



# Transformation of the Global Economy and Developments in Monetary Policy

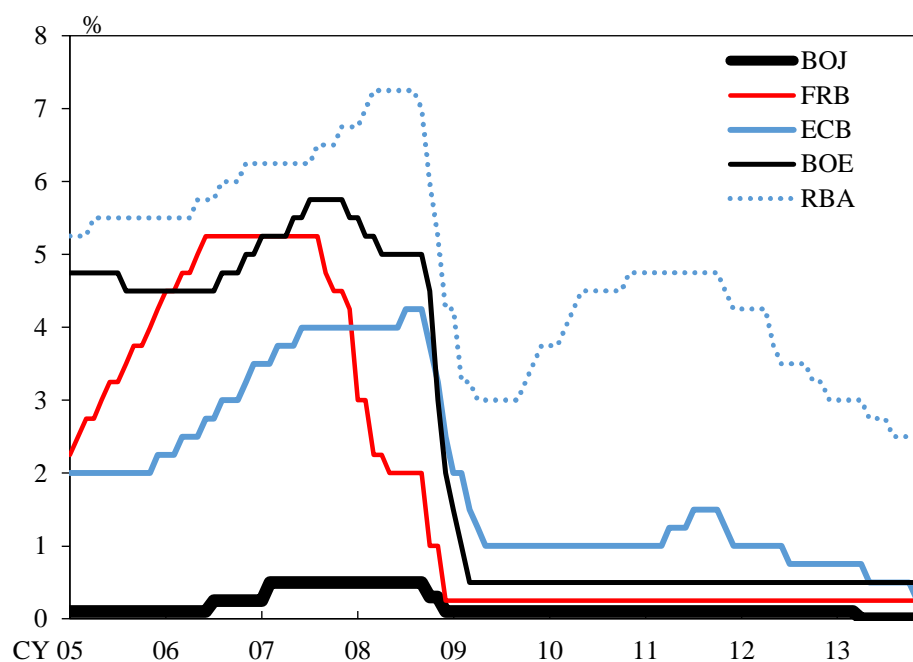
*Speech at a Meeting Held by the Sapporo Chamber of Commerce and Industry*

September 29, 2025

NOGUCHI Asahi  
Member of the Policy Board  
Bank of Japan

Chart 1

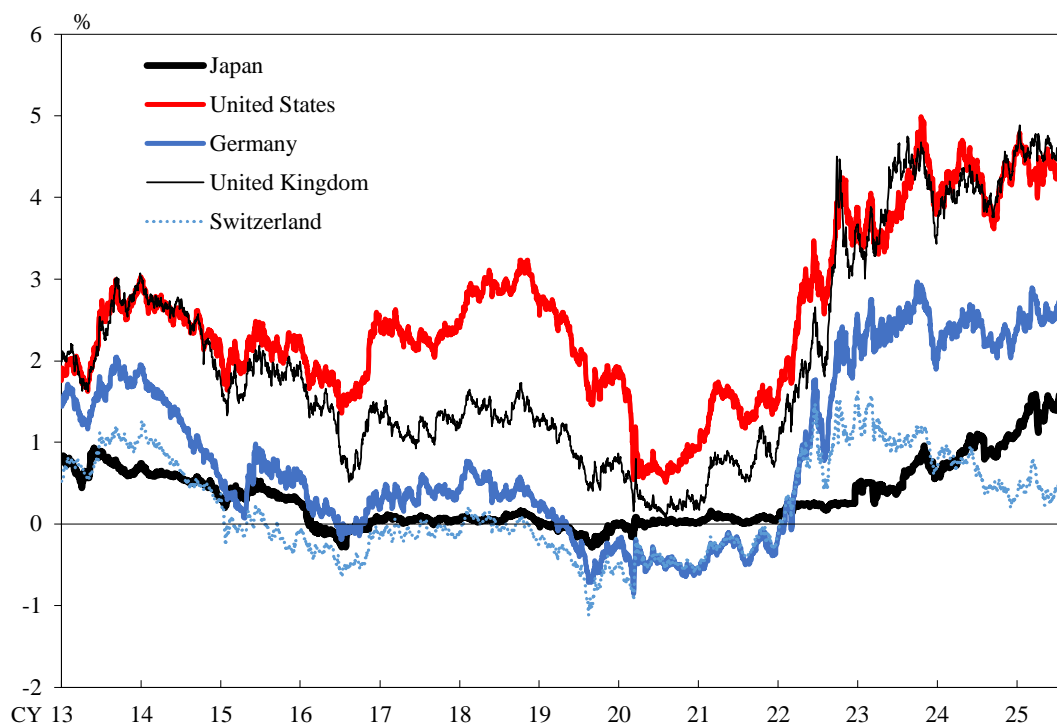
## Central Bank Policy Interest Rates



Note: Figures for the Federal Reserve (FRB) are the upper limits of the target range for the federal funds rate. Figures for the European Central Bank (ECB) are the interest rates on the main refinancing operations.

