

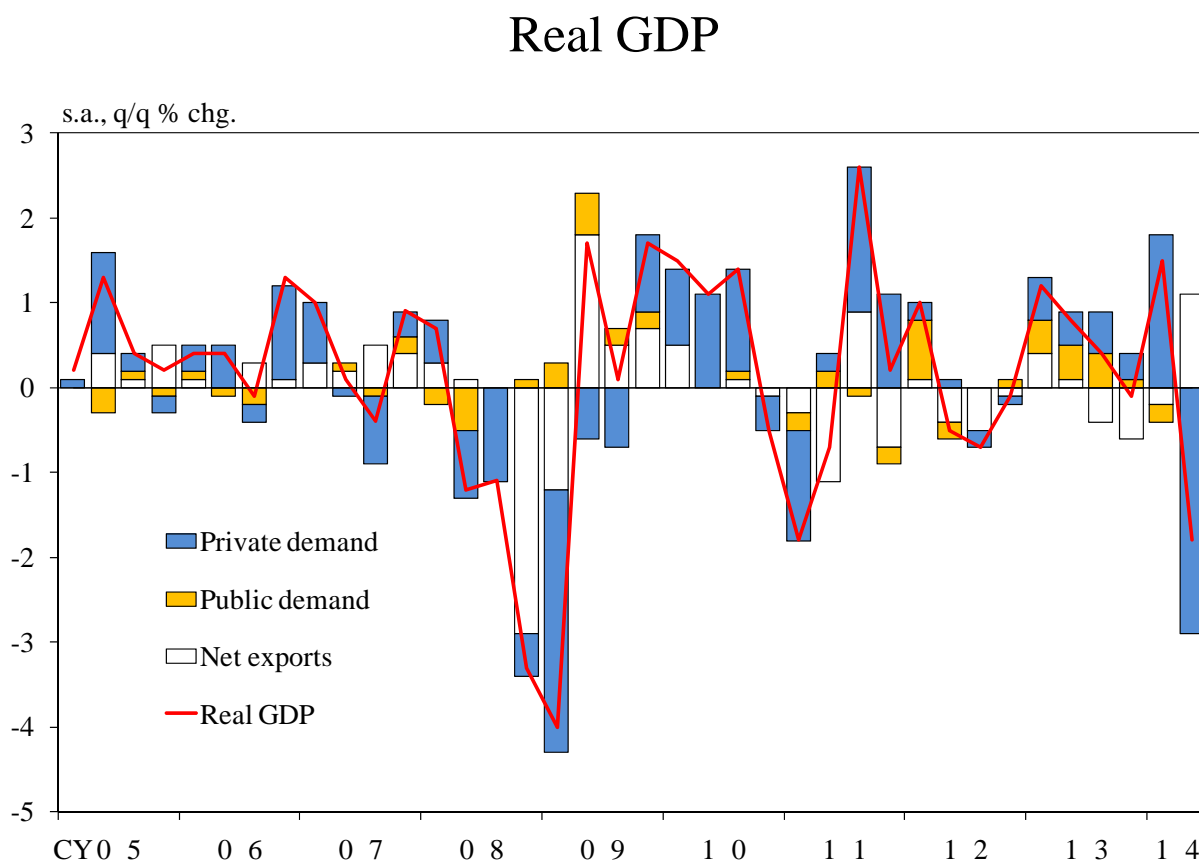
Japan's Economy and Monetary Policy

Speech at a Meeting with Business Leaders in Osaka

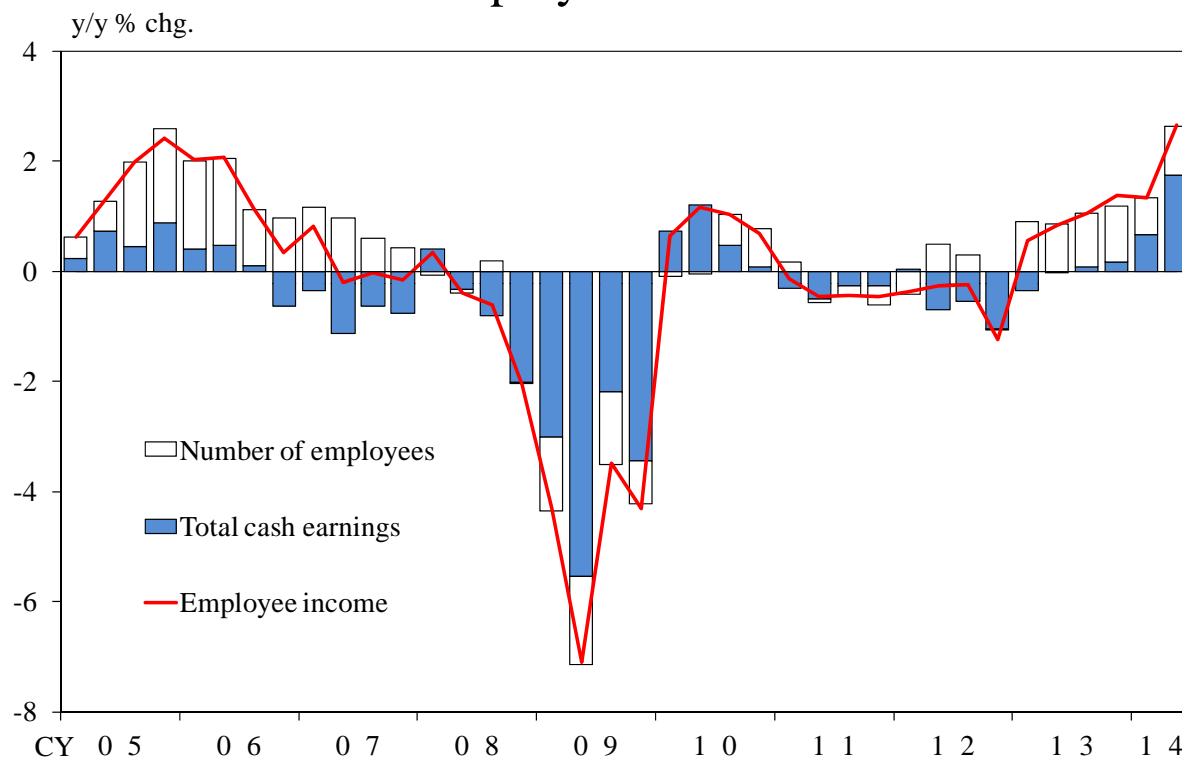
September 16, 2014

Haruhiko Kuroda
Governor of the Bank of Japan

Chart 1



Employee Income



Notes: 1. Q1 = March-May, Q2 = June-August, Q3 = September-November, Q4 = December-February.

Figures for 2014/Q2 are June-July averages.

2. Figures for "employee income" are calculated as the "number of employees" (Labour Force Survey) times "total cash earnings" (Monthly Labour Survey).

