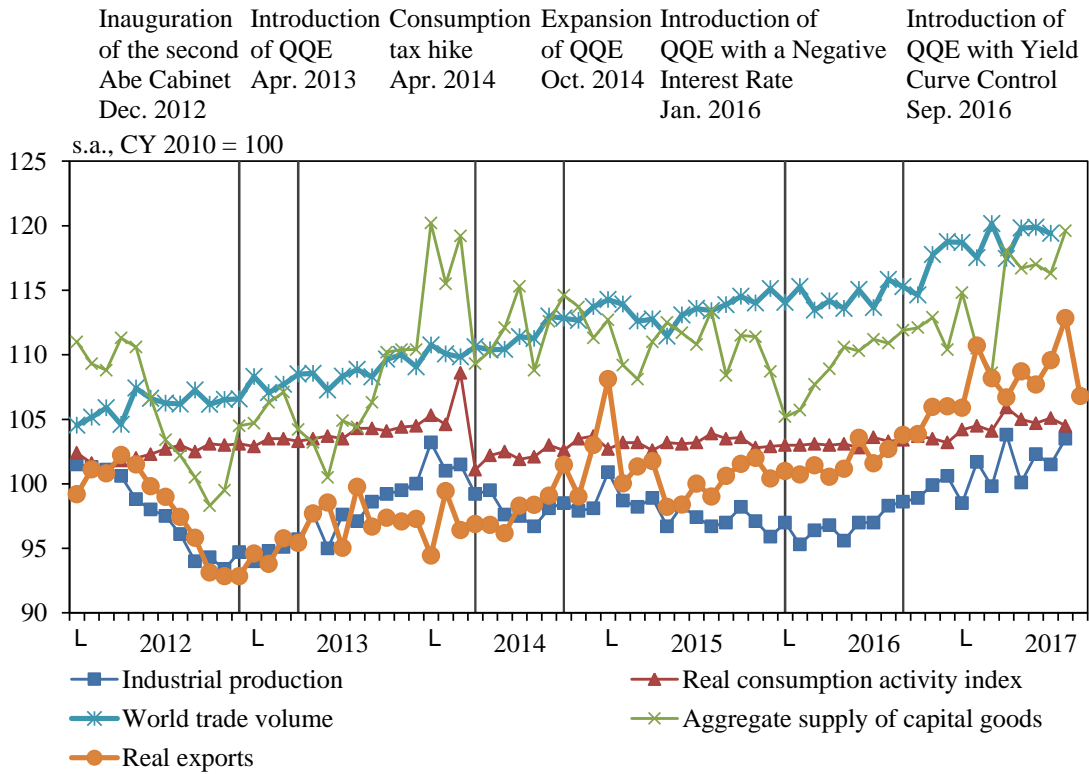
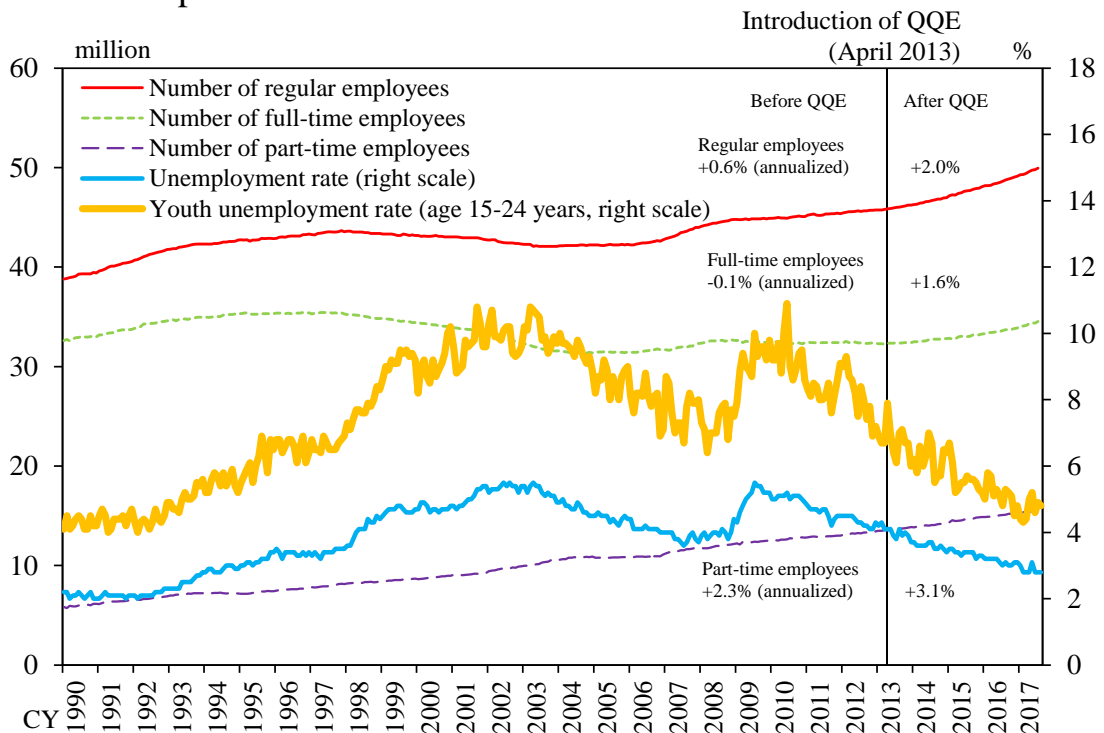


