receive-floating, pay-fixed IRS, is also commonly in use because of the rising interest rate environment.

Figure 3: IRS positions of Japanese life insurance companies at the end of FY2024

	(JPY trillions)		
	2023	2024	YoY change
Receive Fixed, Pay Floating	16.1	18.4	15%
of which more than 1 year	15.5	16.8	8%
Receive Floating, Pay Fixed	5.0	7.9	60%
of which more than 1 year	4.4	6.9	55%

Source: Disclosure of each company

As described in the first section, the Japanese life insurers' interest rate risk positions are getting more balanced recently, and in some cases overall positions can already be in a long position, i.e., interest rate sensitivities of assets are more than that of liabilities. Such companies have various choices when they intend to reduce such over-hedged position, including selling bonds or buying receive-floating, pay-fixed IRS. Because most of the long-durations bonds held by Japanese life insurers have significant unrealized loss due to interest rate rise, selling bonds would incur capital loss under JGAAP, which reduces profits, so the use of receive-floating, pay-fixed IRS has more flexibility from an accounting perspective. This would explain why the receive-floating, pay-fixed IRS position saw significant increase by +60% over the year from FY2023 to FY2024. We also understand that some insurers have realized gains by selling equities, which is at record high level, in order to offset realized losses caused by selling bonds.

Also, several companies unwound IRS receive-fixed, pay-floating positions, presumably to react to the interest rate environment, and this is why the number of IRS-using companies decreased from 17 to 14 from FY2023 to FY2024.

ACCOUNTING TREATMENT CHOICES UNDER JGAAP

The pattern of derivative usage described in the previous section is influenced not only by economic hedging considerations but also by accounting treatment. Under JGAAP, derivatives are generally evaluated at market value, and any changes in market value flow through income statement.

However, hedge accounting allows companies to defer such recognition of market value changes in income statement, with certain conditions and restrictions. The details of such accounting treatment are complex and beyond what we intend to describe here, but we would like to highlight that the majority of life insurance companies utilizing derivatives in Japan are applying some form of hedge accounting treatment.

In Japan, hedge accounting is applied only for positions of IRS, bond futures, and bond forwards as of FY2024.

Figure 4: Use of hedge accounting for derivatives

	Notional amount of derivatives (JPY trillions)		
	Hedge Accounting applied	Hedge Accounting not applied	Total
Interest Rate Swaps	9.79	16.55	26.34
Bond Futures	0.12	0.99	1.11
Bond Forwards	0.62	0.00	0.62

	Number of companies applying and not applying hedge accounting		
	Hedge Accounting applied	Hedge Accounting not applied	Total (excluding overlap)
Interest Rate Swaps	11	9	14
Bond Futures	1	7	7
Bond Forwards	4	1	4

Source: Disclosure of each company

Note: Number of companies does not add up to total because there are companies with both positions (applying hedge accounting and not applying hedge accounting).

Use of hedge accounting in IRS position is mixed; 37% of IRS positions are subject to hedge accounting, while remaining positions are not. Only 11% of bond future positions use hedge accounting (6 out of 7 companies using bond futures do not apply any hedge accounting for bond futures, while only one company has both positions), and the position is hedging against foreign currency-denominated bonds, so all the JPY bond futures are without hedge accounting. On the contrary, almost all (99.8%) of bond forward positions utilize hedge accounting, all of which are long-position except for one company using both long and short positions.

There are two types of IRS hedge accounting applied by life insurance companies in Japan: fair value hedge accounting and deferred hedge accounting. If we look at cases applying hedge accounting, mostly deferred hedge accounting is used

for receive-fixed, pay-floating IRS, while only fair value hedge accounting is used for receive-floating, pay-fixed IRS. Notably, 9 out of 10 companies applying deferred hedge accounting for receive-fixed, pay-floating IRS apply hedge against insurance liability. All of four companies applying fair value hedge accounting against receive-fixed, pay-floating IRS apply hedge against loans. Four companies applying fair value hedge accounting against receive-floating, pay-fixed IRS are using for different purposes, including government bonds, available-for-sale (AFS) securities, borrowings, and loans.

