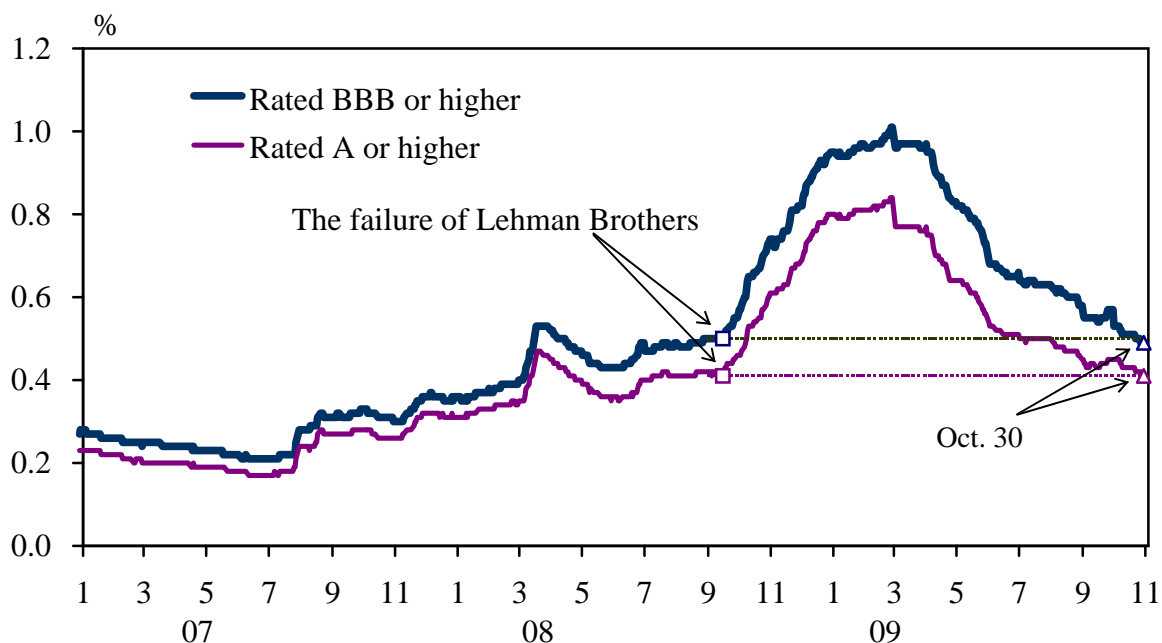


Developments in the Japanese Corporate Bond Market

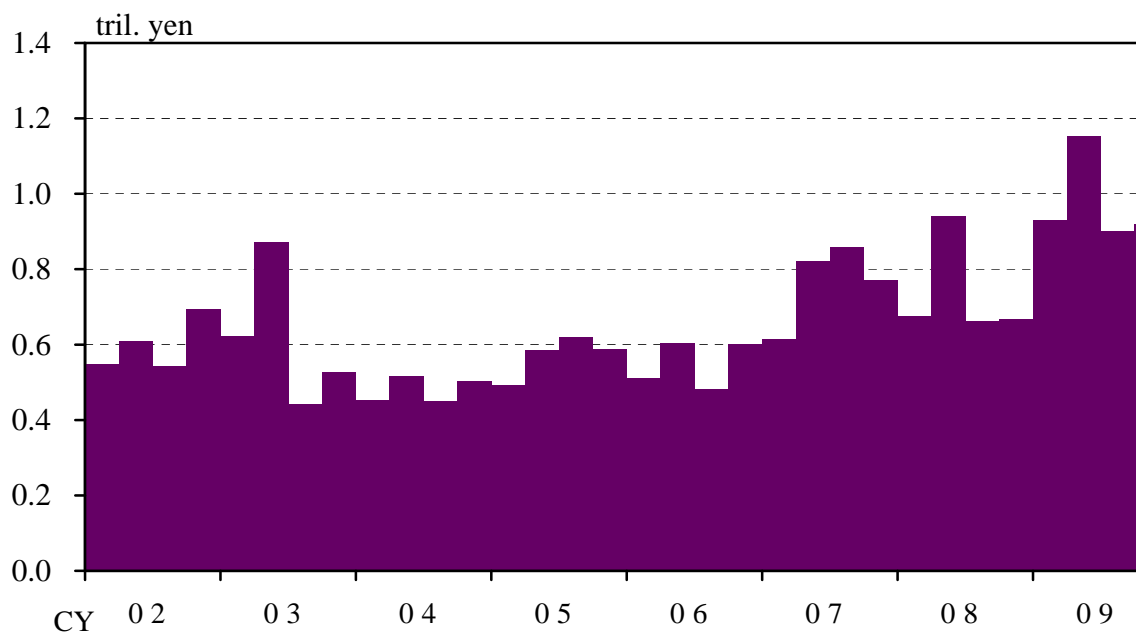
(1) Credit Spreads on Corporate Bonds



- Notes: 1. Figures are calculated by Nomura Securities Global Quantitative Research using ratings for corporate bonds from Standard and Poor's Financial Services LLC (S&P), Moody's Investors Service, Rating and Investment