Chart 1 Achievements of Bold Monetary Easing



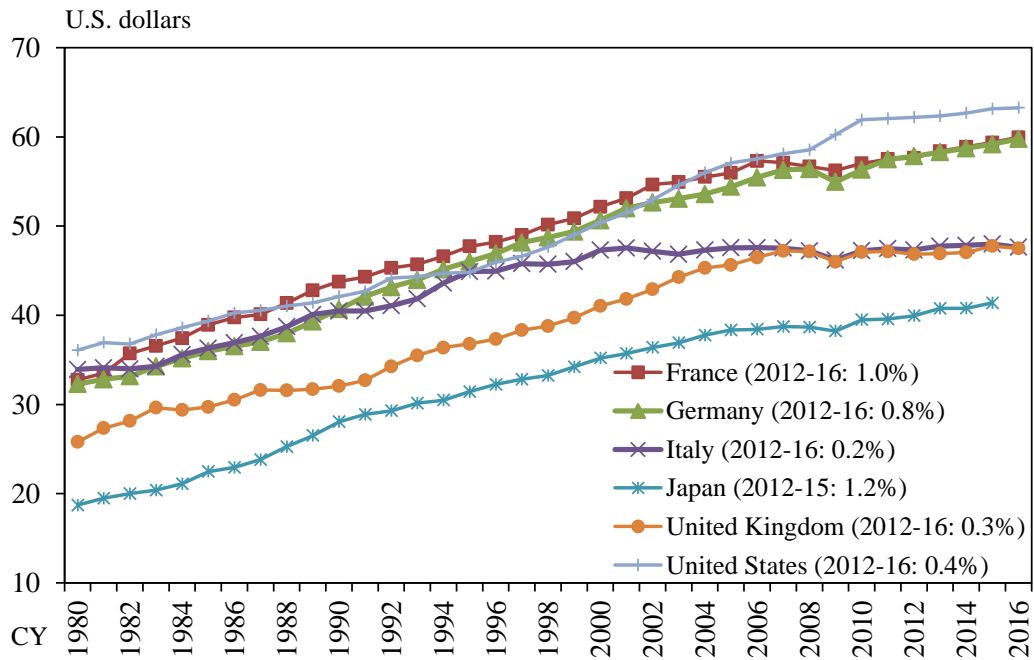
Sources: Ministry of Economy, Trade and Industry, "Indices of Industrial Production," "Indices of Industrial Domestic Shipments and Imports"; CPB Netherlands Bureau for Economic Policy Analysis, "CPB World Trade Monitor"; Bank of Japan, "Real Exports and Real Imports," "Consumption Activity Index."

Chart 2 Improvement in Labor Market Conditions



Sources: Ministry of Health, Labour and Welfare; Ministry of Internal Affairs and Communications.