Figure 5: Different kinds of hedge accounting applied to IRS

	Hedge Accounting (Fair Value Hedge Accounting)	Hedge Accounting (Deferred Hedge Accounting)	Hedge Accounting not applied	Total
Receive Fixed, Pay Floating	0.01	8.74	9.66	18.41
Receive Floating, Pay Fixed	1.05	-	6.88	7.94

	Hedge Accounting (Fair Value Hedge Accounting)	Hedge Accounting (Deferred Hedge Accounting)	Hedge Accounting not applied	Total
Receive Fixed, Pay Floating	4	10	8	14
Receive Floating, Pay Fixed	4	0	6	8

Source: Disclosure of each company

Note: Number of companies does not add up to total because there are companies with positions of multiple choices.

DERIVATIVE USAGE CHANGES FROM FY2023 TO FY2024

The overall IRS position in Japan has significantly increased over the year from FY2023 to FY2024, which can be seen in Figure 3, notably on receive-floating, pay-fixed position. This can be considered as the need for adjustment of position caused by interest rate rise, because, as discussed previously, the JGAAP constraints could incentivize companies to use IRS for reducing asset duration instead of selling bonds with realizing JGAAP loss. Because of the fact that most of such positions are without hedge accounting, this trend may imply some form of more active dynamic hedging utilized by a handful of Japanese companies.

Another notable change, as can be seen in Figure 2, is less use of swaption, which observed a sharp decrease in notional amount, by 16%. The use of other types of derivatives remains minor.

KEY CONSTRAINTS IN JAPAN TO NOTE

As we discussed in previous sections, the derivative usage by Japanese insurers has increased. However, derivative usage is still not universal across the industry. Among the 41 life insurance companies licensed in Japan, 24 companies reported no use of interest rate or bond derivatives.

One reason for this limited usage could be operational challenges, particularly for mid- to small-scale insurers. Derivative use involves contracting work with counterparty banks, management and monitoring of collaterals with such counterparties, and back office settlement operations. Our observation is that large insurers tend to use derivatives more than smaller peers; for example, 11 out of top 15 insurers use IRS in 2024, while only three insurers use IRS among the other 26 life insurers.

Another reason may be the accounting framework under JGAAP. Under JGAAP, insurance liabilities are evaluated at the lock-in interest rate, which is not changed by interest rate movement, while derivatives under JGAAP are evaluated at market value unless hedge accounting is applied. Although hedge accounting can mitigate this accounting mismatch, its application requires meeting certain conditions and operational requirements. As a result, insurers may be cautious in using derivatives extensively due to concerns about income statement volatility arising from mark-to-market fluctuations.

In contrast, in some other jurisdictions where accounting rule demands both assets and liabilities to be valued at market value basis, more hedging strategies can be applied to react to volatile and complex interest rate movements.

At the same time, we observe more insurers in Japan are ceding various insurance liabilities to offshore reinsurers or setting up or considering setting up captives or other affiliated entities. In these cases, such as in Bermuda, the entity underwriting such Japanese books can have more flexibility in implementing hedging strategies to manage JPY interest rate risks compared with entities operating under the constraints of JGAAP in Japan.

PRACTICAL CONSIDERATIONS FOR HEDGING JPY INSURANCE LIABILITIES

Hedging instruments

IRS remain the primary instrument used by Japanese insurers for managing interest rate risk due to their liquidity, flexibility across tenors, and ability to efficiently adjust duration exposure without transacting underlying bond portfolios. Both receive-fixed, pay-floating and receive-floating, pay-fixed structures are actively used depending on the insurer's asset-liability positioning and broader balance sheet objectives. In practice,

1. The Japan 30-year swap spread refers to the difference between the fixed rate on a 30-year JPY IRS and the yield on a corresponding 30-year JGB. The spread reflects factors such as long-duration hedging

swaps are often the most scalable instrument for managing large, long-duration exposures.

Bond forwards are also used by some insurers, particularly for managing long-end and ultra-long-end interest rate exposure. Compared with swaps, bond forwards may provide hedging exposure more directly linked to physical JGB positions and may reduce certain basis risks. In addition, negative swap spreads may create positive carry opportunities when using long-duration bond forwards relative to swaps. However, the use of bond forwards may involve additional operational and accounting considerations, including hedge accounting treatment and effectiveness requirements under JGAAP.

Figure 6: Japan 30-year swap spread¹



Source: Bloomberg

Figure 6 illustrates the persistent negative swap spread observed in the long end of the JPY curve in recent years. Under such market conditions, long-duration bond forward hedging strategies may provide favorable carry characteristics relative to swaps, although insurers still need to consider operational complexity and hedge accounting treatment under JGAAP.