Information, Inc. (R&I), and Japan Credit Rating Agency, Ltd. (JCR).
 2. Figures are those for corporate bonds with a residual maturity of one year or longer.
 3. The latest figures are as of October 30.

Source: Bloomberg.

(2) Amount of Corporate Bond Issuance

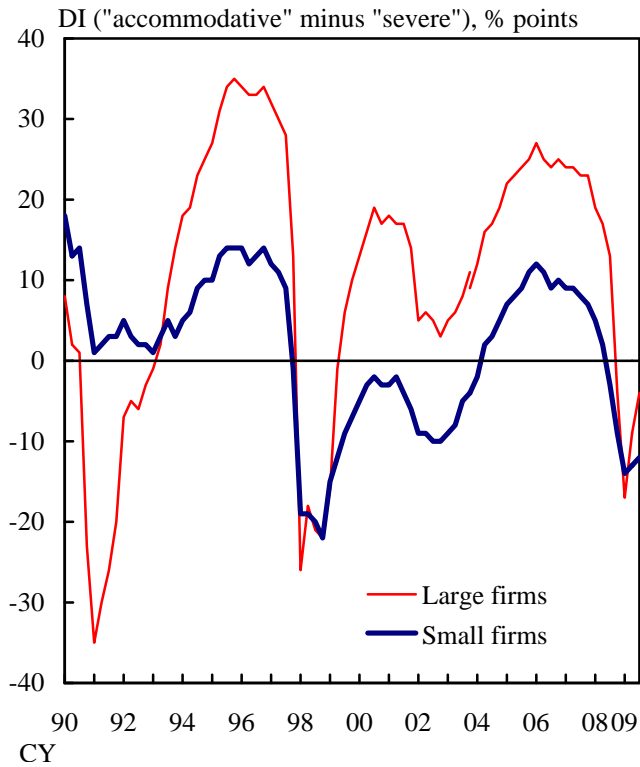


Note: The latest figure is for October 2009.
 Source: I-N Information Systems, Ltd.