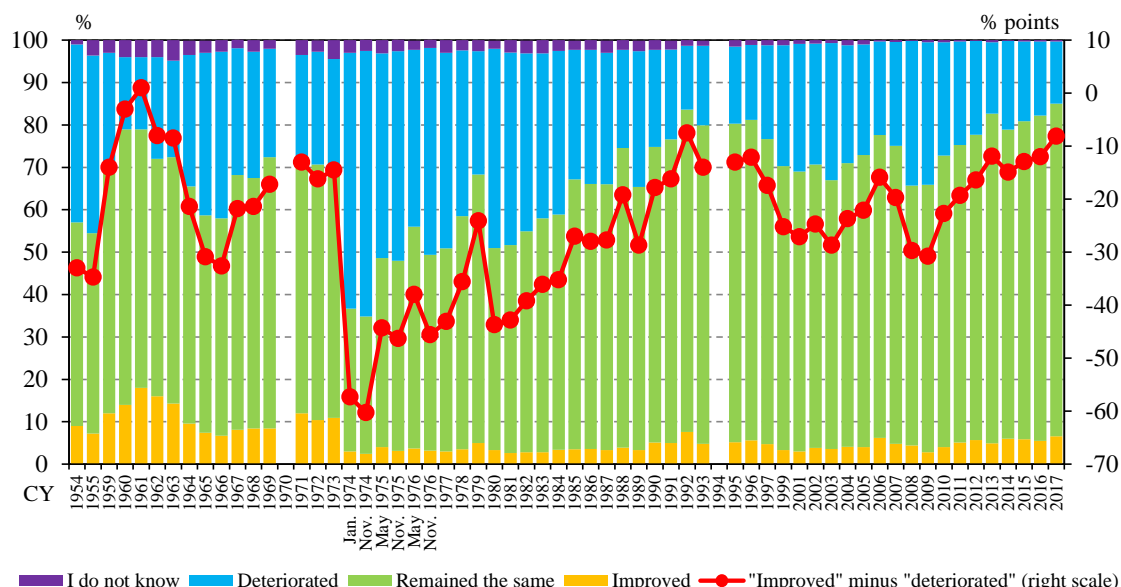
Chart 3 Change in Productivity in Major Countries



Note: Productivity is represented by real GDP per hour worked, converted by PPP exchange rates in 2010. The figures in parentheses show the annualized growth rates from 2012 to 2015 or 2016.

Source: OECD, "Level of GDP per capita and productivity."

Chart 4 Sense of Improvement in Lifestyle Compared to Last Year



Note: This graph was made by the Bank's staff based on the *Public Opinion Survey on the Life of the People* conducted by the Cabinet Office.

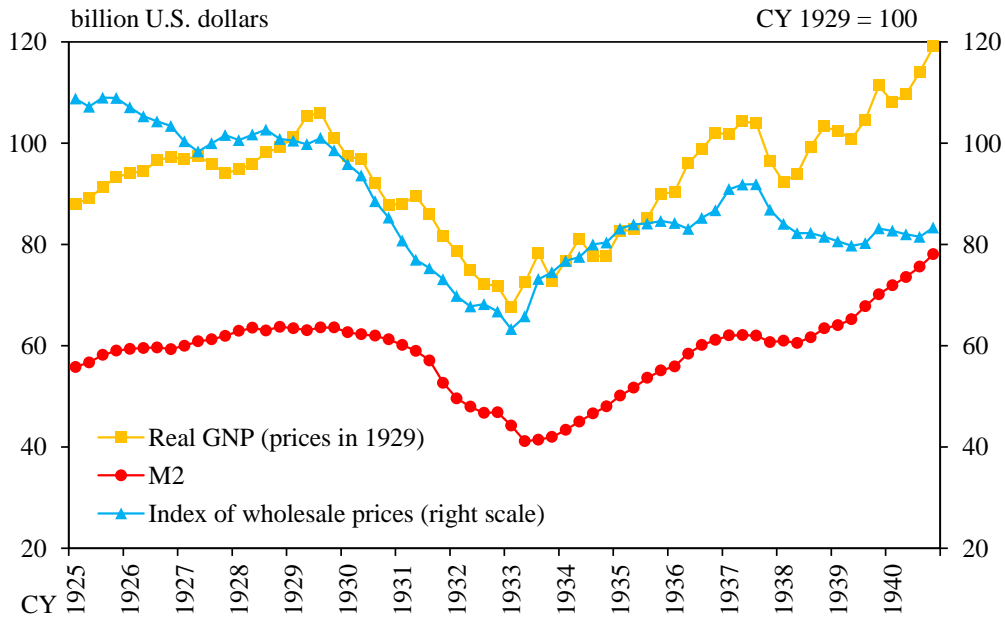
The surveys conducted in 1954 and 1955 asked the respondents "Have your household circumstances of late improved, deteriorated, or remained the same compared with around this time last year?," while those conducted between 1959 and 1991 asked "How would you describe your household circumstances compared to this time last year? Have they become better off, worse off, or remained the same?" The surveys conducted from 1992 ask "How would you describe the lifestyle of your household compared to this time last year? Has it improved, deteriorated, or remained the same?" English translation of these questions was prepared by the Bank's staff. The question is phrased somewhat differently depending on the survey year.