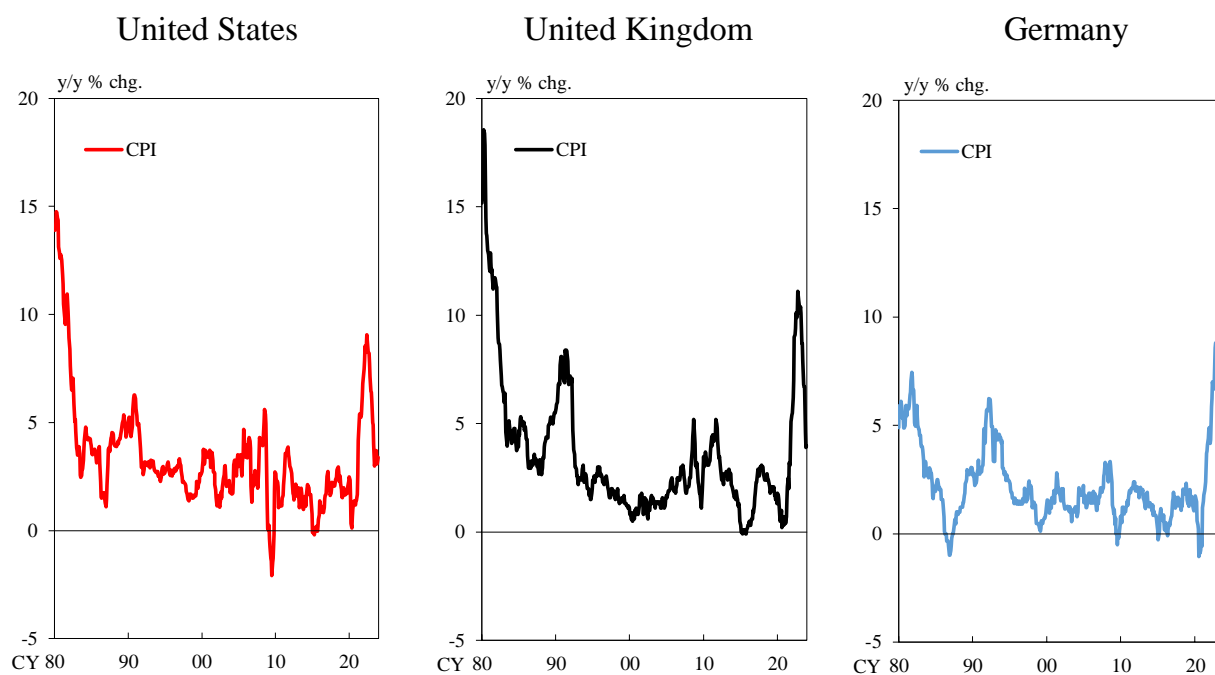
Sources: Bank of England (BOE); ECB; FRB; Reserve Bank of Australia (RBA); Bank of Japan.

## 10-Year Government Bond Yields



Source: Bloomberg.

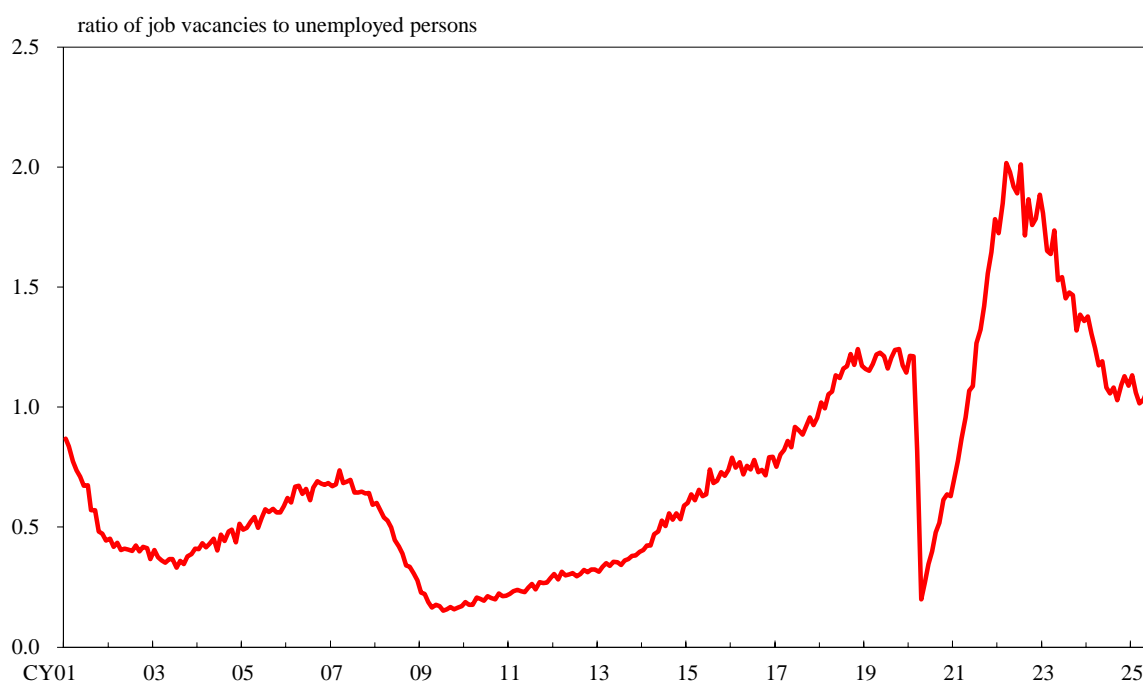
## High Inflation in the United States and Europe



Note: Figures for Germany prior to reunification are those for the former West Germany. Figures for the United Kingdom prior to 1989 are from data compiled by the BOE, and those from 1989 onward are from Office for National Statistics (ONS) data.

Sources: BOE; OECD; ONS.

