

# ***Results of the 35th Opinion Survey on the General Public's Views and Behavior***

\* This is an English translation of the Japanese original released on October 1, 2008.

October 27, 2008  
Public Relations Department  
Bank of Japan

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## **I. Introduction**

The Bank of Japan, through public relations activities conducted at its Head Office and branches, has been seeking to determine the concerns of a broad cross-section of the general public relative to its policy and operations. An example of such action is the Bank's *Opinion Survey on the General Public's Views and Behavior*, conducted since 1993 with a nationwide sample of 4,000 individuals who are at least 20 years of age. This survey is essentially an opinion poll designed to gain insight into the public's perceptions and actions, and therefore differs in character from the Bank's *Tankan* (Short-Term Economic Survey of Enterprises in Japan), which is conducted separately from this survey.

A mail survey method was introduced from the 27th *Opinion Survey*. This differs from the previous survey method, through which researchers visited sampled individuals, asked them to complete the questionnaire within a prescribed period, and then collected the finished questionnaires upon subsequent visits (hereafter "in-home survey method"). This change reflects recent changes in the survey environment. The 26th *Opinion Survey* was carried out by both in-home survey and preliminarily conducted mail survey methods. Except where otherwise noted, the results in the following sections were those obtained via the mail survey method.

## **II. Survey Outline**

Survey period:	From August 14 to September 8, 2008.
Sample size:	4,000 people (2,316 people [i.e., 57.9 percent of the overall sample size] provided valid responses to questions).
Population of the survey:	Individuals living in Japan who are at least 20 years of age.
Sampling method:	Stratified two-stage random sampling method.
Survey methodology:	Questionnaire survey (mail survey method).

### III. Summary

#### A. Impression of Economic Conditions

##### 1. Economic conditions

With regard to economic conditions compared with one year ago, the proportion of respondents who answered that economic conditions "have improved" decreased, while the proportion of those who replied that they "have worsened" increased considerably; thus, the diffusion index (D.I.) fell substantially. Regarding the outlook for economic conditions one year from now, the proportion of respondents who answered that economic conditions "will worsen" decreased, while the proportion of those who replied that they "will improve" increased; thus, the D.I. rose.

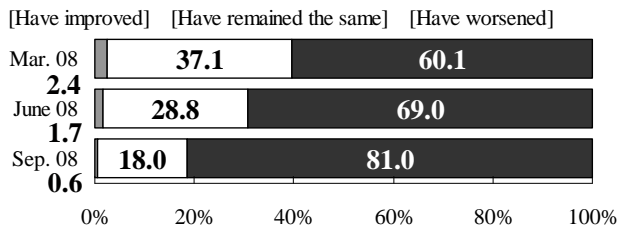
In terms of current economic conditions, the proportion of respondents who answered that current economic conditions "are favorable"<sup>1</sup> declined, while the proportion of those who replied that they "are unfavorable"<sup>2</sup> rose.

<sup>1</sup> "Are favorable" comprises "are favorable" and "are somewhat favorable."

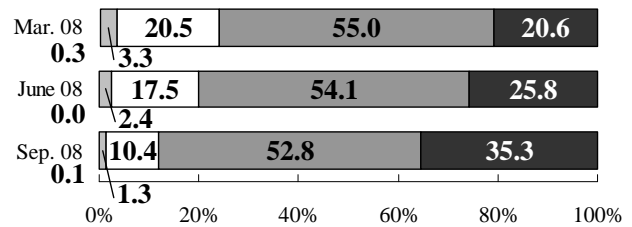
<sup>2</sup> "Are unfavorable" comprises "are unfavorable" and "are somewhat unfavorable."

Chart 1 Economic Conditions (Questions 1, 3, and 4)

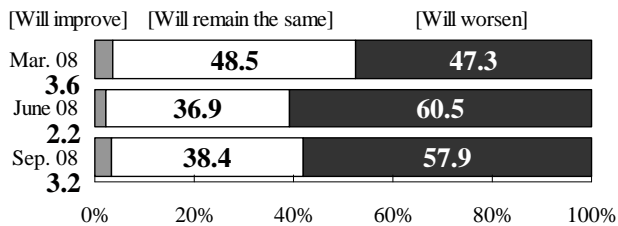
(1) Present Compared with One Year Ago



(2) Current Economic Conditions

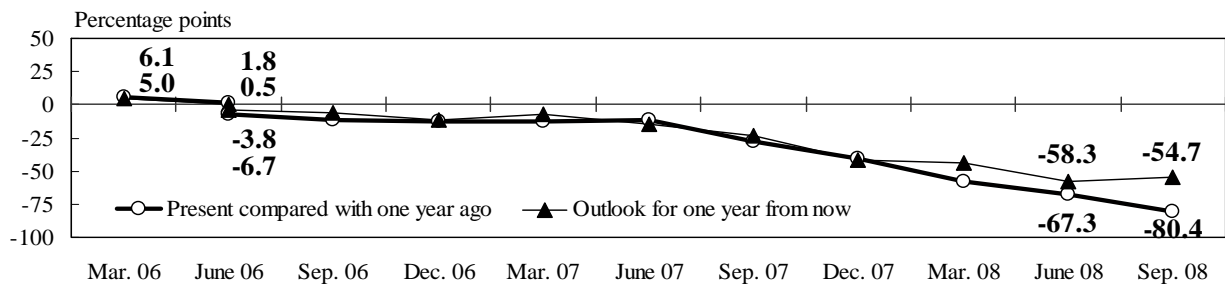


(3) One Year from Now Compared with the Present



Are favorable  
 Are somewhat favorable  
 Are neither favorable nor unfavorable  
 Are somewhat unfavorable  
 Are unfavorable

(4) Developments in the Economic Conditions D.I.<sup>1,2</sup>



	Mar. 06	June 06	Sep. 06	Dec. 06	Mar. 07	June 07	Sep. 07	Dec. 07	Mar. 08	June 08	Sep. 08	
Present compared with one year ago	6.1	1.8	-6.7	-11.0	-12.2	-12.1	-12.0	-27.4	-40.7	-57.7	-67.3	-80.4
Changes from the previous survey	+8.3	-4.3	-4.3	-1.2	+0.1	+0.1	-15.4	-13.3	-17.0	-9.6	-13.1	
Outlook for one year from now	5.0	0.5	-3.8	-5.9	-11.4	-7.7	-14.5	-22.9	-41.4	-43.7	-58.3	-54.7
Changes from the previous survey	+3.6	-4.5	-2.1	-5.5	+3.7	-6.8	-8.4	-18.5	-2.3	-14.6	+3.6	

Notes: 1. In charts 1, 4, 12, and 13, figures up to the 25th round of the survey (conducted in March 2006) were obtained via the in-home survey method. Figures for the 26th round of the survey (conducted in June 2006) were obtained via the in-home and mail survey methods.

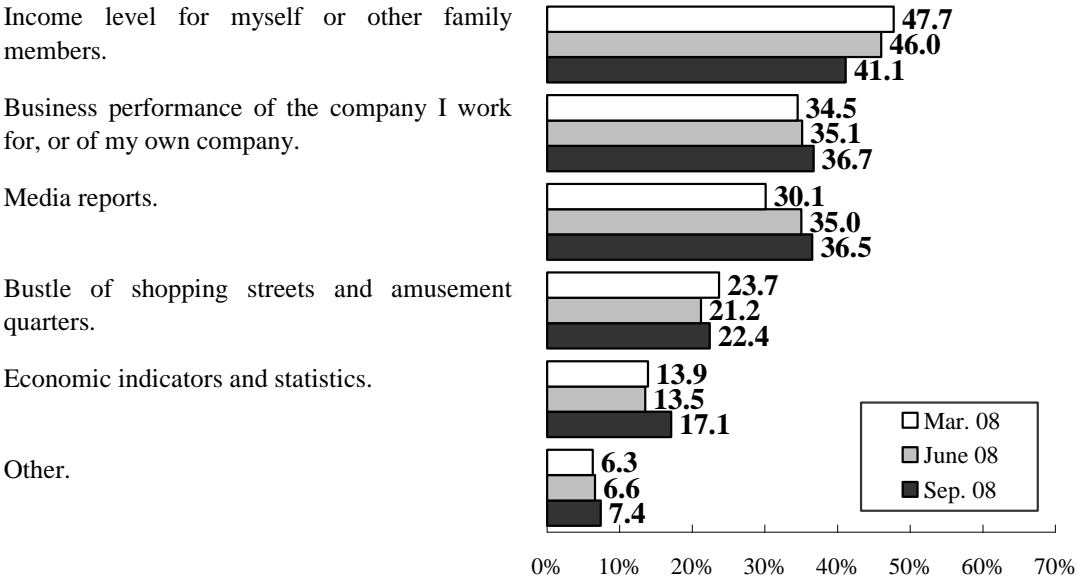
2. In charts 1 and 4, the economic conditions D.I. is calculated as the proportion of respondents who answered that economic conditions "have improved/will improve" minus the proportion of those who answered that they "have worsened/will worsen."

**2. Basis for assessment of economic conditions**

When asked their basis for assessment of economic conditions, "income level for myself or other family members," "business performance of the company I work for, or of my own company," and "media reports" were the responses chosen most often.

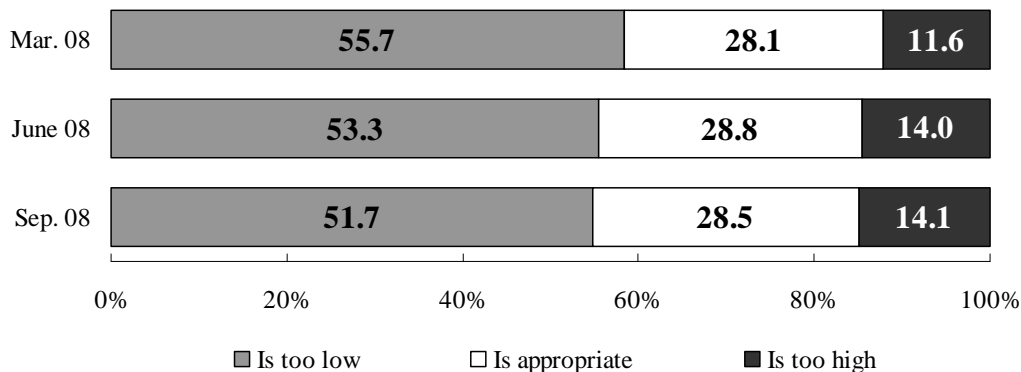
In terms of perception of the interest rate level, the proportion of respondents who stated that it "is too low" decreased but remained over 50 percent, accounting for 51.7 percent.

Chart 2 Basis for Assessment and Interpretation of Economic Conditions (Question 2)<sup>1</sup>



Note: 1. Up to two answers were allowed.