The question was asked only of the odd-numbered respondents in the 1971 survey, and of the even-numbered respondents in the January 1974 survey.

The figures for the 1972 and 1973 surveys were calculated by the Bank as the average of the results for the odd-numbered and even-numbered respondents. From the 1999 survey, the share of "I do not know" has been calculated by subtracting the shares of all the response options from the total.

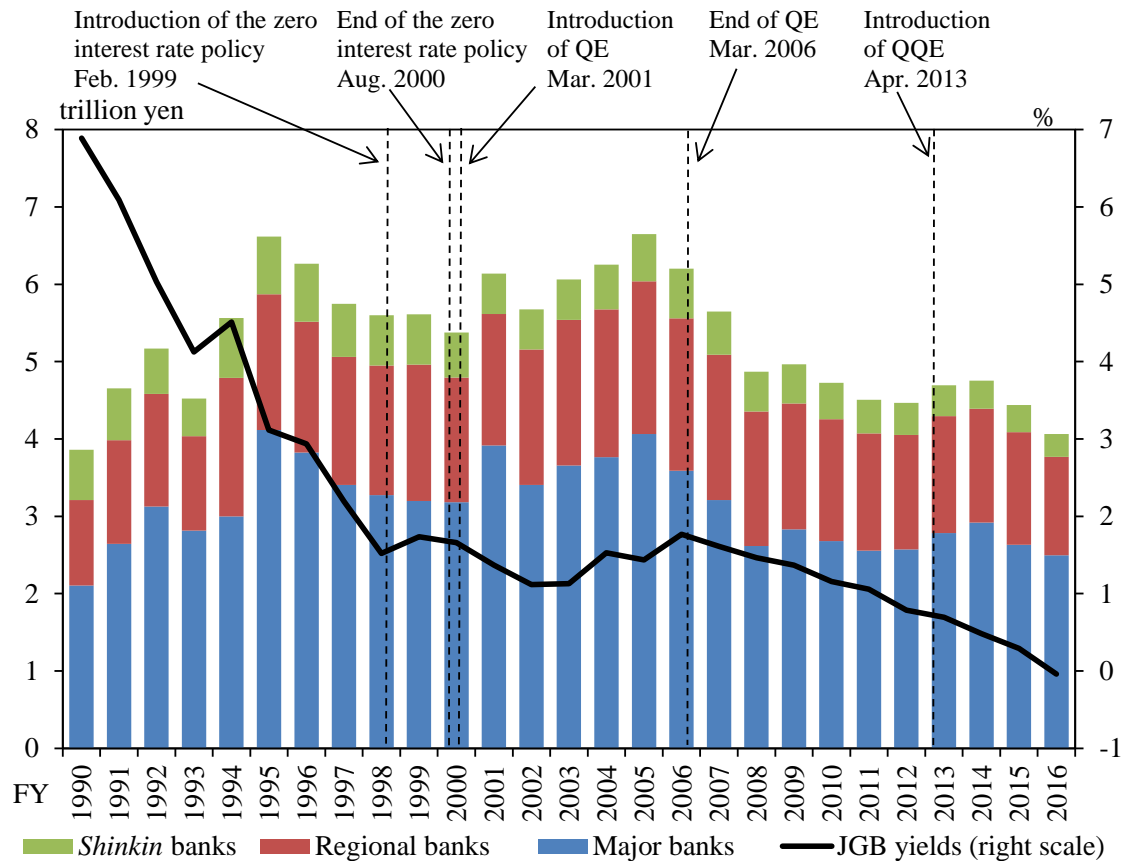
Sources: Cabinet Office, *Public Opinion Survey on the Life of the People*; Bank of Japan.

Chart 5 Real GNP, Prices, and Money Stock in the United States during the Great Depression



Source: Robert J. Gordon, *The American Business Cycle*, The University of Chicago Press, 1986.