Bond futures are also used by some insurers, primarily for shorter-term or tactical duration adjustments due to their exchange-traded liquidity and operational simplicity.

In addition to linear hedging instruments, some insurers also utilize interest rate swaptions to manage convexity and non-linear liability sensitivity under stressed interest rate scenarios. Although the overall market usage of swaptions remains smaller than that of swaps, option-based hedging strategies may provide additional flexibility for managing large changes in liability duration and policyholder behavior under volatile market conditions.

Hedging strategy considerations

In practice, insurers often manage not only aggregate duration exposure but also sensitivities across different points of the

demand from life insurers and pension funds, dealer balance sheet capacity, collateral and funding dynamics, and supply-demand conditions in the long-end JPY rates market.

yield curve. For long-duration JPY liabilities, key rate duration positioning in the long-end and ultra-long-end sectors can become particularly important, especially given the limited availability and liquidity of ultra-long physical assets.

Some insurers may prefer relatively static hedging approaches due to accounting, governance, or operational considerations, while others may implement more active approaches that adjust hedge positions as liability sensitivities and market conditions evolve.

Insurers may also need to manage basis risk arising from differences between liability discount methodologies, asset yields, and derivative reference rates such as Tokyo Overnight Average Rate (TONA) swap rates and JGB yields.

Liquidity, collateral, and operational considerations

Hedging activities may introduce liquidity and collateral management considerations in addition to economic risk management benefits. Even when hedge positions economically offset liability sensitivities, market value movements may still generate variation margin and collateral requirements under stressed market conditions.

As a result, insurers may need to maintain sufficient liquidity buffers and incorporate collateral stress testing into their broader risk management framework. Some insurers may also seek to reduce liquidity pressure through hedge structure design, through collateral optimization, or by balancing the use of cleared and bilateral derivatives. In addition, insurers may establish contingent liquidity sources, such as repo facilities, committed funding arrangements, or access to highly liquid asset portfolios, to help meet potential collateral needs during stressed market conditions.

Operational considerations are also important for large-scale hedging activities, including valuation infrastructure, collateral management processes, hedge effectiveness monitoring, model governance, and counterparty risk management. Effective coordination across investment, risk management, actuarial, accounting, and operations teams may also become increasingly important as hedging activities scale over time.

Offshore reinsurance solutions

Offshore reinsurance structures could also provide additional flexibility in managing long-duration JPY liabilities from both capital management and hedging perspectives. Compared with JGAAP-based frameworks, offshore platforms operating under more economic value-based solvency and accounting regimes may allow assets, liabilities, and derivatives to be managed more consistently on an economic-value basis.

Under JGAAP, insurance liabilities are generally evaluated using lock-in assumptions while derivatives are typically

marked to market unless hedge accounting is applied. This accounting mismatch may create earnings volatility and operational constraints when implementing large-scale or more active hedging programs. In contrast, offshore structures may provide greater flexibility in implementing duration rebalancing, key rate duration management, convexity hedging, and broader use of derivative instruments for long-duration insurance liabilities.

Offshore platforms may also facilitate more centralized management of collateral, liquidity, counterparty exposure, and hedging operations across multiple blocks of business.

At the same time, offshore structures introduce additional considerations, including cross-border regulatory coordination, collateral and liquidity management, governance requirements, accounting treatment, and operational infrastructure.

CONCLUSION

The analysis of public disclosures shows that Japanese life insurers have significantly expanded the use of derivatives in recent years, with IRS remaining the dominant instrument for managing duration exposure. At the same time, the use of other derivatives such as bond futures, bond forwards, and swaptions remains more selective and typically reflects specific hedging objectives or accounting considerations.

These observations highlight the importance of carefully selecting hedging instruments and strategies in the context of existing accounting and operational constraints. In practice, insurers may need to combine multiple approaches—including asset allocation, derivative hedging, and balance sheet management—to manage interest rate exposure effectively.

In addition to onshore hedging strategies, offshore reinsurance structures may provide additional flexibility in implementing hedging programs and managing JPY interest rate exposure. As market conditions continue to evolve, insurers may benefit from considering a broader range of hedging instruments and organizational structures when designing their interest rate risk management frameworks.