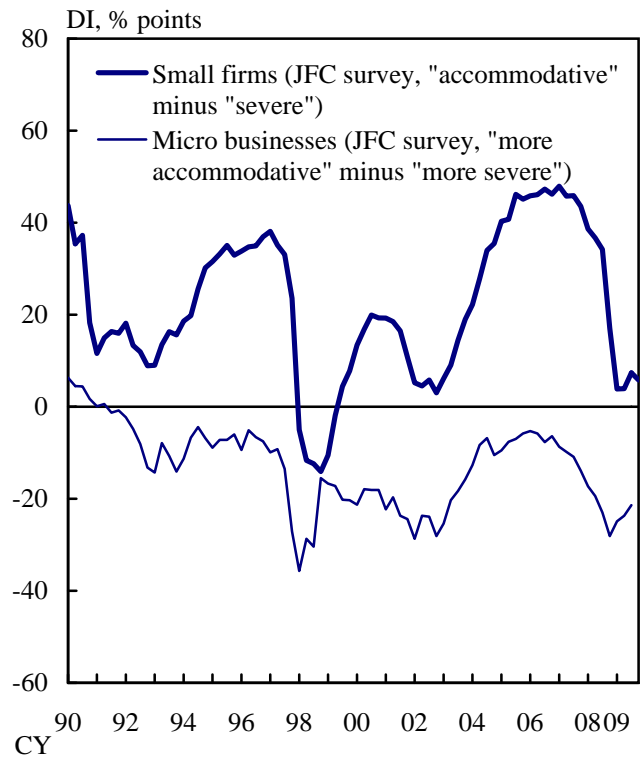
Corporate Finance-Related Indicators

(1) Lending Attitude of Financial Institutions as Perceived by Firms

(a) *Tankan*

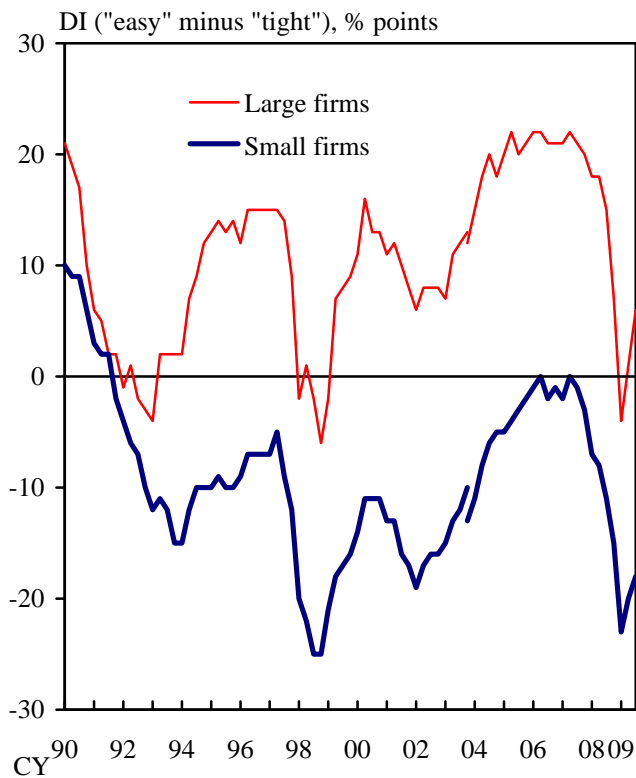


(b) Other Surveys

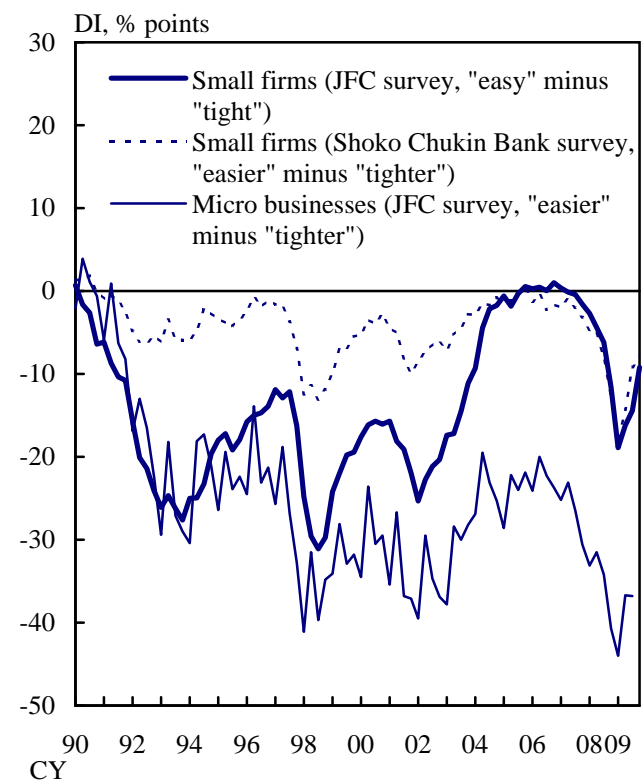