## Job Vacancies in the United States



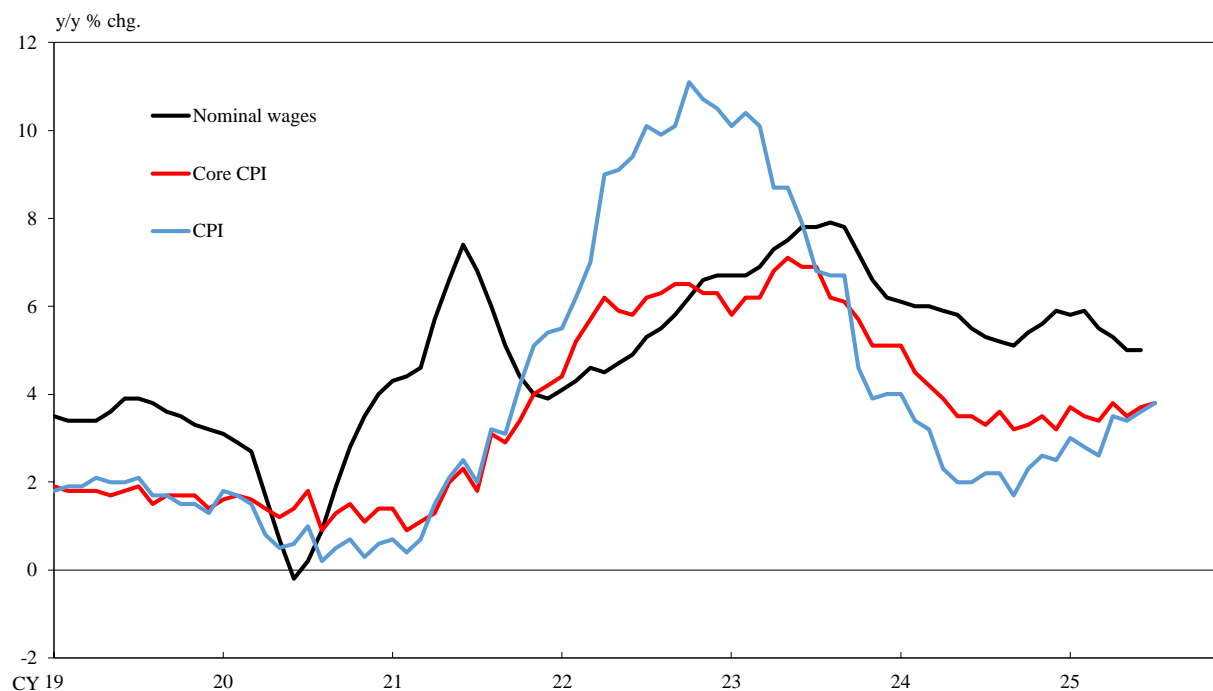
Source: Bureau of Labor Statistics (BLS).

## Prices and Wages in the United States



Note: Figures for nominal wages are for hourly wages.  
Source: BLS.

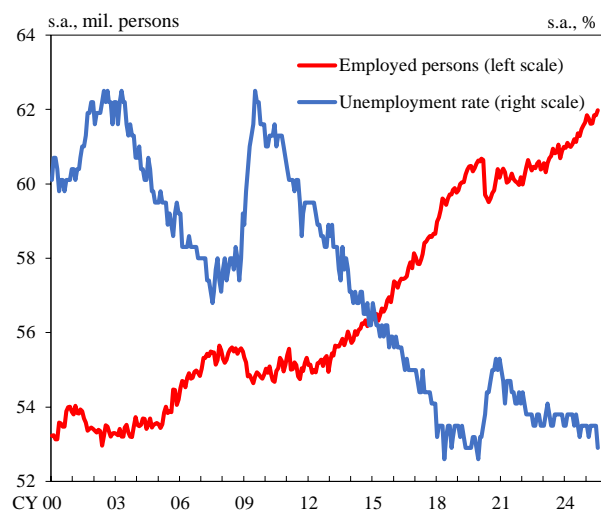
## Prices and Wages in the United Kingdom



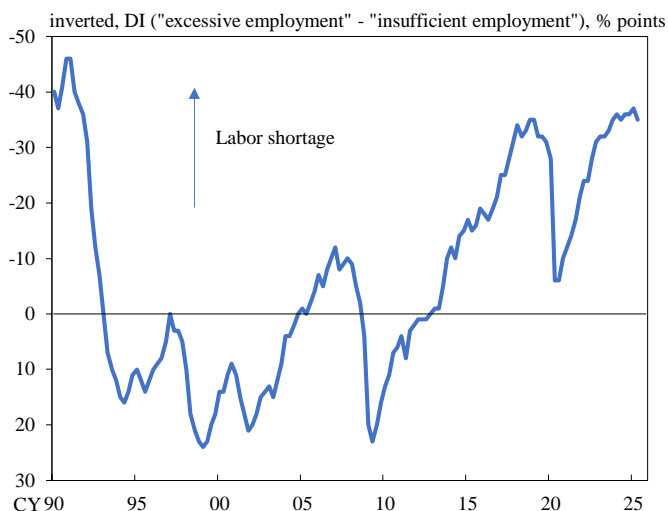
Note: Figures for nominal wages are for weekly wages (excluding bonuses).  
Source: ONS.