Chart 3 Perception of the Interest Rate Level (Question 5)



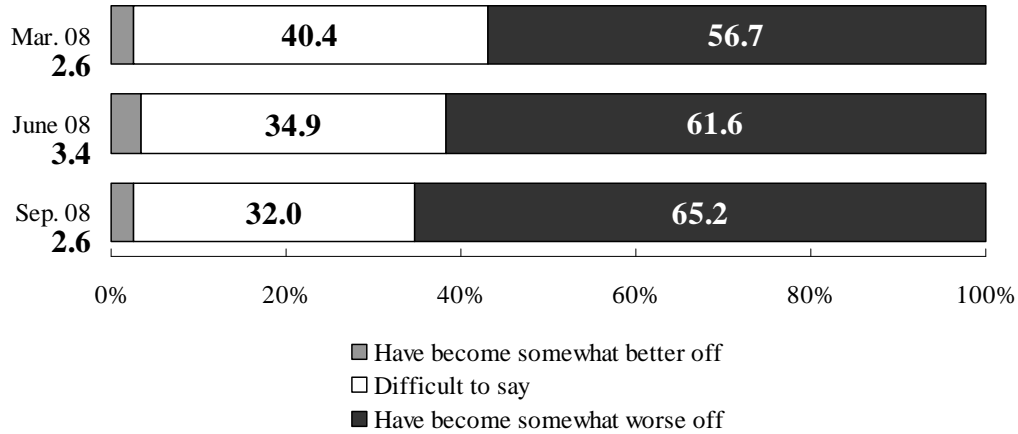
## B. Household Circumstances and the General Public's Views

### 1. Present household circumstances

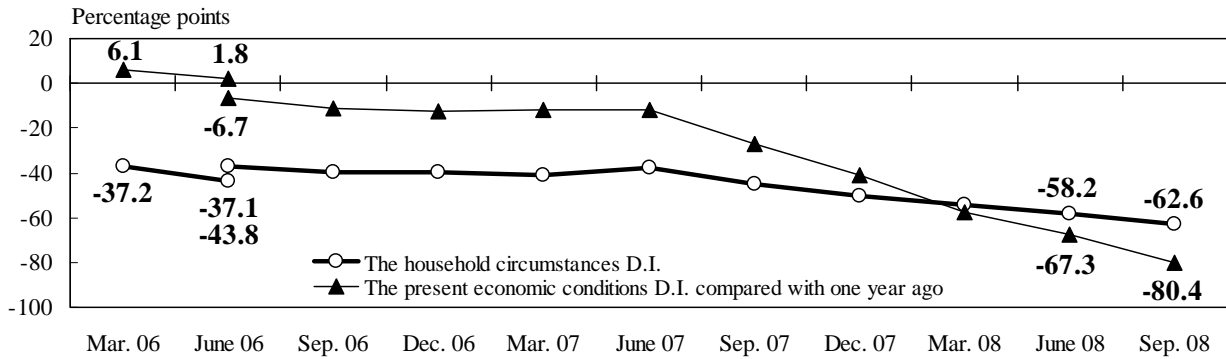
In terms of the general public's household circumstances compared with one year ago, the proportion of respondents who answered that their household circumstances "have become somewhat worse off" increased; thus, the D.I. continued to decline.

Chart 4 Present Household Circumstances (Question 6)

#### (1) Present Household Circumstances



#### (2) Developments in the Household Circumstances D.I.<sup>1</sup>



	Mar. 06	June 06	Sep. 06	Dec. 06	Mar. 07	June 07	Sep. 07	Dec. 07	Mar. 08	June 08	Sep. 08	
The household circumstances D.I.	-37.2	-43.8	-37.1	-39.6	-39.6	-41.2	-38.0	-45.1	-50.0	-54.1	-58.2	-62.6
Changes from the previous survey	+4.5	-6.6		-2.5	0.0	-1.6	+3.2	-7.1	-4.9	-4.1	-4.1	-4.4
The present economic conditions D.I. compared with one year ago	6.1	1.8	-6.7	-11.0	-12.2	-12.1	-12.0	-27.4	-40.7	-57.7	-67.3	-80.4
Changes from the previous survey	+8.3	-4.3		-4.3	-1.2	+0.1	+0.1	-15.4	-13.3	-17.0	-9.6	-13.1

Note: 1. The household circumstances D.I. is calculated as the proportion of respondents who answered that their household circumstances "have become somewhat better off" minus the proportion of those who answered that they "have become somewhat worse off."

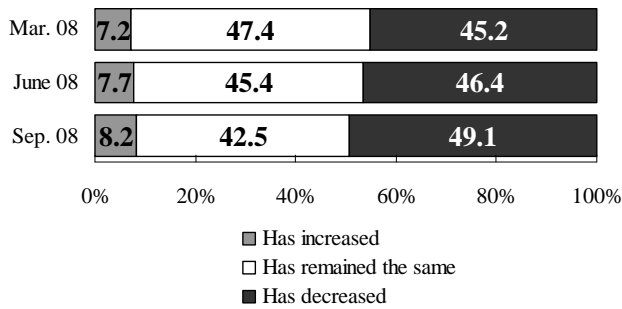
## 2. Income and spending

With regard to income level compared with one year ago, as well as with the outlook for income one year from now, the proportion of respondents who answered that their income "has remained the same/will remain the same" declined, while the proportion of those who stated that it "has decreased/will decrease" rose.

In terms of spending level compared with one year ago, the proportion of respondents who indicated that they "have neither increased nor decreased" their spending declined, while the proportions of those who stated that they "have increased" and/or "have decreased" their spending rose. Regarding the outlook for spending one year from now, there was a decline in the proportion of respondents who answered that they "will neither increase nor decrease" their spending, while there was a rise in the proportion of those who responded that they "will decrease" their spending.

Chart 5 Income (Questions 7 and 8)

(1) Present Income Level Compared with One Year Ago



(2) Income Level One Year from Now Compared with the Present

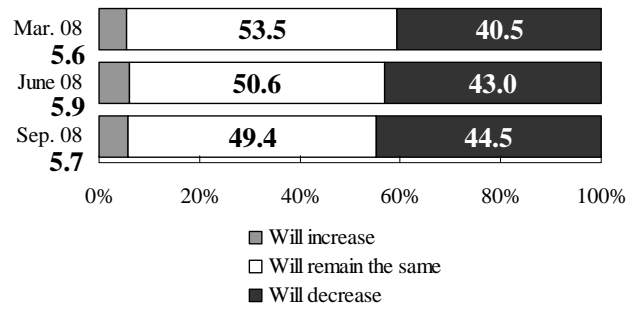
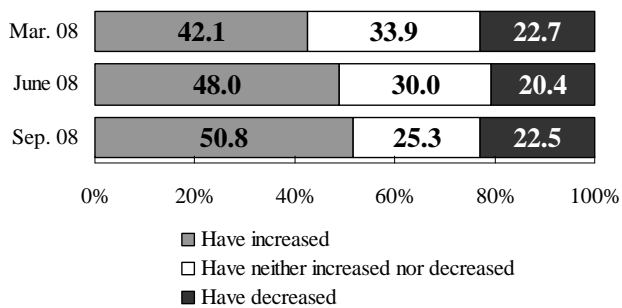
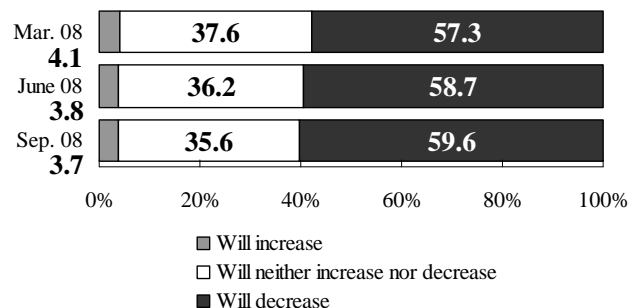


Chart 6 Spending (Questions 9 and 11)

(1) Present Spending Level Compared with One Year Ago



(2) Spending Level One Year from Now Compared with the Present

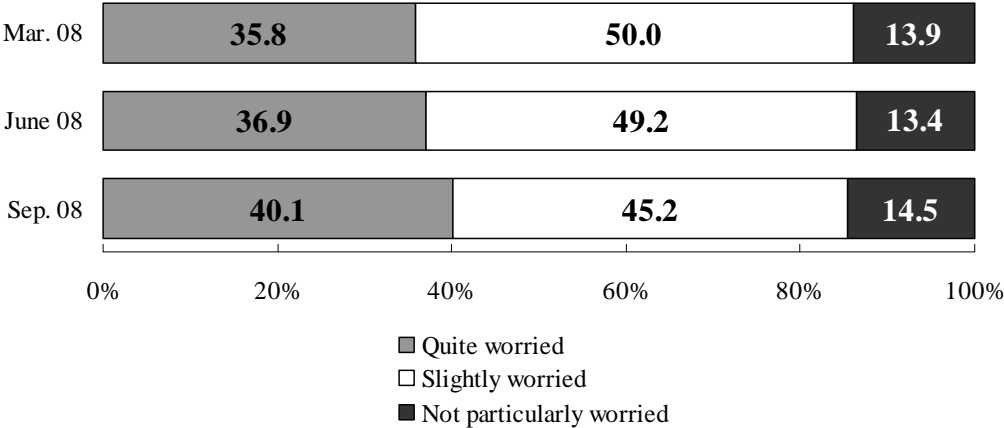


**3. Employment conditions**

When asked about concerns over employment and working arrangements over the next twelve months, the proportion of respondents<sup>1</sup> who answered that they were "slightly worried" decreased, while the proportion of those who responded that they were "quite worried" increased.

<sup>1</sup> Respondents are workers who are company employees, executives, civil servants, or part-timers.

Chart 7 Concerns over Employment and Working Arrangements over the Next Twelve Months (Question 20 [workers<sup>1</sup>])



Note: 1. Workers are company employees, executives, civil servants, or part-timers.

## C. Perception of Price Levels

### 1. Present price levels

Regarding their perception of the present price levels compared with one year ago, the proportion of respondents who felt that prices<sup>1</sup> "have remained almost unchanged" decreased, while the proportion of those who felt that prices "have gone up"<sup>2</sup> continued to rise, accounting for 94.6 percent. Of the latter respondents, the proportion of those who felt that prices "have gone up significantly" rose substantially, accounting for 53.0 percent.

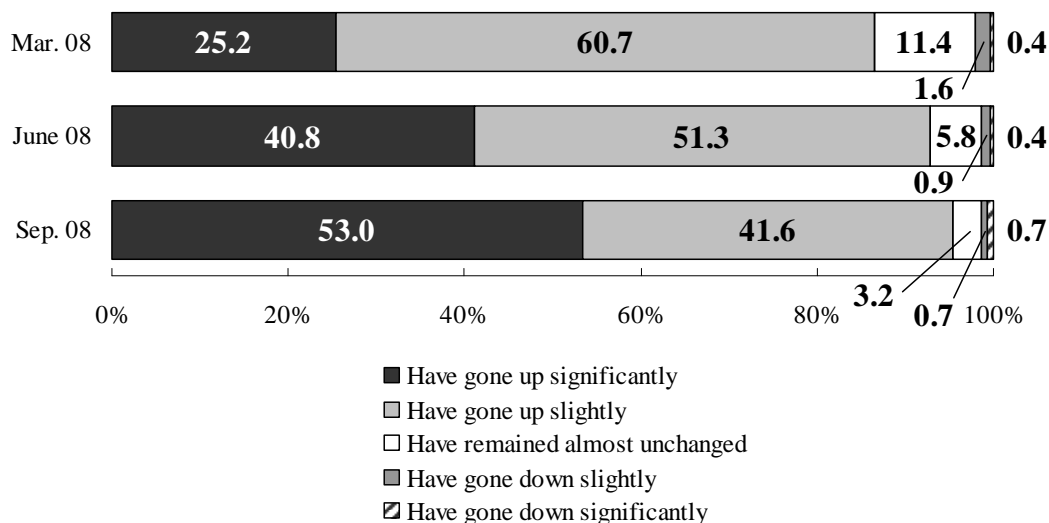
When asked to what extent price levels have changed compared with one year ago in terms of a specific figure, the average was an increase of 12.4 percent, up from 10.2 percent in the previous survey. The median was 10.0 percent, unchanged from the previous survey.