(2) Financial Position

(a) *Tankan*



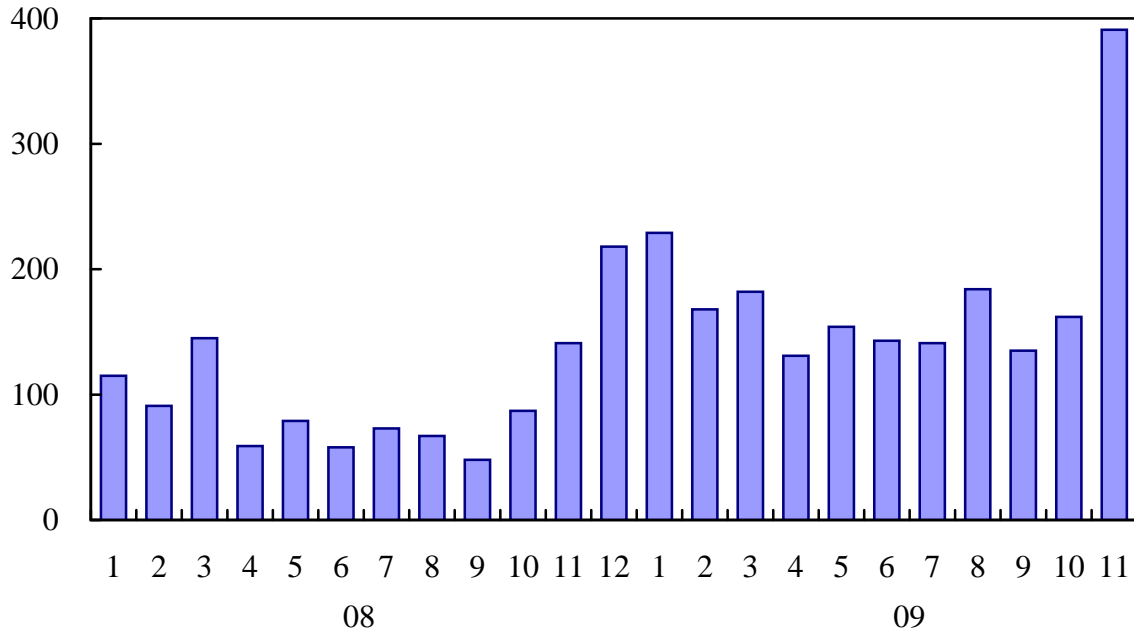
(b) Other Surveys



Note: JFC is the abbreviation of Japan Finance Corporation.

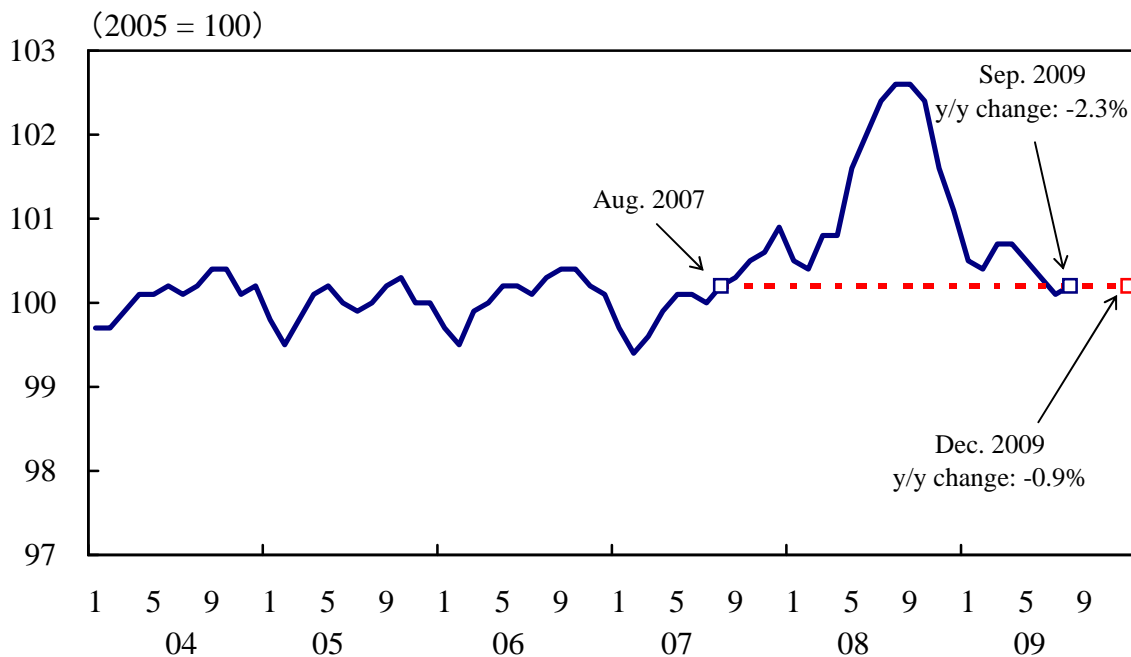
Media Reports about Deflation and Developments in the Consumer Price Index (CPI)