## Employment Situation in Japan

Number of Employed Persons  
and Unemployment Rate

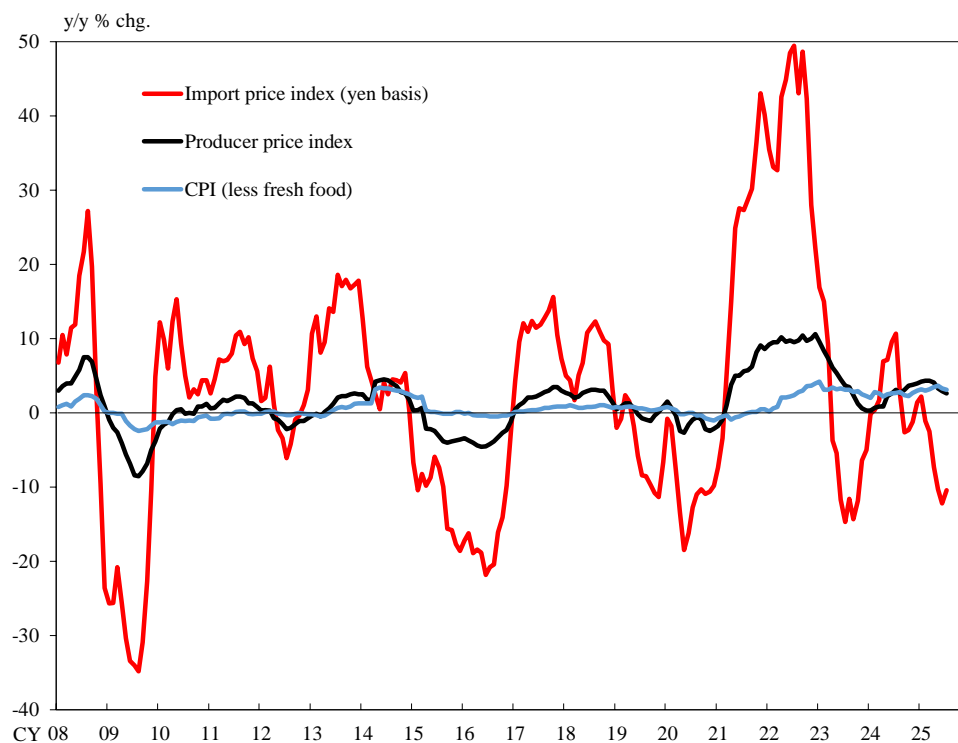


Labor Market Conditions



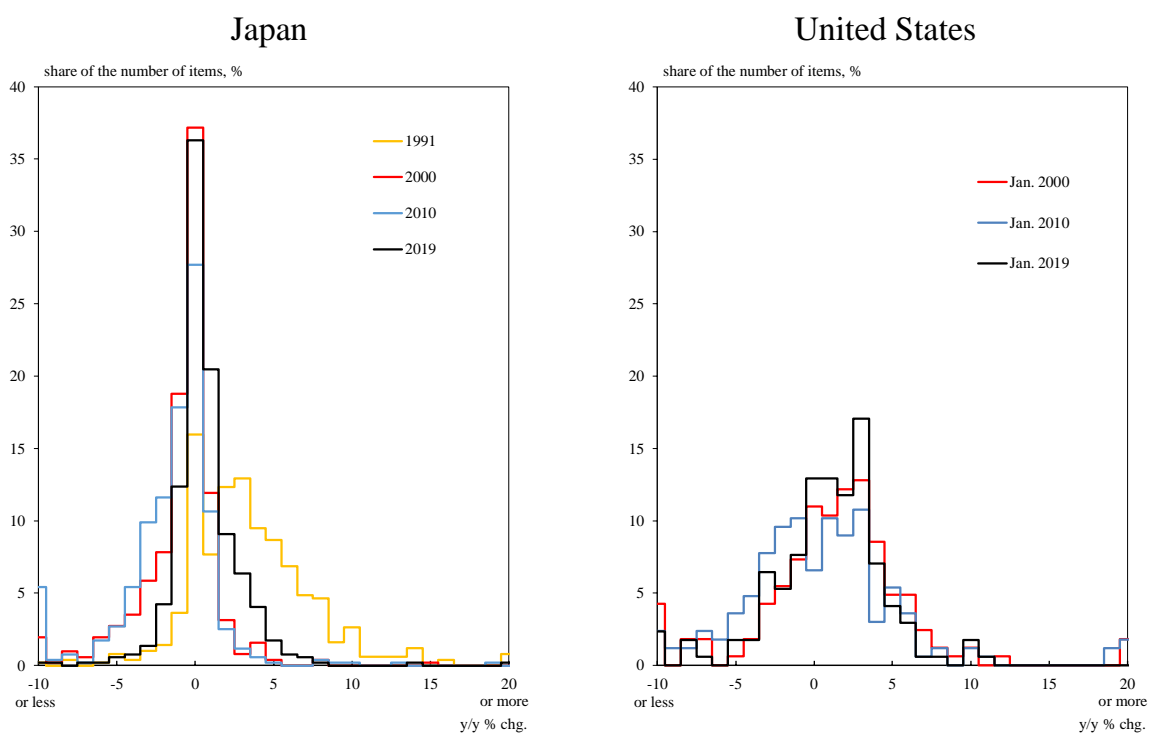
Sources: Ministry of Internal Affairs and Communications; Bank of Japan.

## Prices in Japan



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

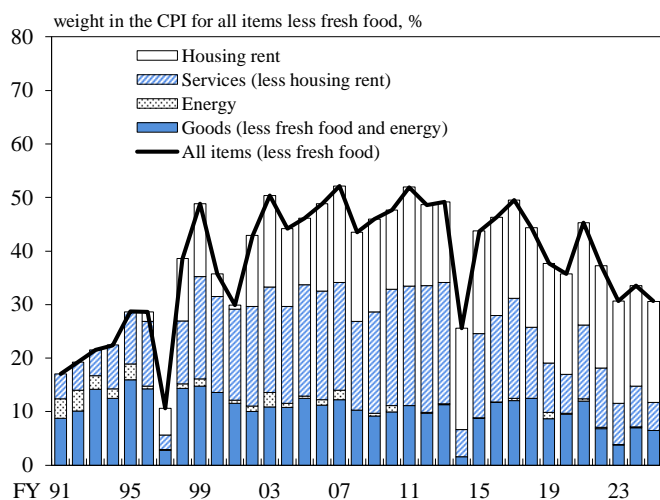
## Distribution of Consumer Price Changes



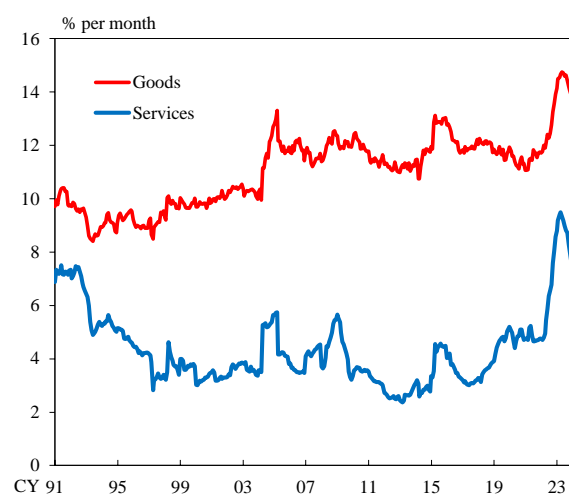
Note: Figures for Japan are based on items excluding fresh food and energy. Those for the United States are based on items excluding energy.  
Sources: BLS; Ministry of Internal Affairs and Communications.