<sup>1</sup> Defined as "overall prices of goods and services the respondents purchase."

<sup>2</sup> "Have gone up" comprises "have gone up significantly" and "have gone up slightly."

Chart 8 Perception of the Present Price Levels (Questions 12 and 13)

#### (1) Present Compared with One Year Ago



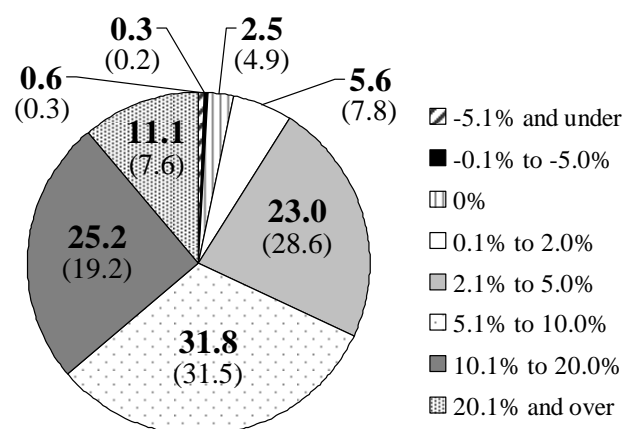
#### (2) Changes in Price Levels Compared with One Year Ago

	Average <sup>1</sup>	Median <sup>2</sup>
Mar. 08	+7.6%	+5.0%
June 08	+10.2%	+10.0%
Sep. 08	+12.4%	+10.0%

Notes: 1. Calculated by excluding 0.5 percent of the highest and the lowest figures, respectively, in order to avoid extremes. (The simple average of this survey is **12.7** percent, and that of the previous survey in June 2008 was **10.4** percent.)

2. The number that appears in the middle when the answers are listed in numerical order.

#### (3) Distribution of Current Survey Answers<sup>1,2</sup>



Notes: 1. Percent.

2. Figures in parentheses represent results of the previous survey (June 2008).

## 2. Outlook for price levels one year from now

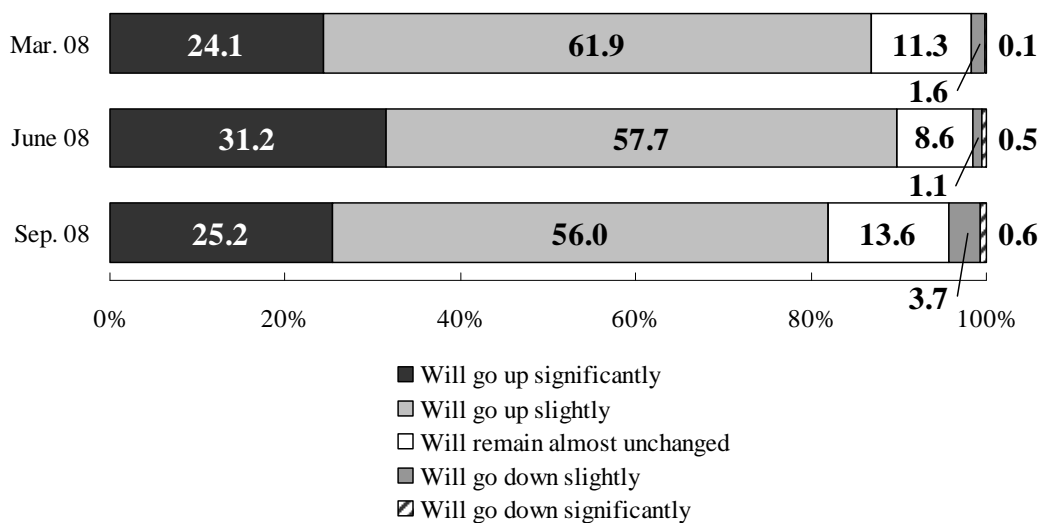
In terms of the outlook for price levels one year from now, the proportion of respondents who expected that prices "will remain almost unchanged" increased, while the proportion of those who expected that they "will go up"<sup>1</sup> decreased, accounting for 81.2 percent.

When asked to what extent price levels will change one year from now in terms of a specific figure, the average was an increase of 8.7 percent, down from 9.0 percent in the previous survey. The median was 5.0 percent, down from 7.0 percent in the previous survey.

<sup>1</sup> "Will go up" comprises "will go up significantly" and "will go up slightly."

Chart 9 Outlook for Price Levels One Year from Now (Questions 14 and 15)

### (1) One Year from Now Compared with the Present



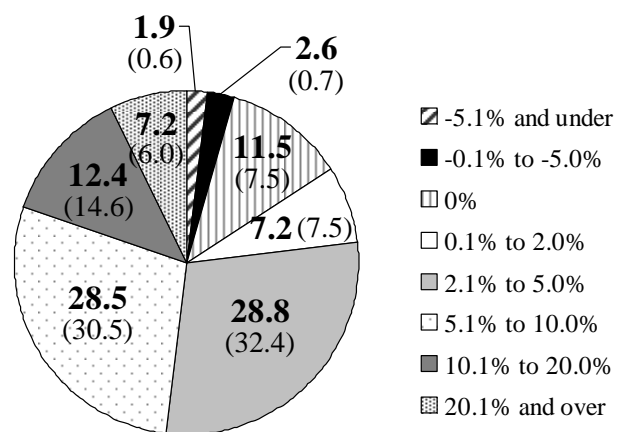
### (2) Changes in Price Levels One Year from Now

	Average <sup>1</sup>	Median <sup>2</sup>
Mar. 08	+7.6%	+5.0%
June 08	+9.0%	+7.0%
Sep. 08	+8.7%	+5.0%

Notes: 1. Calculated by excluding 0.5 percent of the highest and the lowest figures, respectively, in order to avoid extremes. (The simple average of this survey is **8.9** percent, and that of the previous survey in June 2008 was **9.2** percent.)

2. The number that appears in the middle when the answers are listed in numerical order.

### (3) Distribution of Current Survey Answers<sup>1,2</sup>



Notes: 1. Percent.

2. Figures in parentheses represent results of the previous survey (June 2008).



### 3. Outlook for price levels over the next five years

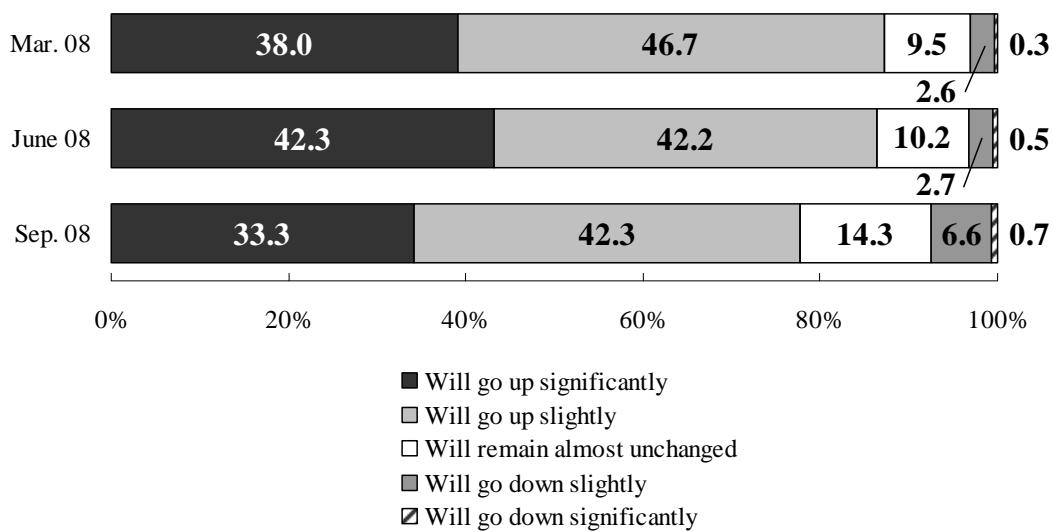
Regarding the outlook for price levels over the next five years, the proportion of respondents who expected that prices "will remain almost unchanged" increased, while the proportion of those who expected that they "will go up"<sup>1</sup> decreased, accounting for 75.6 percent.

When asked about the specific rate of price change per year on average over the next five years, the average was an increase of 6.5 percent, down from 6.9 percent in the previous survey. The median was 5.0 percent, unchanged from the previous survey.

<sup>1</sup> "Will go up" comprises "will go up significantly" and "will go up slightly."

Chart 10 Outlook for Price Levels over the Next Five Years (Questions 16 and 17)

#### (1) Outlook for the Next Five Years



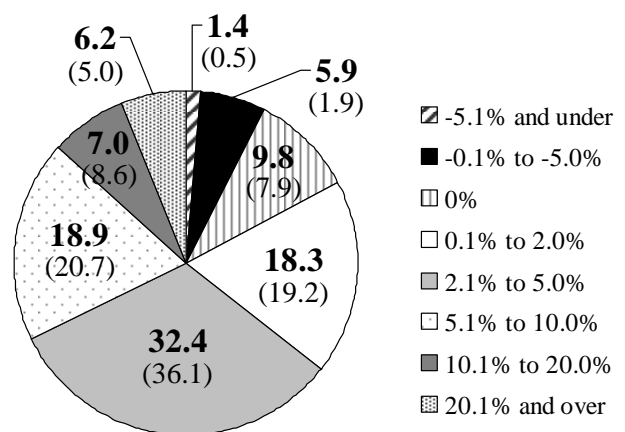
#### (2) Changes in Price Levels per Year on Average over the Next Five Years

	Average <sup>1</sup>	Median <sup>2</sup>
Mar. 08	+5.9%	+3.0%
June 08	+6.9%	+5.0%
Sep. 08	+6.5%	+5.0%

Notes: 1. Calculated by excluding 0.5 percent of the highest and the lowest figures, respectively, in order to avoid extremes. (The simple average of this survey is 6.8 percent, and that of the previous survey in June 2008 was 7.2 percent.)

2. The number that appears in the middle when the answers are listed in numerical order.

#### (3) Distribution of Current Survey Answers<sup>1,2</sup>



Notes: 1. Percent.