(1) Number of Media Reports about Deflation



Note: The figures are the search results for the word "deflation" among the following newspapers: *The Nikkei*, *The Nikkei Business Daily*, *The Nikkan Kogyo Shimbun*, *The Nikkei MJ*, *The Nikkei Veritas*, *The Asahi Shimbun*, *The Mainichi Daily News*, *The Yomiuri Shimbun*, *The Sankei Shimbun*, and *The Tokyo Shimbun*.
 Source: Nikkei Telecom 21.

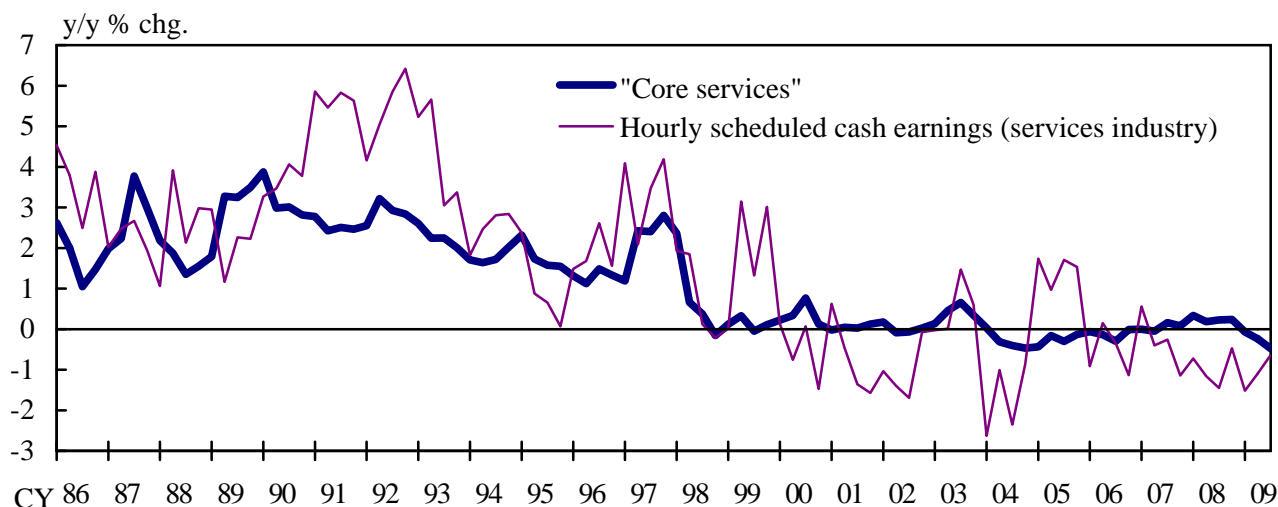
(2) CPI (Excluding Fresh Food)



Note: The year-on-year rate of change for December 2009 (minus 0.9 percent) is the result of a trial calculation based on the assumption that the level of the CPI for the month is equal to that for September 2009.
 Source: Ministry of Internal Affairs and Communications.