## Price Revisions in Japan

### Share of Items for Which Prices Were Unchanged



### Frequency of Price Revisions

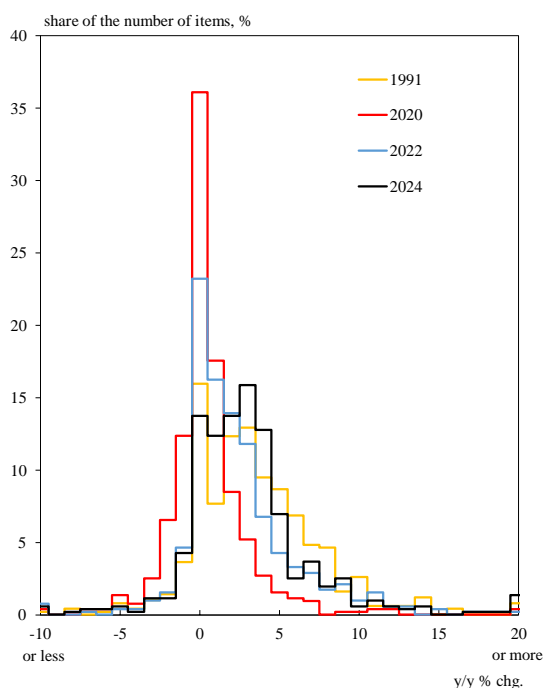


Notes: 1. In the left panel, figures are the share of items for which year-on-year price changes were within plus or minus 0.5 percent. The figure for fiscal 2025 is the April-July average.  
2. In the right panel, figures are calculated based on the proportion of cities where the average price of individual items changed from the previous month (12-month backward moving averages). Data exclude fresh food, electricity, manufactured and piped gas, water charges, and housing rent. Temporary price changes due to, for example, consumption tax hikes and special sales are not incorporated.

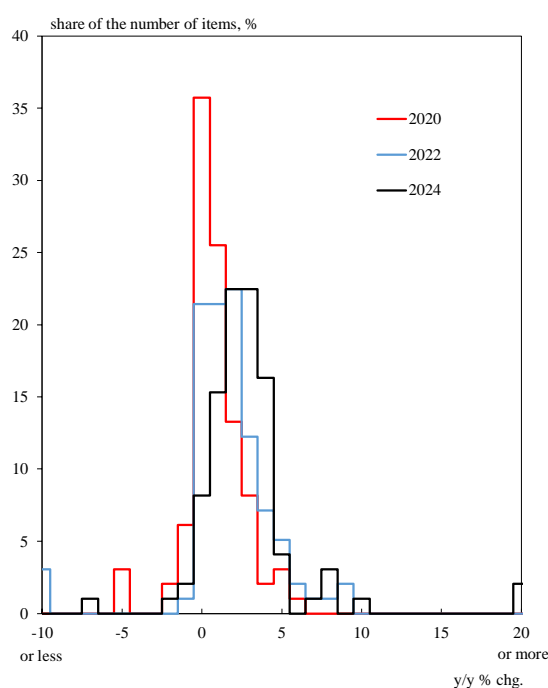
Source: Ministry of Internal Affairs and Communications.

## Distribution of Consumer Price Changes in Japan

### All Items Less Fresh Food and Energy

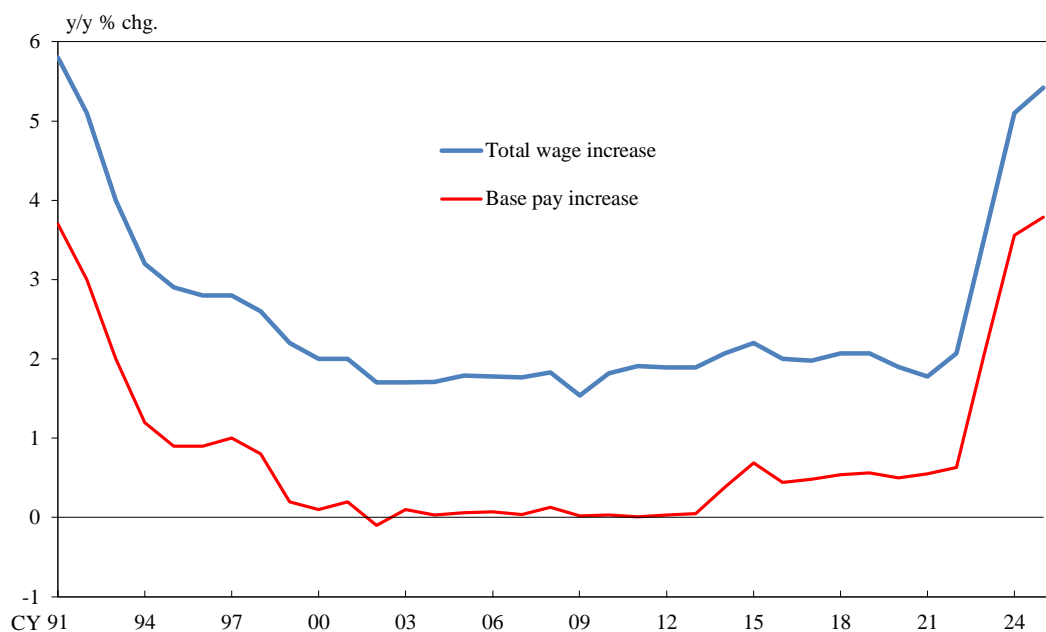


### General Services Less Housing Rent



Source: Ministry of Internal Affairs and Communications.