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

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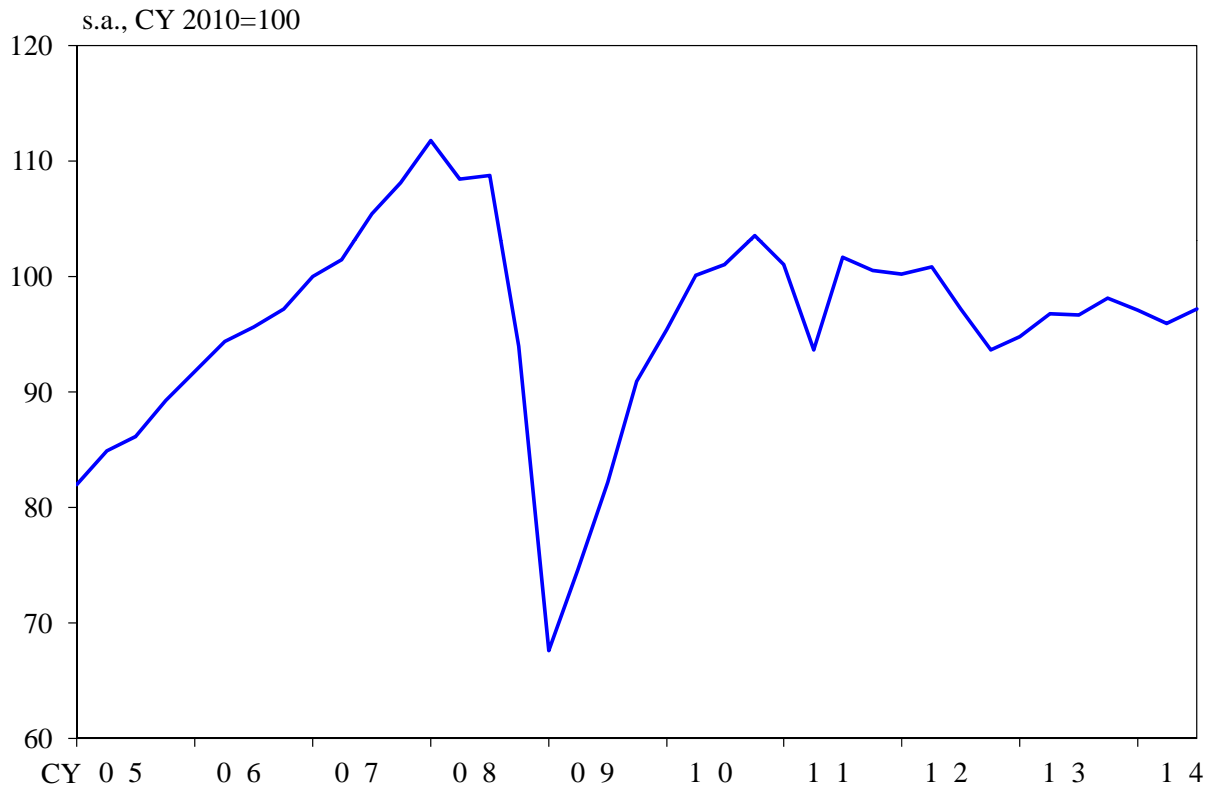
Environment surrounding Business Fixed Investment

Increased demand for "renewal investment"

Advantageous conditions for "labor-saving machinery and equipment investment"

Developments toward making "investment in improving the domestic bases of Japanese firms' businesses"

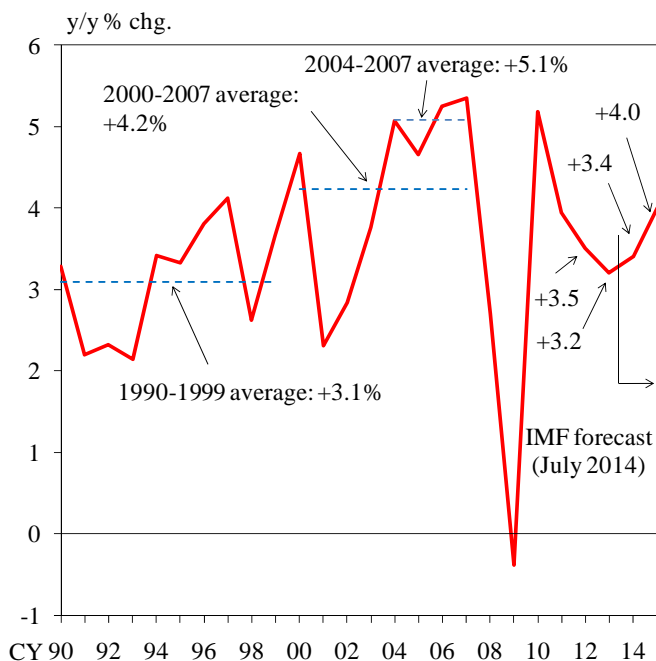
Real Exports



Note: The figure for 2014/Q3 is that for July.
Sources: Ministry of Finance; Bank of Japan.