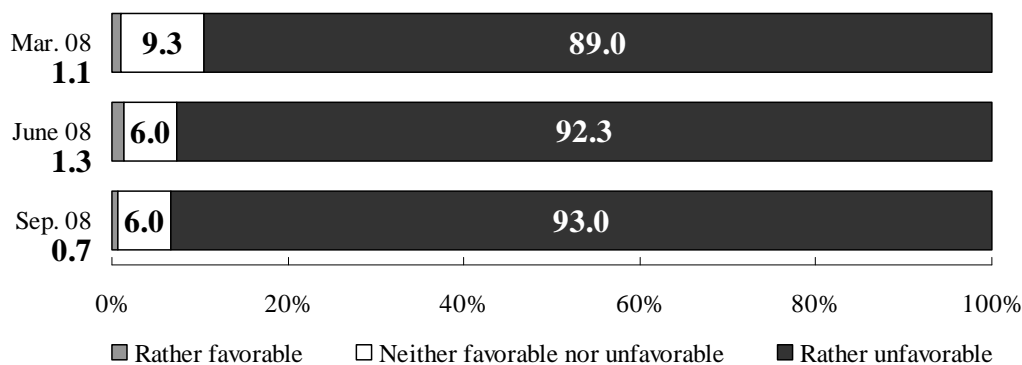
2. Figures in parentheses represent results of the previous survey (June 2008).

#### 4. Comments on the rise in prices

Among all respondents, 94.6 percent answered that prices compared with one year ago "have gone up"<sup>1</sup> and were asked for comments on the price rise; the proportion of those who stated that the price rise was "rather unfavorable" accounted for 93.0 percent.

<sup>1</sup> "Have gone up" comprises "have gone up significantly" and "have gone up slightly." See III.C.1. for the perception of the present price levels.

Chart 11 Comments on the Price Rise (Question 12-(a))

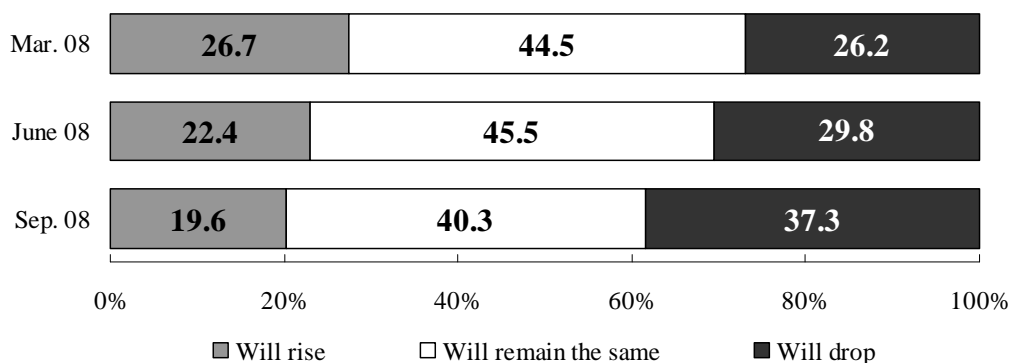


#### D. Future Developments in Land Prices

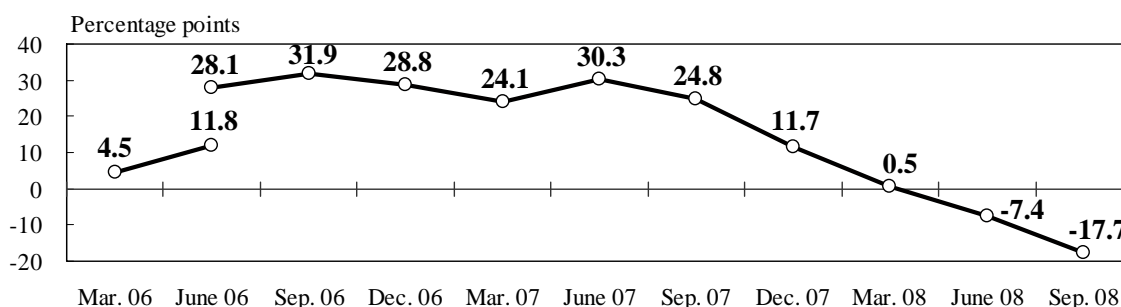
When asked about future developments in land prices, the proportions of respondents who answered that land prices "will rise" and/or "will remain the same" decreased, while the proportion of those who stated that they "will drop" increased.

Chart 12 Perception of Future Developments in Land Prices (Question 18)

##### (1) Perception of Future Developments in Land Prices



##### (2) Developments in the Land Prices D.I.<sup>1</sup>



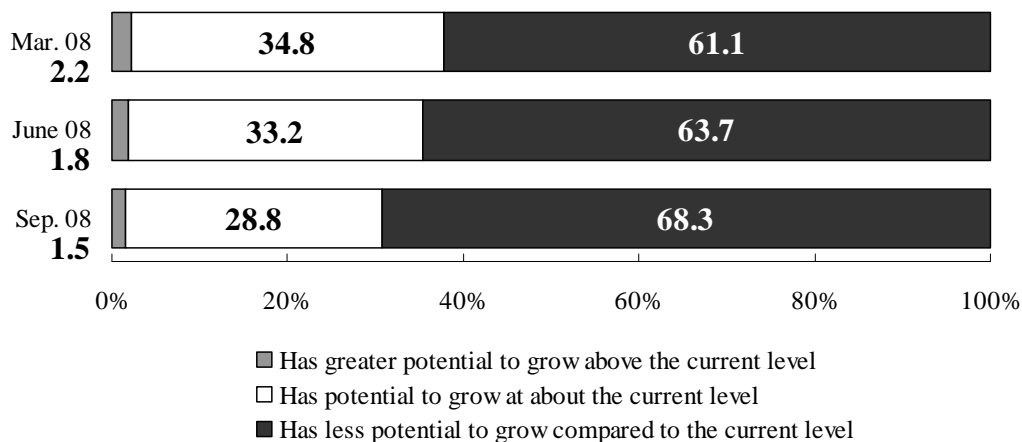
Note: 1. The land prices D.I. is calculated as the proportion of respondents who answered that land prices "will rise" minus the proportion of those who answered that they "will drop."

## E. Growth Potential of the Japanese Economy

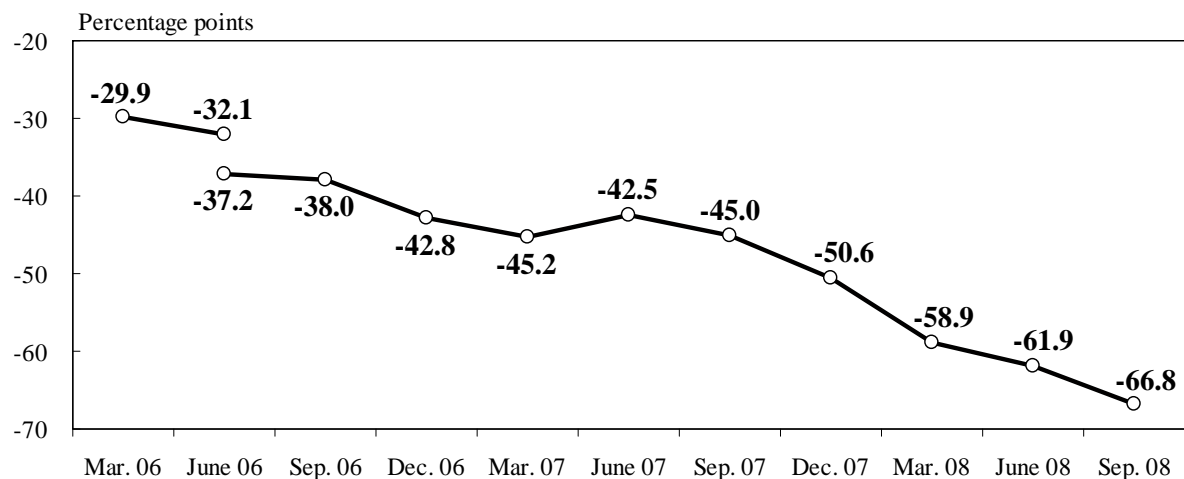
When asked about the Japanese economy's growth potential, the proportion of respondents who replied that the Japanese economy "has potential to grow at about the current level" decreased, while the proportion of those who answered that it "has less potential to grow compared to the current level" increased.

Chart 13 Perception of the Japanese Economy's Growth Potential (Question 19)

### (1) Perception of the Japanese Economy's Growth Potential



### (2) Developments in the Japanese Economy's Growth Potential D.I.<sup>1</sup>



Note: 1. The Japanese economy's growth potential D.I. is calculated as the proportion of respondents who answered that the Japanese economy "has greater potential to grow above the current level" minus the proportion of those who answered that it "has less potential to grow compared to the current level."

## F. Degree of Recognition and Credibility of the Bank

### 1. Objectives of the Bank

When asked about their recognition of two Bank objectives (price stability and financial system stability), the proportion of respondents who stated that they "have knowledge of it" increased for most items, while the proportion of those who answered that they "have never heard of it" decreased for most items.

Chart 14 Recognition of Price Stability (Question 21)