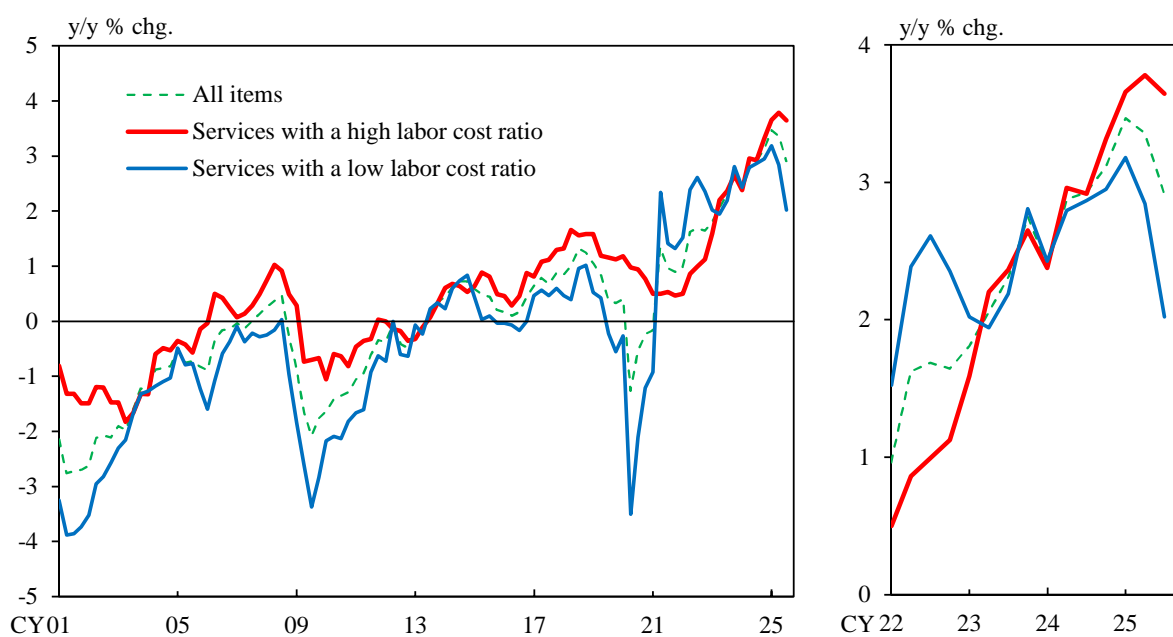
## Wage Growth in Japan



Note: Figures from 1994 to 2013 are those published by the Central Labour Relations Commission, while those from 2014 to 2025 are figures released by the Japanese Trade Union Confederation (Rengo).

Sources: Central Labour Relations Commission; Rengo.

## Services Producer Prices in Japan

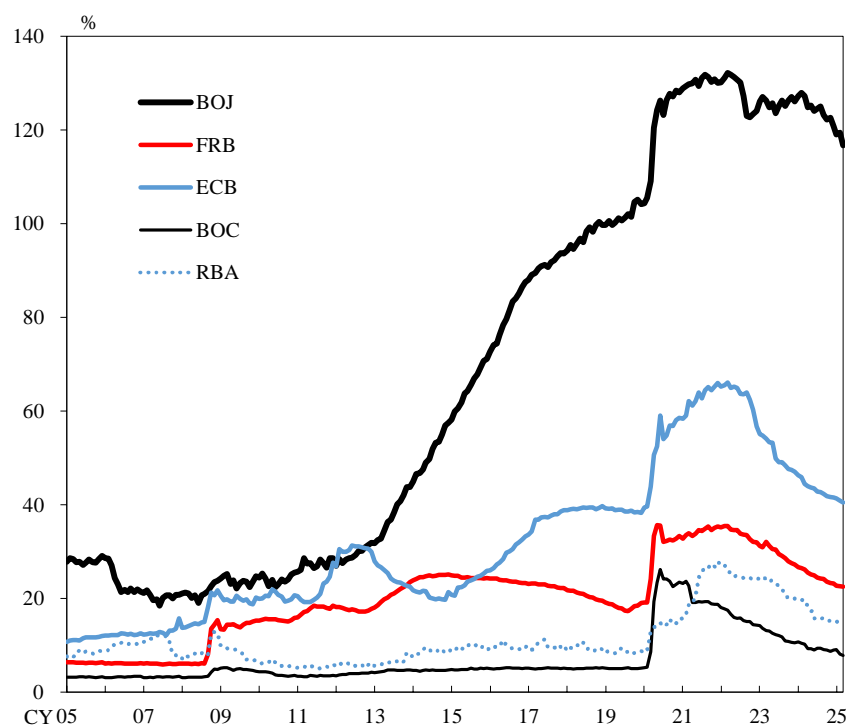


Note: Figures exclude the effects of consumption tax hikes.

Source: Bank of Japan.

# Central Bank Balance Sheets

Ratio to Nominal GDP

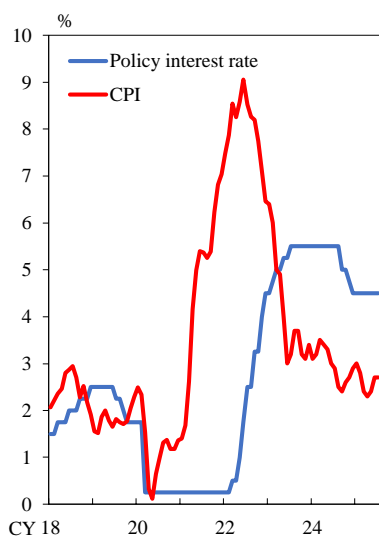


Note: BOC stands for Bank of Canada.