World Economy

Real GDP Growth Rate



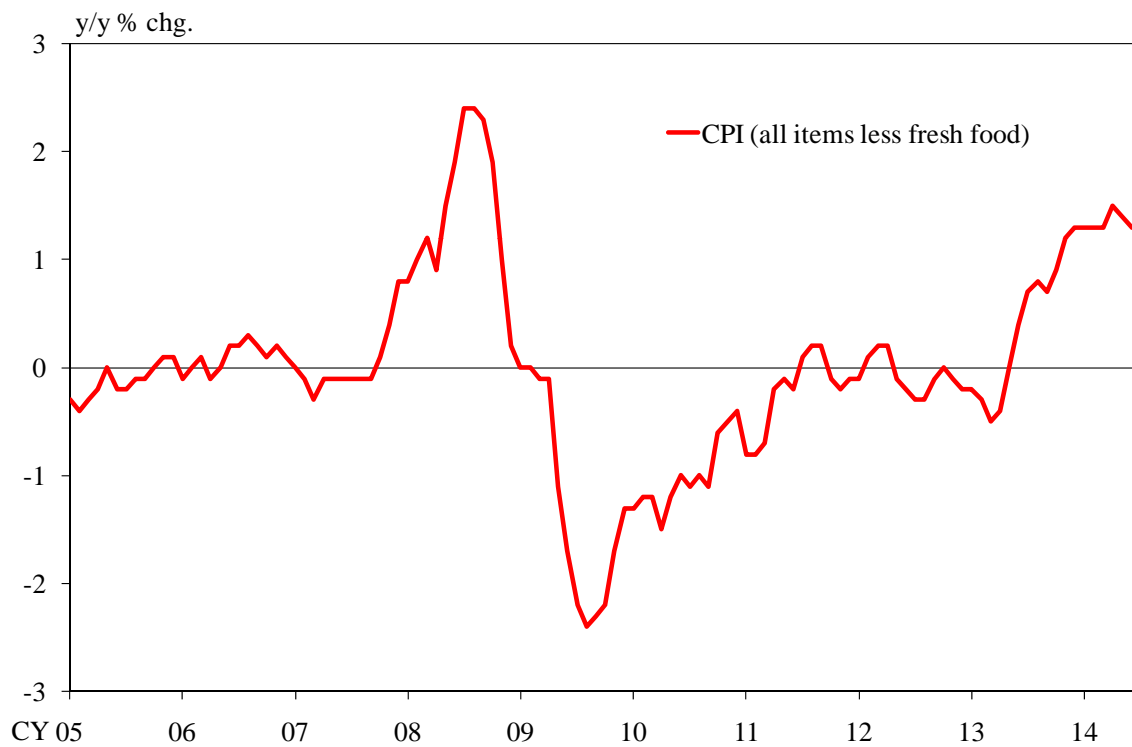
Projections for Major Economies

y/y % chg.

	2012	2013	Projections	
			2014	2015
World	3.5	3.2	3.4 (-0.3)	4.0 (0.0)
Advanced Economies	1.4	1.3	1.8 (-0.4)	2.4 (0.1)
United States	2.8	1.9	1.7 (-1.1)	3.0 (0.1)
Euro Area	-0.7	-0.4	1.1 (0.0)	1.5 (0.1)
Japan	1.4	1.5	1.6 (0.3)	1.1 (0.1)
Emerging Market and Developing Economies	5.1	4.7	4.6 (-0.2)	5.2 (-0.1)
Developing Asia	6.7	6.6	6.4 (-0.2)	6.7 (-0.1)
China	7.7	7.7	7.4 (-0.2)	7.1 (-0.2)
ASEAN	6.2	5.2	4.6 (-0.4)	5.6 (0.2)
Latin America and the Caribbean	2.9	2.6	2.0 (-0.5)	2.6 (-0.3)

Note: Figures in parentheses are the difference from the April 2014 WEO projections.
Source: IMF

Consumer Prices



Note: Figures from April 2014 onward are calculated to adjust the direct effects of the consumption tax hike.
 Source: Ministry of Internal Affairs and Communications.