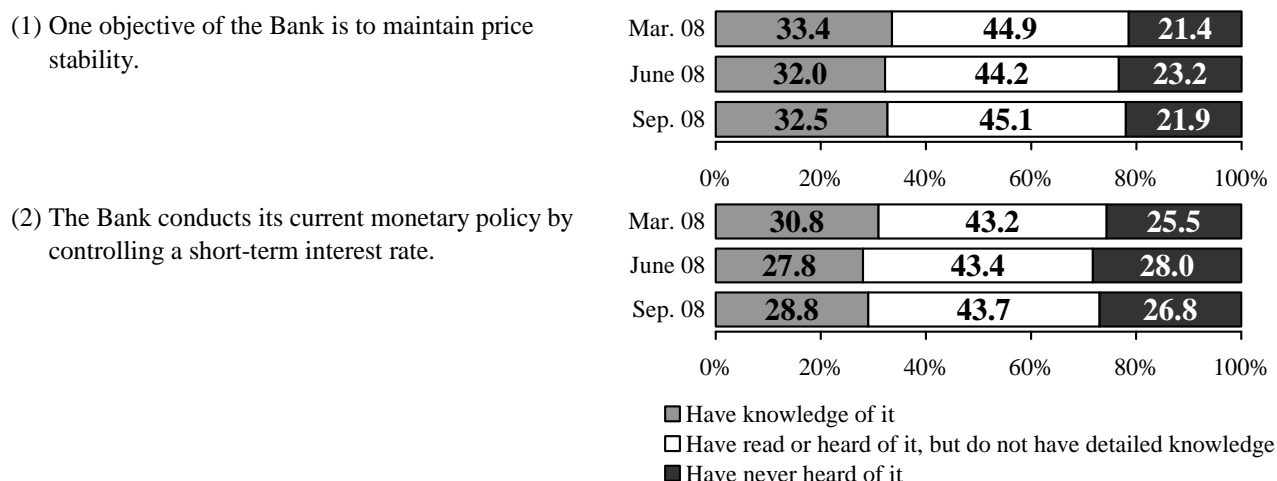
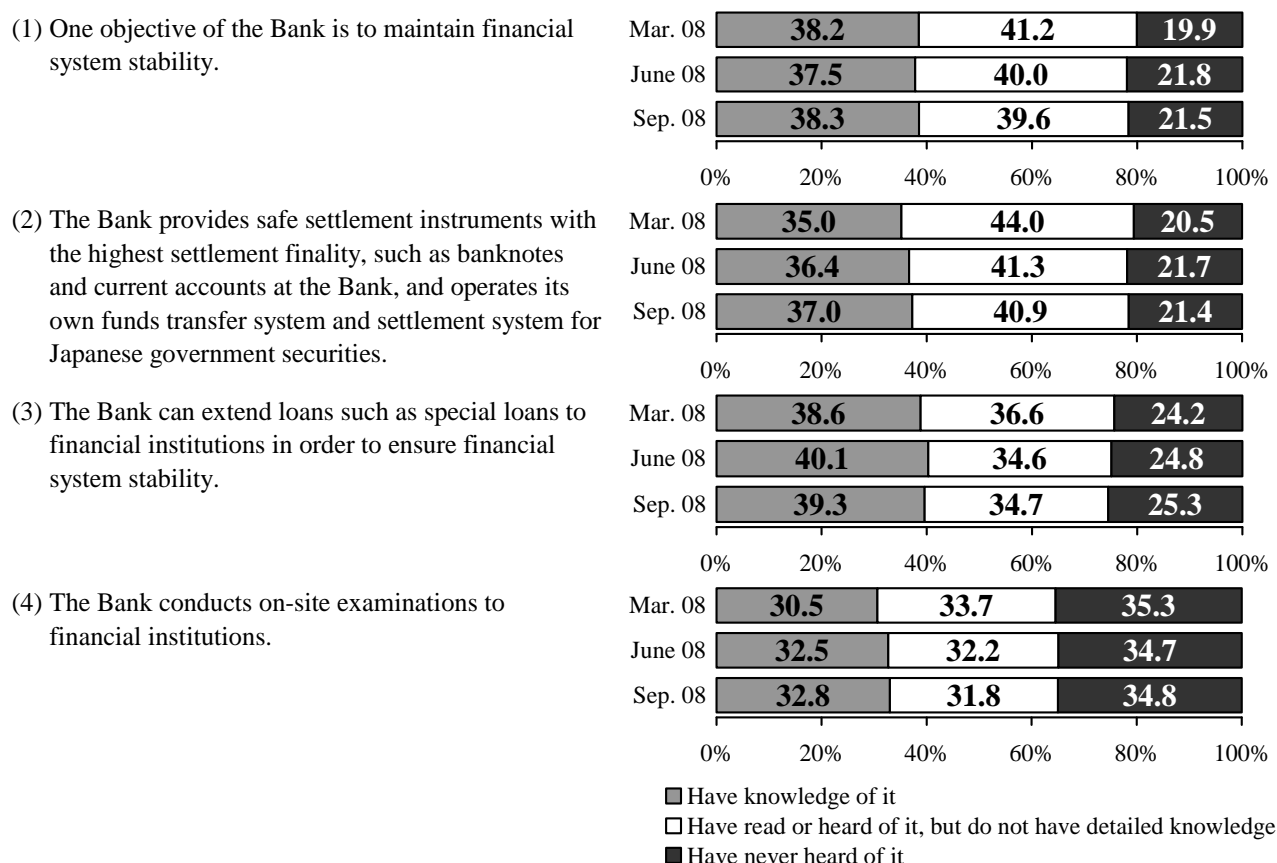


Chart 15 Recognition of Financial System Stability (Question 22)



## 2. Interest in, recognition of, and evaluation of the Bank

When asked about their interest in, recognition of, and evaluation of the Bank, the proportions of respondents who stated that they "have an interest in the Bank's activities,"<sup>1</sup> and/or that "the Bank is related to our lives"<sup>2</sup> increased, accounting for 24.7 percent and 72.3 percent, respectively, while the proportion of those who responded that "the Bank is contributing to our lives"<sup>3</sup> was about the same as in the previous survey, accounting for 41.1 percent.

The proportion of respondents who felt that "the Bank's explanations to the public are not clear enough"<sup>4</sup> increased, accounting for 62.5 percent. These respondents were asked for their reasons (Chart 17), with the greatest majority stating that they have a "lack of basic knowledge about the Bank" and/or they "have difficulty understanding the mechanism of the financial system and the economy," followed by those stating that "terms used in the Bank's explanations are too technical and difficult" and they "have never had the opportunity to read or hear the Bank's explanations."

38.0 percent of all respondents stated that they "have confidence in the Bank,"<sup>5</sup> while the proportion of respondents who indicated that they "do not have confidence in the Bank" accounted for 13.0 percent.

When asked the reasons for having confidence in the Bank (Chart 18), "because the Bank's activities are contributing to price stability and financial system stability" continued to be most frequently cited, followed by "because the Bank maintains a neutral position in conducting its policy." In terms of reasons for not having confidence in the Bank (Chart 19), "because the Bank does not maintain a neutral position in conducting its policy" was the response chosen most often, followed by "because the Bank's activities are not contributing to price stability and financial system stability."

<sup>1</sup> "Have an interest in the Bank's activities" comprises "often pay attention" and "have an interest to some extent."

<sup>2</sup> "Is related to our lives" comprises "is related to our lives" and "is somewhat related to our lives."

<sup>3</sup> "Is contributing to our lives" comprises "is contributing to our lives" and "is somewhat contributing to our lives."

<sup>4</sup> "The Bank's explanations to the public are not clear enough" comprises "the Bank's explanations to the public are not clear enough" and "the Bank's explanations to the public are somewhat unclear."

<sup>5</sup> "Have confidence in the Bank" comprises "have confidence in the Bank" and "have confidence in the Bank to some extent."

Chart 16 Interest in, Recognition of, and Evaluation of the Bank (Question 23)

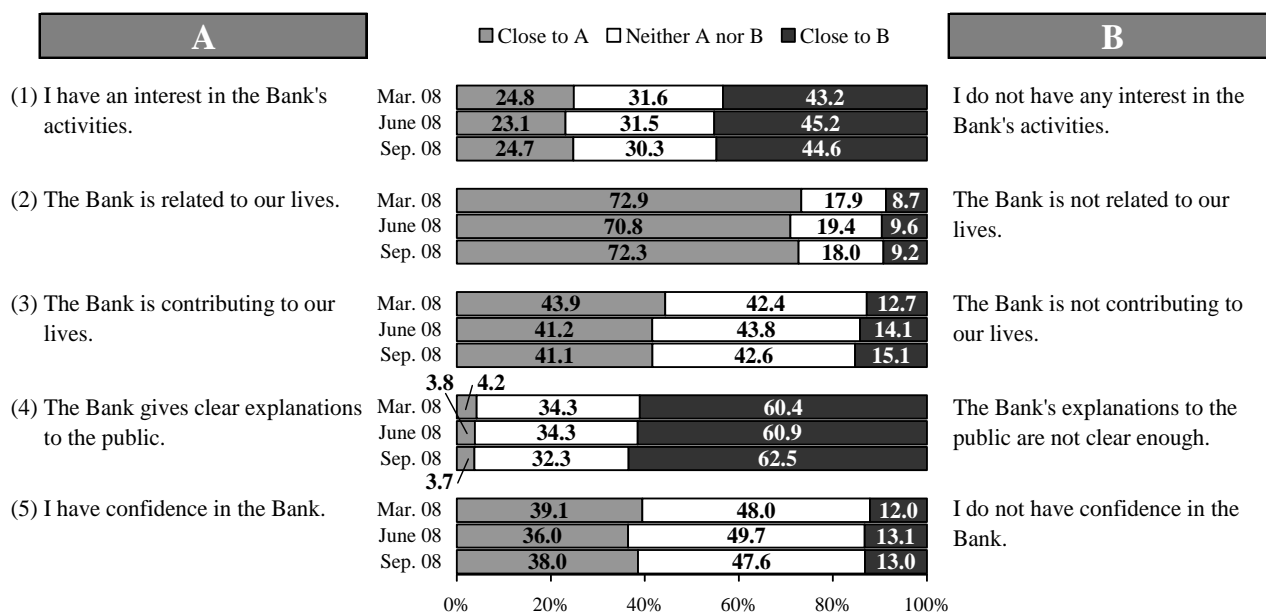
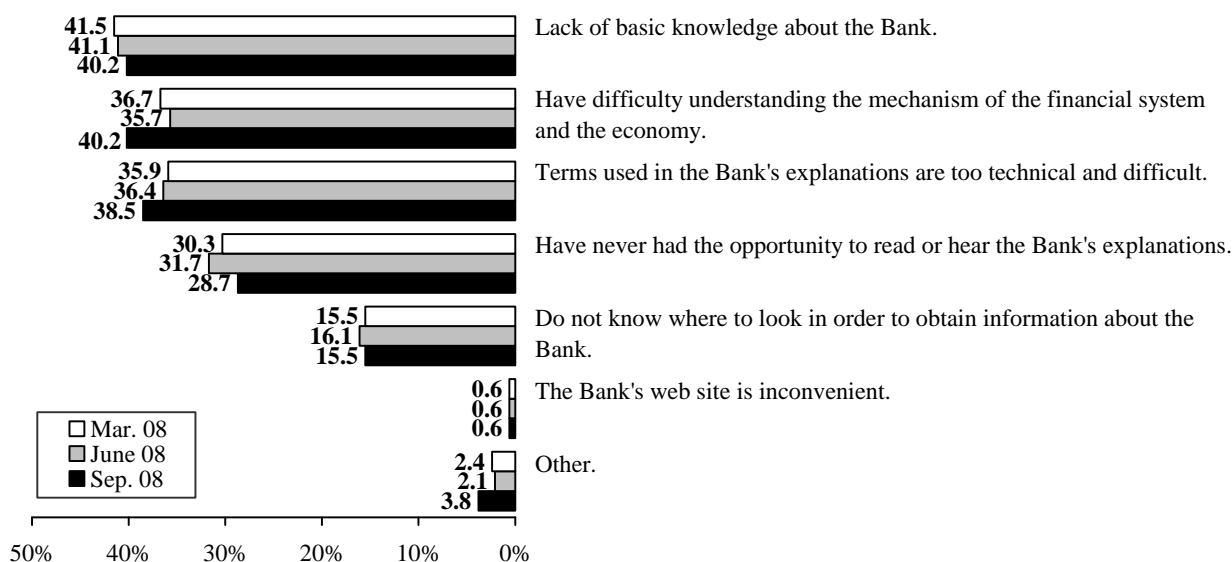
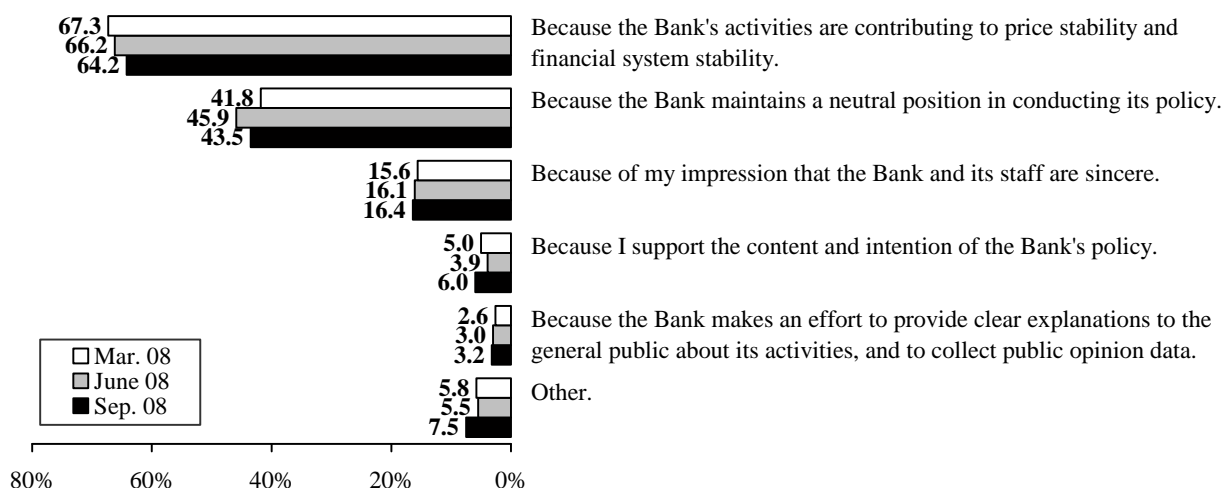