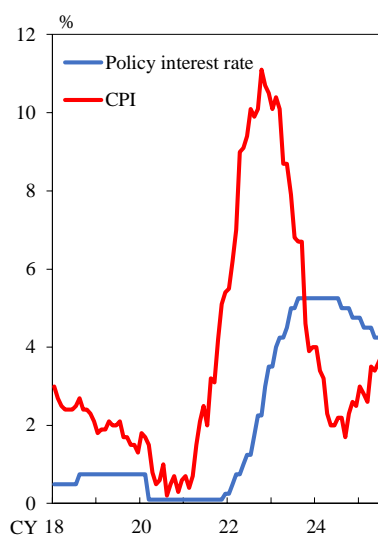
Sources: Data from central banks and statistical authorities.

# Prices and Policy Interest Rates

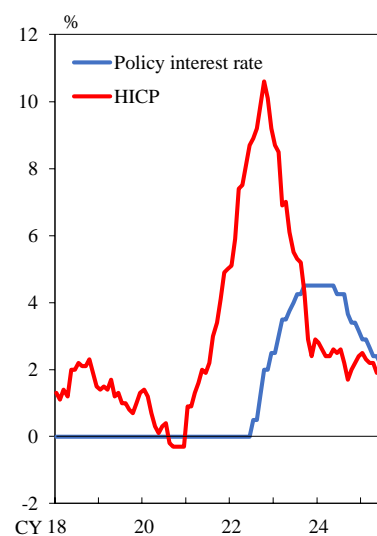
United States



United Kingdom



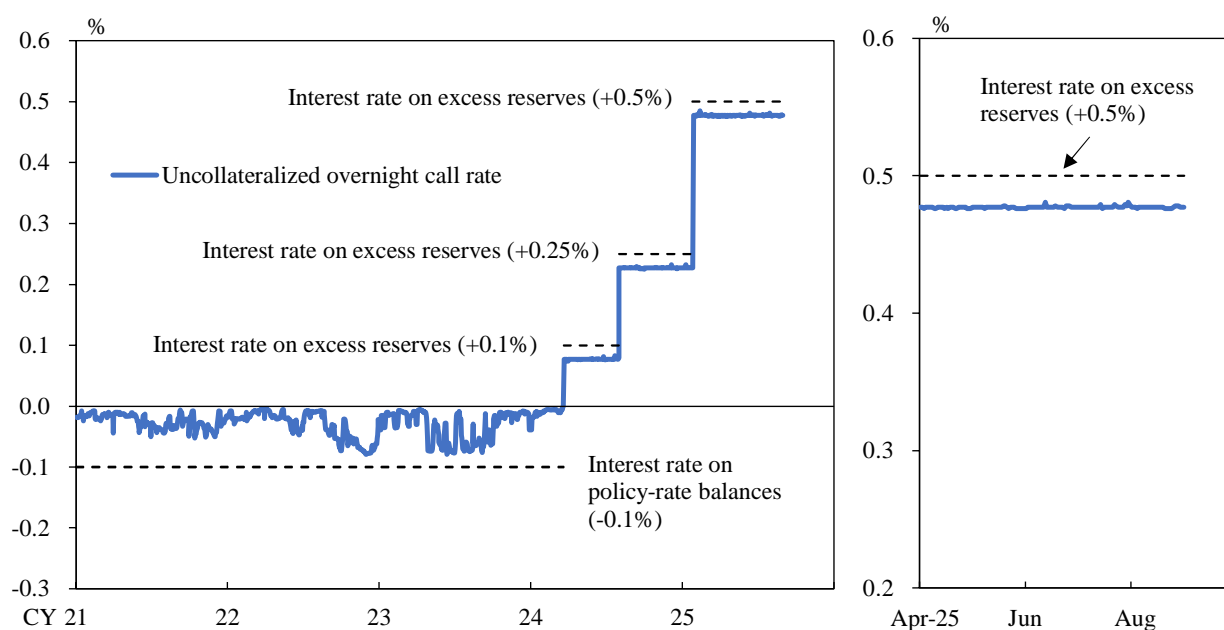
Euro Area



Sources: BOE; ECB; FRB; OECD; ONS.



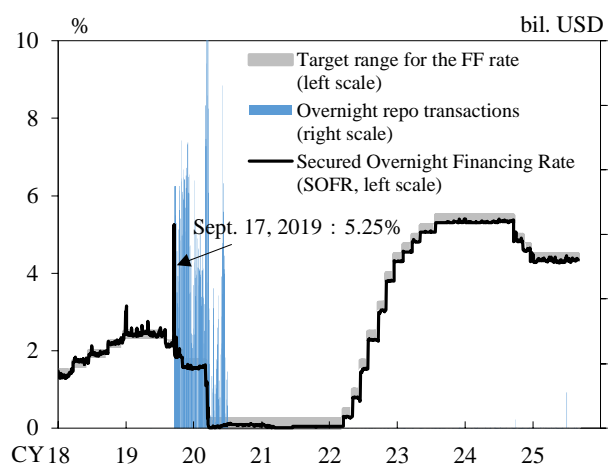
## Money Market Rate in Japan



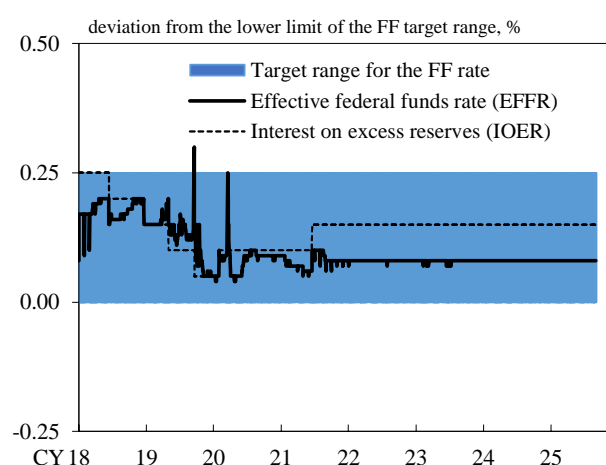
Source: Bank of Japan.