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Figure 7: JPY rates hedging instrument cheat sheet

Curve Area	Instruments	Duration Range	Risk Factor	Credit	EXCH or OTC	Average Daily Traded Notional	Estimated 1-way Trading Cost	Estimated Associated Trade Size	General Comment
Short-end	3m TONA Futures	1m - 12m	O/N Cash Rate	Exchange	OSE / TFX	¥2.2T	0.01 - 0.02bp	¥250b (2,500 lots)	JPY equivalent of AUD 30D Cash Rate Futures. Best for BOJ bets.
	TIBOR / CD	1m - 6m	Money Market	AA-	Broker	¥1-2T	<0.5bp	¥10b - ¥50b	Equivalent to AUD Bank Bills. Liquidity remains but moving toward TONA.
	Forward Rate Agreement (FRA)	1m - 2yr	TONA / TIBOR	Counterparty	OTC (RFQ)	Moderate	0.5 - 1.0bp	¥20b - ¥50b	Fixes future borrowing costs without initial margin. Less common post-XVA.
	JPY Repo (GC/SC)	1d - 1yr	Repo Rate	CCP (JSCC)	OTC	¥10-20T	<0.1bp	¥100b - ¥300b	The "engine room" of liquidity; essential for shorting JGBs or managing cash.
Medium	3yr JGB Futures	~3yr	3y Gov Yield	Exchange	OSE (JPX)	¥0.5T	0.2 - 0.4bp	500 lots (¥50b)	AUD 3yr Bond Future equivalent. Liquidity improving as the curve steepens.
	5yr JGB Futures	~5yr	5y Gov Yield	Exchange	OSE (JPX)	¥0.3T	0.4 - 0.6bp	300 lots (¥30b)	Revitalized in 2025; provides mid-curve duration without swap spread risk.
	Floating Rate Note (FRN)	1yr - 5yr	TONA + Spread	Issuer	OTC	Moderate	1.0 - 2.0bps	¥5b - ¥10b	Popular with life insurers. Investment-heavy rather than a pure hedging tool.
Med/Long	Cross-Currency Swaps (XCCY)	1yr - 10yr	USD/JPY Basis	Bank (bilateral)/ CCP	OTC	High	1.0 - 2.5bps	¥10b - ¥50b	Key for hedging USD debt. Volatility driven by "Basis" and FX risks.
	OIS / IRS Swaps	1yr - 40yr	TONA / TIBOR	Bank (bilateral)/ CCP	OTC	¥10T+	<0.5bp (S) / 1bp (L)	¥50b - ¥100b	70% TONA / 30% TIBOR split. Massive liquidity at JSCC.
Long-end	10yr JGB Futures	~10yr	10y Gov Yield	Exchange	OSE (JPX)	¥15T	0.1 - 0.2bp	1,000 lots (¥100b)	The global benchmark. Most liquid JPY macro instrument.
	20yr JGB Futures	~20yr	20y Gov Yield	Exchange	OSE (JPX)	¥0.2T	0.5 - 1.0bp	100 lots (¥10b)	Essential for ultra-long duration; liquidity can be "gappy."
	Inflation-Indexed (JGBi)	~10yr	Real Yield / CPI	Government	OTC / EXCH	¥0.2-0.3T	1.0 - 2.0bps	¥2b - ¥5b	Hedge against rising CPI. Liquidity expanding as "Sanaenomics" spurs reflation.
	Constant Maturity Swap (CMS)	7yr+	TONA Swap Rate	Counterparty	OTC (RFQ)	Low	3.0 - 5.0bps	¥5b - ¥10b	No secondary market. Used for structured notes and hedging convexity.
	JGB forward	1yr - 40yr	TONA Swap Rate	OTC	OTC	Moderate	1.0-2.0bps	¥5b	10yr is the most active forward segment; used for "pre-funding" 10yr cash positions. Locks in price for specific cash bond.
Super-long	30yr JGB Forward	1m - 5yr	30y Yield	OTC	OTC	¥0.1T	2.0-3.0bps	¥2b-¥5b	Crucial for Liability Driven Investment (LDI). High sensitivity to "Sanaenomics."
	40yr JGB Forward	1m -5yr	40y Yield	OTC	OTC	¥0.05T	4.0-5.0bps	¥1b-¥2b	The "Final Frontier" of the curve. Used for ultra-long duration matching.

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