Chart 17 Reasons Why the Bank's Explanations Are Unclear (Question 23-(a))<sup>1</sup>



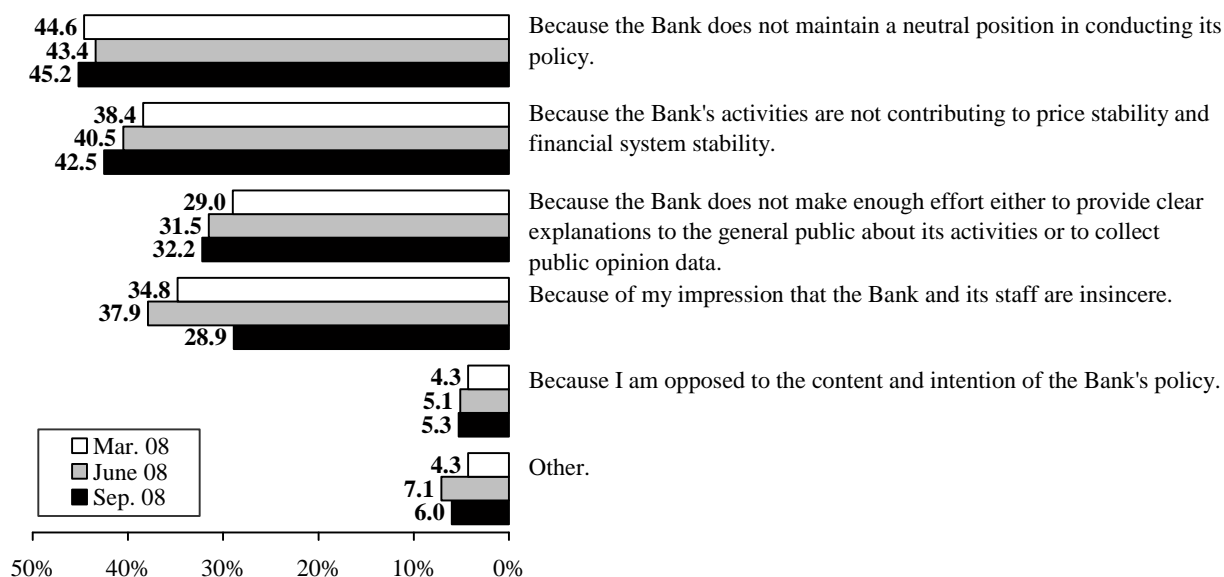
Note: 1. Up to two answers were allowed.

Chart 18 Reasons for Having Confidence in the Bank (Question 23-(b))<sup>1</sup>



Note: 1. Up to two answers were allowed.

Chart 19 Reasons for Not Having Confidence in the Bank (Question 23-(c))<sup>1</sup>



Note: 1. Up to two answers were allowed.

#### IV. Distribution of the Sample by Category

35th round of the survey (Sep. 2008) <sup>1</sup> (A)	Population of the survey <sup>1,2</sup> (B)	Difference between (A) and (B) <sup>3</sup> (A) - (B)	Samples (reference) <sup>1</sup>
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##### By sex

Male	50.2	48.4	1.8	50.8
Female	49.8	51.6	-1.8	49.2

##### By age

20–29	10.4	14.7	-4.3	13.6
30–39	17.8	18.3	-0.5	17.9
40–49	18.5	15.1	3.4	17.5
50–59	19.6	18.2	1.4	18.0
60–69	19.3	15.3	4.0	16.6
70–	14.3	18.4	-4.1	16.4

##### By region

Hokkaido	4.0	4.5	-0.5	4.1
Tohoku	7.5	7.5	0.0	7.5
Kanto	31.2	32.8	-1.6	32.5
Hokuriku	4.9	4.3	0.6	4.1
Chubu	16.5	14.0	2.5	15.0
Kinki	17.2	16.2	1.0	16.1
Chugoku	5.7	6.0	-0.3	5.6
Shikoku	2.4	3.3	-0.9	3.0
Kyushu	10.7	11.4	-0.7	12.0

Notes: 1. Percent.

2. Based on the population of municipalities recorded in the Basic Resident Registers as of March 31, 2007.

3. Percentage points.

## V. Complete Questionnaire and Results

Bold numbers refer to the rate of responses for each menu of choices against total respondents for each question (percent; the second decimal place is rounded off<sup>1,2,3</sup>).

<sup>1</sup> Only one choice is allowed except where otherwise noted.

<sup>2</sup> Because of rounding, response ratios do not necessarily add up to 100 percent even for questions that allow for only one choice.

<sup>3</sup> Figures in parentheses represent results of the previous survey (June 2008).

### Question 1

**How do you think economic conditions have changed compared with one year ago?**

- |                             |                             |
|-----------------------------|-----------------------------|
| (a) Have improved.          | <b>0.6</b> ( <b>1.7</b> )   |
| (b) Have remained the same. | <b>18.0</b> ( <b>28.8</b> ) |
| (c) Have worsened.          | <b>81.0</b> ( <b>69.0</b> ) |

### Question 2

**With regard to Question 1, what makes you think so? (Choose up to two answers.)**

- |   |                             |
|---|-----------------------------|
| (a) Media reports.  | <b>36.5</b> ( <b>35.0</b> ) |
| (b) Economic indicators and statistics.                                   | <b>17.1</b> ( <b>13.5</b> ) |
| (c) Business performance of the company I work for, or of my own company. | <b>36.7</b> ( <b>35.1</b> ) |
| (d) Income level for myself or other family members.                      | <b>41.1</b> ( <b>46.0</b> ) |
| (e) Bustle of shopping streets and amusement quarters.                    | <b>22.4</b> ( <b>21.2</b> ) |
| (f) Other.  | <b>7.4</b> ( <b>6.6</b> )   |

### Question 3

**How do you view the current economic conditions?**

- |  |                             |
|--|-----------------------------|
| (a) Are favorable.                         | <b>0.1</b> ( <b>0.0</b> )   |
| (b) Are somewhat favorable.                | <b>1.3</b> ( <b>2.4</b> )   |
| (c) Are neither favorable nor unfavorable. | <b>10.4</b> ( <b>17.5</b> ) |
| (d) Are somewhat unfavorable.              | <b>52.8</b> ( <b>54.1</b> ) |
| (e) Are unfavorable.                       | <b>35.3</b> ( <b>25.8</b> ) |

### Question 4

**How do you foresee economic conditions one year from now?**

- |                           |                             |
|---------------------------|-----------------------------|
| (a) Will improve.         | <b>3.2</b> ( <b>2.2</b> )   |
| (b) Will remain the same. | <b>38.4</b> ( <b>36.9</b> ) |
| (c) Will worsen.          | <b>57.9</b> ( <b>60.5</b> ) |

### Question 5

**Considering the current economic conditions, what do you think about the current interest rate level?**

- |                     |                             |
|---------------------|-----------------------------|
| (a) Is too low.     | <b>51.7</b> ( <b>53.3</b> ) |
| (b) Is appropriate. | <b>28.5</b> ( <b>28.8</b> ) |
| (c) Is too high.    | <b>14.1</b> ( <b>14.0</b> ) |

### Question 6

**What do you think about your household circumstances compared with one year ago?**

- |                                      |                             |
|--------------------------------------|-----------------------------|
| (a) Have become somewhat better off. | <b>2.6</b> ( <b>3.4</b> )   |
| (b) Difficult to say.                | <b>32.0</b> ( <b>34.9</b> ) |
| (c) Have become somewhat worse off.  | <b>65.2</b> ( <b>61.6</b> ) |



If you chose (a) in Question 6, please answer Question 6-(a). If you chose (c), please answer Question 6-(b). For remaining respondents, please skip questions 6-(a) and 6-(b) and go on to Question 7.

**Question 6-(a)**

**Why do you think your household circumstances have become better off? (Choose all applicable answers.)**

- |   |               |
|---|---------------|
| (a) Salary and business income have increased.                            | 62.3 ( 63.8 ) |
| (b) Income, such as interest income and dividend payments, has increased. | 6.6 ( 1.3 )   |
| (c) Gained special income from sales of real estate.                      | 0.0 ( 1.3 )   |
| (d) Prices have declined.   | 1.6 ( 1.3 )   |
| (e) The value of assets such as real estate and stocks has increased.     | 1.6 ( 0.0 )   |
| (f) The number of dependents in my family has decreased.                  | 21.3 ( 18.8 ) |
| (g) Other.  | 16.4 ( 17.5 ) |

**Question 6-(b)**

**Why do you think your household circumstances have become worse off? (Choose all applicable answers.)**

- |   |               |
|---|---------------|
| (a) Salary and business income have decreased.                            | 52.6 ( 52.6 ) |
| (b) Income, such as interest income and dividend payments, has decreased. | 11.8 ( 13.2 ) |
| (c) Purchased real estate.  | 3.3 ( 3.0 )   |
| (d) Prices have risen.  | 79.5 ( 75.6 ) |
| (e) The value of assets such as stocks and real estate has declined.      | 10.1 ( 8.1 )  |
| (f) The number of dependents in my family has increased.                  | 5.9 ( 7.3 )   |
| (g) Other.  | 11.5 ( 13.1 ) |

**Question 7**

**How has your income (or other family members' income) changed from one year ago?**

- |                            |               |
|----------------------------|---------------|
| (a) Has increased.         | 8.2 ( 7.7 )   |
| (b) Has remained the same. | 42.5 ( 45.4 ) |
| (c) Has decreased.         | 49.1 ( 46.4 ) |

**Question 8**

**What do you expect your income (or other family members' income) will be one year from now?**

- |                           |               |
|---------------------------|---------------|
| (a) Will increase.        | 5.7 ( 5.9 )   |
| (b) Will remain the same. | 49.4 ( 50.6 ) |
| (c) Will decrease.        | 44.5 ( 43.0 ) |

**Question 9**

**How have you (or other family members) changed spending patterns compared with one year ago?**

- |   |               |
|---|---------------|
| (a) Have increased.                       | 50.8 ( 48.0 ) |
| (b) Have neither increased nor decreased. | 25.3 ( 30.0 ) |
| (c) Have decreased.                       | 22.5 ( 20.4 ) |

If you chose (a) in Question 9, please answer Question 9-(a). If you chose (c), please answer Question 9-(b). Otherwise, please skip questions 9-(a) and 9-(b) and go on to Question 10.