## Money Market Rates in the United States

### Repo Market

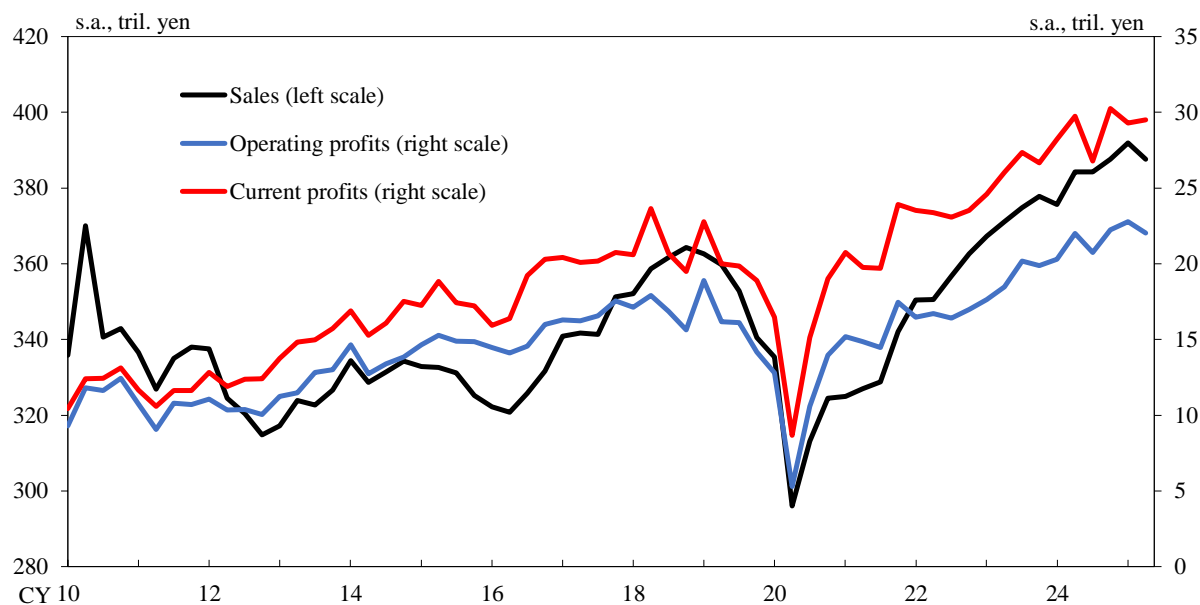


### Federal Funds (FF) Market



Note: In the right panel, figures for IOER from July 29, 2021, onward are the figures for interest on reserve balances (IORB).  
Source: Federal Reserve Economic Data (FRED).

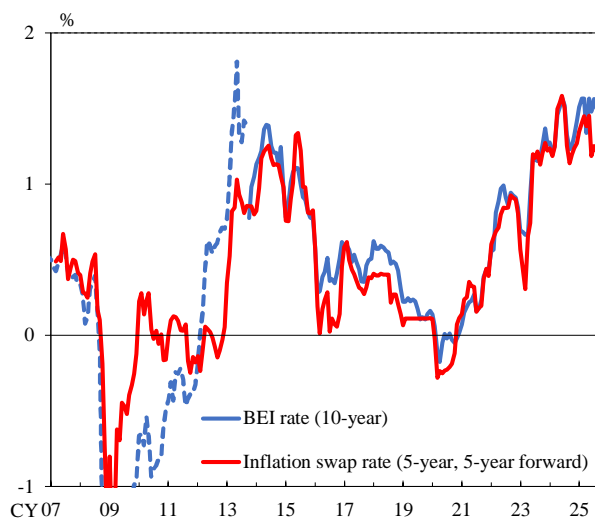
## Corporate Profits in Japan



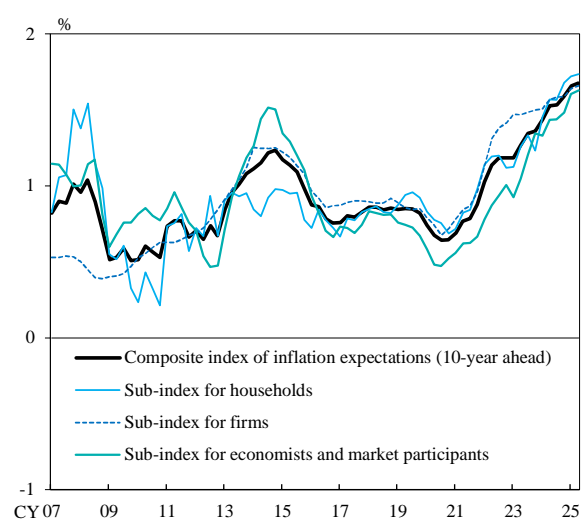
Note: Figures exclude the finance and insurance industries.  
Source: Ministry of Finance.

## Inflation Expectations in Japan

### Indicated by Markets



### Estimated by BOJ, by Type of Economic Agent



Note: In the left panel, the BEI (break-even inflation) rate is the yield spread between fixed-rate coupon-bearing JGBs and inflation-indexed JGBs. The dotted line represents the rate calculated based on inflation-indexed JGBs issued before October 2013.  
Sources: Bloomberg; Consensus Economics Inc., *Consensus Forecasts*; QUICK, *QUICK Monthly Market Survey <Bonds>*; Bank of Japan.