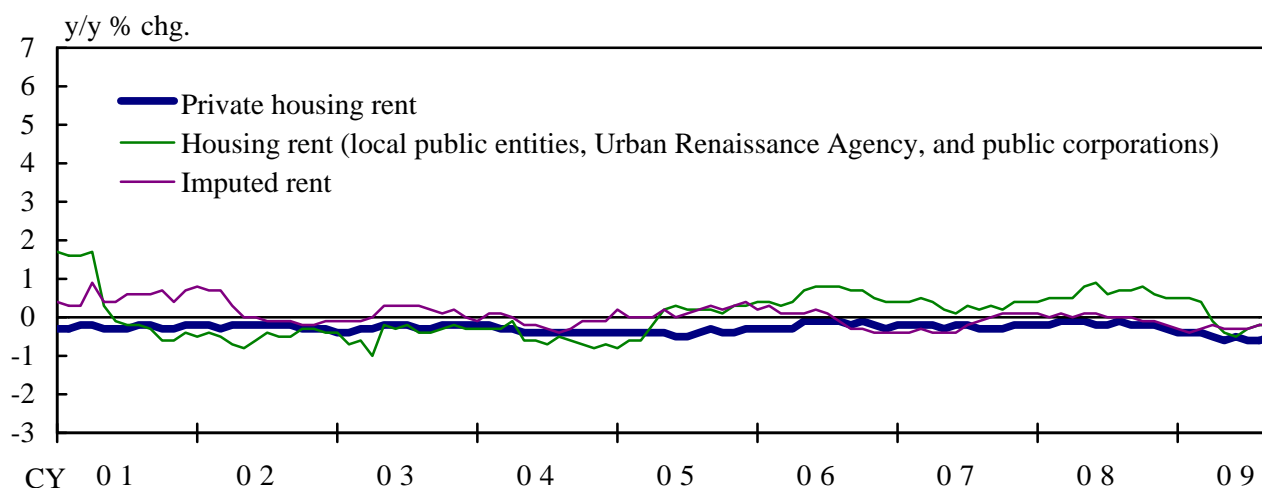
Services Prices and Wages

(1) "Core Services" Consumer Price Index (CPI) and Wages



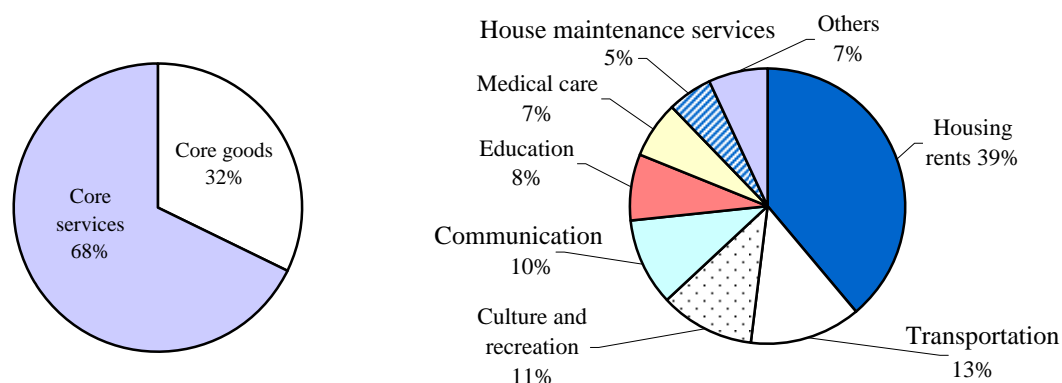
Note: "Core services" is the sum of "general services" (excluding "eating out"), "public services," and "water charges."
Sources: Ministry of Internal Affairs and Communications; Ministry of Health, Labour and Welfare.

(2) Housing Rents



Source: Ministry of Internal Affairs and Communications.