**Question 9-(a)**

**Why have you increased your (or other family members') spending? (Choose all applicable answers.)**

- |   |      |   |      |   |
|---|------|---|------|---|
| (a) Because my income has increased.  | 3.7  | ( | 3.9  | ) |
| (b) Because my income is likely to increase in the future.                          | 0.9  | ( | 1.0  | ) |
| (c) Because the value of non-financial assets such as real estate has increased.    | 0.5  | ( | 1.8  | ) |
| (d) Because the value of financial assets such as stocks and bonds has increased.   | 0.4  | ( | 0.4  | ) |
| (e) Because I purchased real estate such as a house.                                | 4.6  | ( | 3.7  | ) |
| (f) Because I purchased consumer durable goods such as a car.                       | 16.3 | ( | 16.8 | ) |
| (g) Because my spending rose due to an increased number of dependents in my family. | 17.2 | ( | 20.2 | ) |
| (h) Because the costs of consumer goods and services have risen.                    | 82.6 | ( | 80.3 | ) |
| (i) Other.  | 17.4 | ( | 17.4 | ) |

**Question 9-(b)**

**Why have you decreased your (or other family members') spending? (Choose all applicable answers.)**

- |  |      |   |      |   |
|--|------|---|------|---|
| (a) Because my income has decreased.   | 72.9 | ( | 75.9 | ) |
| (b) Because my income is not likely to increase in the future.                           | 53.6 | ( | 51.3 | ) |
| (c) Because the value of non-financial assets such as real estate has decreased.         | 4.0  | ( | 4.1  | ) |
| (d) Because the value of financial assets such as stocks and bonds has decreased.        | 12.9 | ( | 8.5  | ) |
| (e) Because my spending has fallen due to a decreased number of dependents in my family. | 7.7  | ( | 9.7  | ) |
| (f) Other.   | 7.1  | ( | 7.6  | ) |

**Question 10-1**

**How have you (or other family members) changed your attitude toward everyday spending such as on living and educational expenses compared with one year ago?**

- |   |      |   |      |   |
|---|------|---|------|---|
| (a) Have increased.                       | 12.0 | ( | 12.2 | ) |
| (b) Have neither increased nor decreased. | 46.7 | ( | 48.0 | ) |
| (c) Have decreased.                       | 39.5 | ( | 37.6 | ) |

**Question 10-2**

**How have you (or other family members) changed your attitude toward selective spending such as on hobby and leisure activities (spending other than asked in Question 10-1) compared with one year ago?**

- |   |      |   |      |   |
|---|------|---|------|---|
| (a) Have increased.                       | 2.8  | ( | 3.4  | ) |
| (b) Have neither increased nor decreased. | 29.0 | ( | 32.4 | ) |
| (c) Have decreased.                       | 67.1 | ( | 62.7 | ) |

**Question 11**

**Do you plan to increase or decrease your spending within the next twelve months?**

- |   |      |   |      |   |
|---|------|---|------|---|
| (a) Will increase.                      | 3.7  | ( | 3.8  | ) |
| (b) Will neither increase nor decrease. | 35.6 | ( | 36.2 | ) |
| (c) Will decrease.                      | 59.6 | ( | 58.7 | ) |

### Question 12

**How do you think prices<sup>1</sup> have changed compared with one year ago?**

- |                                     |      |          |
|-------------------------------------|------|----------|
| (a) Have gone up significantly.     | 53.0 | ( 40.8 ) |
| (b) Have gone up slightly.          | 41.6 | ( 51.3 ) |
| (c) Have remained almost unchanged. | 3.2  | ( 5.8 )  |
| (d) Have gone down slightly.        | 0.7  | ( 0.9 )  |
| (e) Have gone down significantly.   | 0.7  | ( 0.4 )  |

Note: 1. They are defined as overall prices of goods and services you purchase (hereafter the same).

If you chose (a) or (b) in Question 12, please answer Question 12-(a). If you chose (d) or (e), please answer Question 12-(b). For remaining respondents, please skip questions 12-(a) and 12-(b) and go on to Question 13.

### Question 12-(a)

**What is your opinion of the price rise?**

- |  |      |          |
|--|------|----------|
| (a) Rather favorable.                  | 0.7  | ( 1.3 )  |
| (b) Rather unfavorable.                | 93.0 | ( 92.3 ) |
| (c) Neither favorable nor unfavorable. | 6.0  | ( 6.0 )  |

### Question 12-(b)

**What is your opinion of the price decline?**

- |  |      |          |
|--|------|----------|
| (a) Rather favorable.                  | 12.1 | ( 16.7 ) |
| (b) Rather unfavorable.                | 51.5 | ( 50.0 ) |
| (c) Neither favorable nor unfavorable. | 30.3 | ( 20.0 ) |

### Question 13

**By what percent do you think prices have changed compared with one year ago? Please choose "up" or "down" and fill in the box below with a specific figure. If you think that they have been unchanged, please put a "0."**

Compared with one year ago, prices have gone **up** about  percent.  
**down**

Average<sup>1</sup> : **up 12.4 (up 10.2)** percent  
Median<sup>2</sup> : **up 10.0 (up 10.0)** percent

Notes: 1. Calculated by excluding 0.5 percent of the highest and the lowest figures, respectively, in order to avoid extremes. (The simple average of this survey is **12.7** percent, and that of the previous survey was **10.4** percent.)

2. The number that appears in the middle when the answers are listed in numerical order.

### Question 14

**In which direction do you think prices will move one year from now?**

- |                                   |      |          |
|-----------------------------------|------|----------|
| (a) Will go up significantly.     | 25.2 | ( 31.2 ) |
| (b) Will go up slightly.          | 56.0 | ( 57.7 ) |
| (c) Will remain almost unchanged. | 13.6 | ( 8.6 )  |
| (d) Will go down slightly.        | 3.7  | ( 1.1 )  |
| (e) Will go down significantly.   | 0.6  | ( 0.5 )  |

### Question 15

By what percent do you think prices will change one year from now? Please choose "up" or "down" and fill in the box below with a specific figure. If you think that they will be unchanged, please put a "0."

Prices one year from now will go **up** about  percent.  
**down**

Average<sup>1</sup> : **up 8.7 (up 9.0)** percent

Median<sup>2</sup> : **up 5.0 (up 7.0)** percent

Notes: 1. Calculated by excluding 0.5 percent of the highest and the lowest figures, respectively, in order to avoid extremes. (The simple average of this survey is **8.9** percent, and that of the previous survey was **9.2** percent.)

2. The number that appears in the middle when the answers are listed in numerical order.

### Question 16

In which direction do you think prices will move over the next five years?

- |                                   |                             |
|-----------------------------------|-----------------------------|
| (a) Will go up significantly.     | <b>33.3</b> ( <b>42.3</b> ) |
| (b) Will go up slightly.          | <b>42.3</b> ( <b>42.2</b> ) |
| (c) Will remain almost unchanged. | <b>14.3</b> ( <b>10.2</b> ) |
| (d) Will go down slightly.        | <b>6.6</b> ( <b>2.7</b> )   |
| (e) Will go down significantly.   | <b>0.7</b> ( <b>0.5</b> )   |

### Question 17

By what percent do you think prices will change per year on average over the next five years? Please choose "up" or "down" and fill in the box below with a specific figure. If you think that they will be unchanged, please put a "0."

Prices will go **up** about  percent per year on average over the next five years.  
**down**

Average<sup>1</sup> : **up 6.5 (up 6.9)** percent

Median<sup>2</sup> : **up 5.0 (up 5.0)** percent

Notes: 1. Calculated by excluding 0.5 percent of the highest and the lowest figures, respectively, in order to avoid extremes. (The simple average of this survey is **6.8** percent, and that of the previous survey was **7.2** percent.)

2. The number that appears in the middle when the answers are listed in numerical order.

### Question 18

What do you foresee as future developments in land prices?

- |                           |                             |
|---------------------------|-----------------------------|
| (a) Will rise.            | <b>19.6</b> ( <b>22.4</b> ) |
| (b) Will remain the same. | <b>40.3</b> ( <b>45.5</b> ) |
| (c) Will drop.            | <b>37.3</b> ( <b>29.8</b> ) |

### Question 19

How do you view the Japanese economy's growth potential in the long run?

- |   |                             |
|---|-----------------------------|
| (a) Has greater potential to grow above the current level.    | <b>1.5</b> ( <b>1.8</b> )   |
| (b) Has potential to grow at about the current level.         | <b>28.8</b> ( <b>33.2</b> ) |
| (c) Has less potential to grow compared to the current level. | <b>68.3</b> ( <b>63.7</b> ) |

### Question 20

In consideration of the situation over the next twelve months, are you worried about your (or other family members') employment or working arrangements (pay, job position, and benefits) at the current workplace?

	All respondents	Workers <sup>1</sup>
(a) Not particularly worried.	12.7 ( 12.4 )	14.5 ( 13.4 )
(b) Slightly worried.	45.8 ( 48.0 )	45.2 ( 49.2 )
(c) Quite worried.	38.9 ( 36.4 )	40.1 ( 36.9 )

Note: 1. Workers are company employees, executives, civil servants, or part-timers.

Questions 21 through 23 ask about your knowledge of the Bank of Japan (hereafter "the Bank").

### Question 21

Questions 21-(1) and 21-(2) ask about price stability, which is one of the Bank's two objectives. Please choose the most applicable level of your knowledge relative to these questions.

#### Question 21-(1)

**Do you know that one objective of the Bank is to maintain price stability?**

(a) Have knowledge of it.	32.5 ( 32.0 )
(b) Have read or heard of it, but do not have detailed knowledge.	45.1 ( 44.2 )
(c) Have never heard of it.	21.9 ( 23.2 )

#### Question 21-(2)

**Do you know that the Bank conducts its current monetary policy by controlling a short-term interest rate?**

(a) Have knowledge of it.	28.8 ( 27.8 )
(b) Have read or heard of it, but do not have detailed knowledge.	43.7 ( 43.4 )
(c) Have never heard of it.	26.8 ( 28.0 )

### Question 22

Questions 22-(1), 22-(2), 22-(3), and 22-(4) ask about financial system stability, which is one of the Bank's two objectives. Please choose the most applicable level of your knowledge relative to these questions.