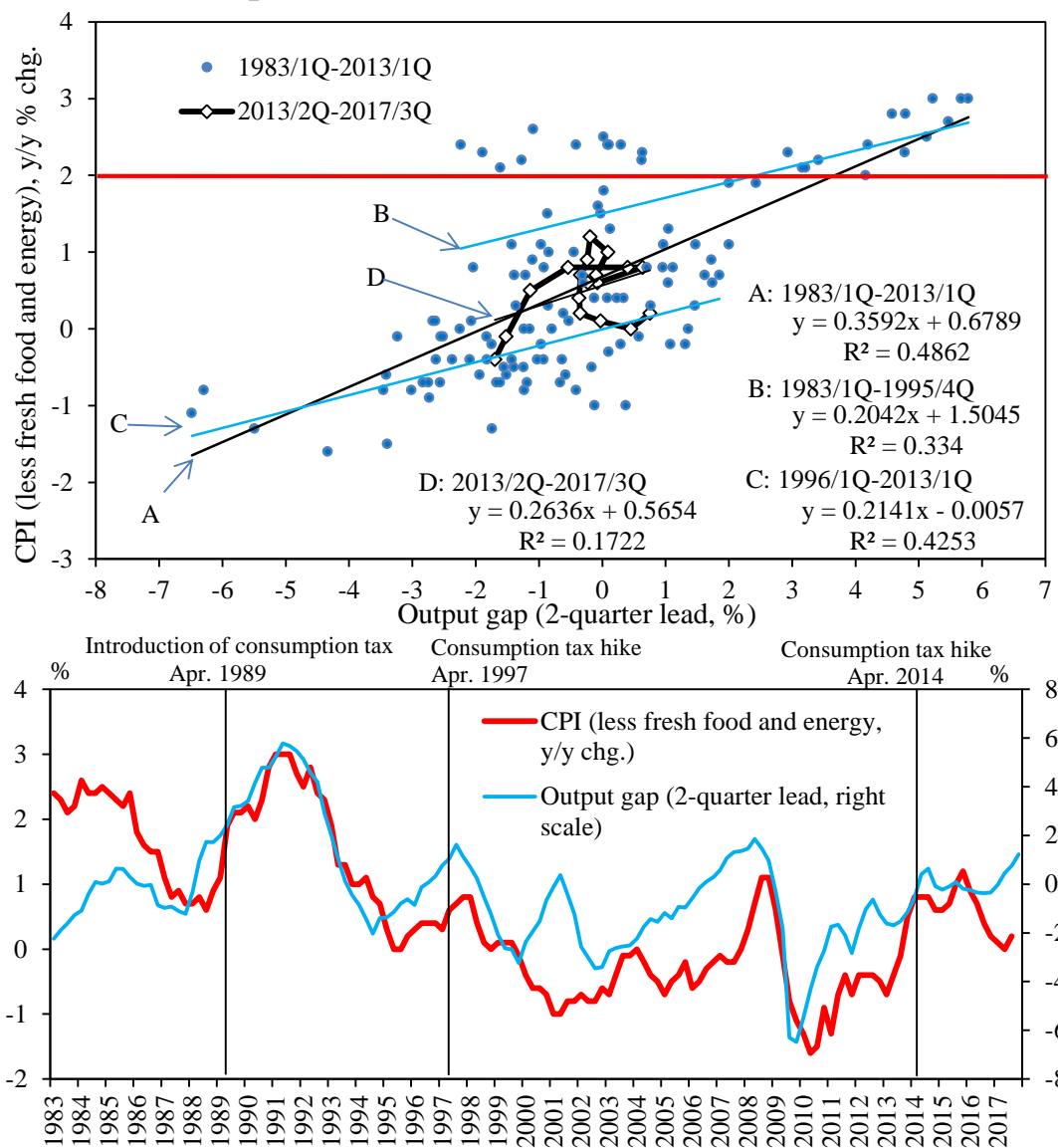
Chart 6 Financial Institutions' Operating Profits from Core Business



Note: Non-consolidated base. Operating profits from core business are calculated by subtracting general and administrative expenses from the sum of net interest income and net non-interest income. Figures for "JGB yields" represent 10-year JGB yields.

Source: Bank of Japan.

Chart 7 Phillips Curve



Note: The CPI figures are adjusted for changes in the consumption tax rate.

Sources: Ministry of Internal Affairs and Communications; Bank of Japan.

	Formula	Estimate of the output gap corresponding to 2%	Avg. growth rate of the observed CPI (annualized)
A	$CPI = 0.36 \times \text{output gap} + 0.68$	3.7%	0.5%
B	$CPI = 0.20 \times \text{output gap} + 1.50$	2.4%	1.5%
C	$CPI = 0.21 \times \text{output gap} - 0.01$	9.4%	-0.3%
D	$CPI = 0.26 \times \text{output gap} + 0.57$	5.8%	0.5%