#### Question 22-(1)

**Do you know that one objective of the Bank is to maintain financial system stability?**

(a) Have knowledge of it.	38.3 ( 37.5 )
(b) Have read or heard of it, but do not have detailed knowledge.	39.6 ( 40.0 )
(c) Have never heard of it.	21.5 ( 21.8 )

#### Question 22-(2)

**Do you know that the Bank provides safe settlement instruments with the highest settlement finality, such as banknotes and current accounts at the Bank, and operates its own funds transfer system and settlement system for Japanese government securities?**

(a) Have knowledge of it.	37.0 ( 36.4 )
(b) Have read or heard of it, but do not have detailed knowledge.	40.9 ( 41.3 )
(c) Have never heard of it.	21.4 ( 21.7 )

**Question 22-(3)****Do you know that the Bank can extend loans such as special loans to financial institutions in order to ensure financial system stability?**

- |   |                             |
|---|-----------------------------|
| (a) Have knowledge of it.   | <b>39.3</b> ( <b>40.1</b> ) |
| (b) Have read or heard of it, but do not have detailed knowledge. | <b>34.7</b> ( <b>34.6</b> ) |
| (c) Have never heard of it.                                       | <b>25.3</b> ( <b>24.8</b> ) |

**Question 22-(4)****Do you know that the Bank conducts on-site examinations to financial institutions?**

- |   |                             |
|---|-----------------------------|
| (a) Have knowledge of it.   | <b>32.8</b> ( <b>32.5</b> ) |
| (b) Have read or heard of it, but do not have detailed knowledge. | <b>31.8</b> ( <b>32.2</b> ) |
| (c) Have never heard of it.                                       | <b>34.8</b> ( <b>34.7</b> ) |

**Question 23**

Questions 23-(1), 23-(2), 23-(3), 23-(4), and 23-(5) ask about your view of the Bank. Please make the most applicable choice relative to these questions.

**Question 23-(1)****Do you have an interest in the Bank's activities?**

- |                                      |                             |
|--------------------------------------|-----------------------------|
| (a) Often pay attention.             | <b>5.5</b> ( <b>4.5</b> )   |
| (b) Have an interest to some extent. | <b>19.2</b> ( <b>18.6</b> ) |
| (c) No comment.                      | <b>30.3</b> ( <b>31.5</b> ) |
| (d) Do not pay very much attention.  | <b>30.7</b> ( <b>31.6</b> ) |
| (e) Do not have any interest.        | <b>13.9</b> ( <b>13.6</b> ) |

**Question 23-(2)****Do you think that the Bank is related to our lives?**

- |  |                             |
|--|-----------------------------|
| (a) Is related to our lives.               | <b>37.8</b> ( <b>35.9</b> ) |
| (b) Is somewhat related to our lives.      | <b>34.5</b> ( <b>34.9</b> ) |
| (c) Difficult to say.                      | <b>18.0</b> ( <b>19.4</b> ) |
| (d) Is not very much related to our lives. | <b>6.7</b> ( <b>6.5</b> )   |
| (e) Is not related to our lives.           | <b>2.5</b> ( <b>3.1</b> )   |

**Question 23-(3)****Do you think that the Bank is contributing to our lives?**

- |   |                             |
|---|-----------------------------|
| (a) Is contributing to our lives.               | <b>15.7</b> ( <b>14.2</b> ) |
| (b) Is somewhat contributing to our lives.      | <b>25.4</b> ( <b>27.0</b> ) |
| (c) Difficult to say.                           | <b>42.6</b> ( <b>43.8</b> ) |
| (d) Is not contributing to our lives very much. | <b>9.4</b> ( <b>8.7</b> )   |
| (e) Is not contributing to our lives.           | <b>5.7</b> ( <b>5.4</b> )   |

**Question 23-(4)****Do you think that the Bank gives clear explanations to the public?**

- |   |                             |
|---|-----------------------------|
| (a) Gives clear explanations.                                   | <b>0.6</b> ( <b>0.5</b> )   |
| (b) Gives somewhat clear explanations.                          | <b>3.1</b> ( <b>3.3</b> )   |
| (c) Difficult to say.   | <b>32.3</b> ( <b>34.3</b> ) |
| (d) The Bank's explanations to the public are somewhat unclear. | <b>40.4</b> ( <b>37.8</b> ) |
| (e) The Bank's explanations to the public are not clear enough. | <b>22.1</b> ( <b>23.1</b> ) |

**Question 23-(5)****Do you have confidence in the Bank?**

- |   |                             |
|---|-----------------------------|
| (a) Have confidence in the Bank.                | <b>11.7</b> ( <b>10.4</b> ) |
| (b) Have confidence in the Bank to some extent. | <b>26.3</b> ( <b>25.6</b> ) |
| (c) No comment.                                 | <b>47.6</b> ( <b>49.7</b> ) |
| (d) Do not have very much confidence.           | <b>9.3</b> ( <b>9.3</b> )   |
| (e) Do not have confidence in the Bank.         | <b>3.7</b> ( <b>3.8</b> )   |

If you chose (d) or (e) in Question 23-(4), please answer Question 23-(a). If you chose (a) or (b) in Question 23-(5), please answer Question 23-(b), but if you chose (d) or (e), please answer Question 23-(c). Otherwise, please skip questions 23-(a), 23-(b), and 23-(c) and go on to Question 24.

**Question 23-(a)****Why do you think the Bank's explanations are unclear? (Choose up to two answers.)**

- |  |                             |
|--|-----------------------------|
| (a) Terms used in the Bank's explanations are too technical and difficult.               | <b>38.5</b> ( <b>36.4</b> ) |
| (b) Lack of basic knowledge about the Bank.  | <b>40.2</b> ( <b>41.1</b> ) |
| (c) Have difficulty understanding the mechanism of the financial system and the economy. | <b>40.2</b> ( <b>35.7</b> ) |
| (d) Have never had the opportunity to read or hear the Bank's explanations.              | <b>28.7</b> ( <b>31.7</b> ) |
| (e) Do not know where to look in order to obtain information about the Bank.             | <b>15.5</b> ( <b>16.1</b> ) |
| (f) The Bank's web site is inconvenient.   | <b>0.6</b> ( <b>0.6</b> )   |
| (g) Other.   | <b>3.8</b> ( <b>2.1</b> )   |

**Question 23-(b)****Why do you have confidence in the Bank? (Choose up to two answers.)**

- |  |                             |
|--|-----------------------------|
| (a) Because the Bank's activities are contributing to price stability and financial system stability.  | <b>64.2</b> ( <b>66.2</b> ) |
| (b) Because I support the content and intention of the Bank's policy.  | <b>6.0</b> ( <b>3.9</b> )   |
| (c) Because the Bank maintains a neutral position in conducting its policy.  | <b>43.5</b> ( <b>45.9</b> ) |
| (d) Because the Bank makes an effort to provide clear explanations to the general public about its activities, and to collect public opinion data. | <b>3.2</b> ( <b>3.0</b> )   |
| (e) Because of my impression that the Bank and its staff are sincere.  | <b>16.4</b> ( <b>16.1</b> ) |
| (f) Other.   | <b>7.5</b> ( <b>5.5</b> )   |

**Question 23-(c)****Why do you not have confidence in the Bank? (Choose up to two answers.)**

- |   |                             |
|---|-----------------------------|
| (a) Because the Bank's activities are not contributing to price stability and financial system stability.   | <b>42.5</b> ( <b>40.5</b> ) |
| (b) Because I am opposed to the content and intention of the Bank's policy.   | <b>5.3</b> ( <b>5.1</b> )   |
| (c) Because the Bank does not maintain a neutral position in conducting its policy.   | <b>45.2</b> ( <b>43.4</b> ) |
| (d) Because the Bank does not make enough effort either to provide clear explanations to the general public about its activities or to collect public opinion data. | <b>32.2</b> ( <b>31.5</b> ) |
| (e) Because of my impression that the Bank and its staff are insincere.   | <b>28.9</b> ( <b>37.9</b> ) |
| (f) Other.  | <b>6.0</b> ( <b>7.1</b> )   |

This last set of questions asks about you and your household. Although these include questions of a personal nature, they are only used for analyzing the survey results and we would be very grateful for your responses.

#### Question 24

##### Are you male or female?

- |             |               |
|-------------|---------------|
| (a) Male.   | 50.2 ( 50.0 ) |
| (b) Female. | 49.8 ( 50.0 ) |

#### Question 25

##### What age group are you in?

- |            |               |
|------------|---------------|
| (a) 20–29. | 10.4 ( 10.7 ) |
| (b) 30–39. | 17.8 ( 17.9 ) |
| (c) 40–49. | 18.5 ( 17.9 ) |
| (d) 50–59. | 19.6 ( 19.9 ) |
| (e) 60–69. | 19.3 ( 18.6 ) |
| (f) 70–.   | 14.3 ( 15.0 ) |

#### Question 26

##### What is your field of occupation?

###### Self-employed or working for a family business

- |   |               |
|---|---------------|
| (a) Agriculture, forestry, and fisheries.                                 | 3.5 ( 3.0 )   |
| (b) Self-employed, working for a family business, or professional worker. | 12.6 ( 10.8 ) |

###### All other workers

- |  |               |
|--|---------------|
| (c) Regular employee (company employee, executive, and civil servant). | 37.5 ( 37.5 ) |
| (d) Non-regular employee (part-timer).                                 | 13.3 ( 14.5 ) |

###### Other

- |  |               |
|--|---------------|
| (e) Other (full-time homemaker, student, pensioner, unemployed, etc.). | 29.8 ( 30.4 ) |
|--|---------------|

#### Question 27

##### How much income did you and your partner earn last year? (Annual income before deducting taxes; excludes temporary income such as retirement allowance and income from land sales, but includes pensions.)

- |   |               |
|---|---------------|
| (a) Less than 3 million yen.                        | 34.8 ( 35.7 ) |
| (b) 3 million or more but less than 5 million yen.  | 28.6 ( 26.0 ) |
| (c) 5 million or more but less than 10 million yen. | 24.7 ( 25.7 ) |
| (d) 10 million yen or greater.                      | 6.4 ( 7.3 )   |
| (e) No income.                                      | 4.4 ( 3.8 )   |

#### Question 28

##### How large is your family?

- |  |               |
|--|---------------|
| (a) Single-person household (live by myself).  | 8.8 ( 9.8 )   |
| (b) Married-couple household (myself and my partner).  | 25.2 ( 25.4 ) |
| (c) Two-generation family (nuclear family).  | 50.9 ( 48.7 ) |
| (d) Three-generation family (extended family).   | 11.7 ( 13.8 ) |
| (e) Other (household consisting only of siblings, friends, or grandparents and grandchildren, etc.). | 2.6 ( 2.1 )   |

##### Please freely give us your comments or express wishes relative to the Bank's policy and/or operations.

- |                          |               |
|--------------------------|---------------|
| (a) Offered comments.    | 22.1 ( 17.0 ) |
| (b) Offered no comments. | 77.9 ( 83.0 ) |