(3) Weights of the Components in the "Core" CPI and the "Core Services" CPI

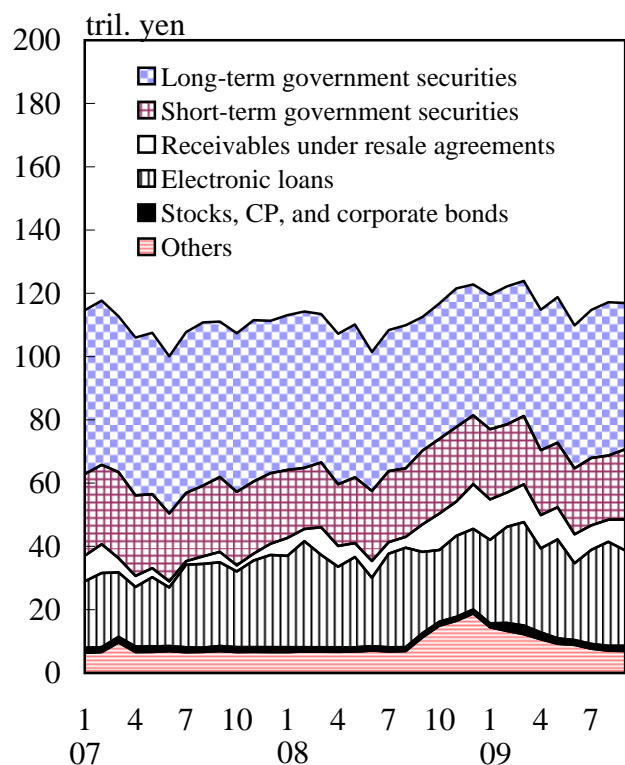


Source: Ministry of Internal Affairs and Communications.

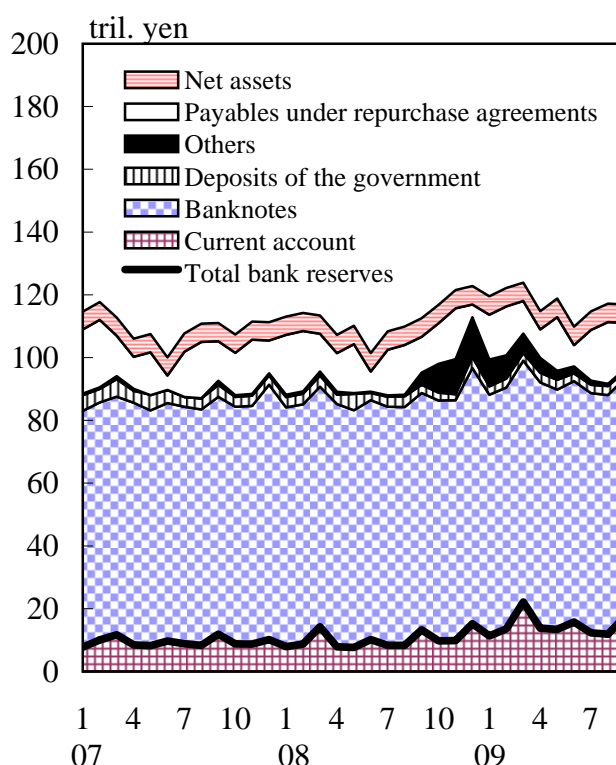
Central Banks' Balance Sheets (1)

(1) Bank of Japan

(a) Assets

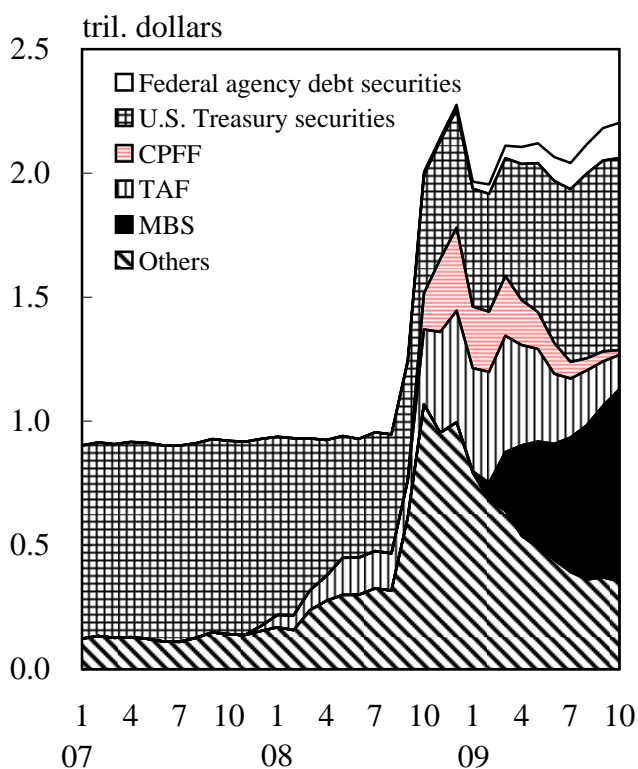


(b) Liabilities and Net Assets

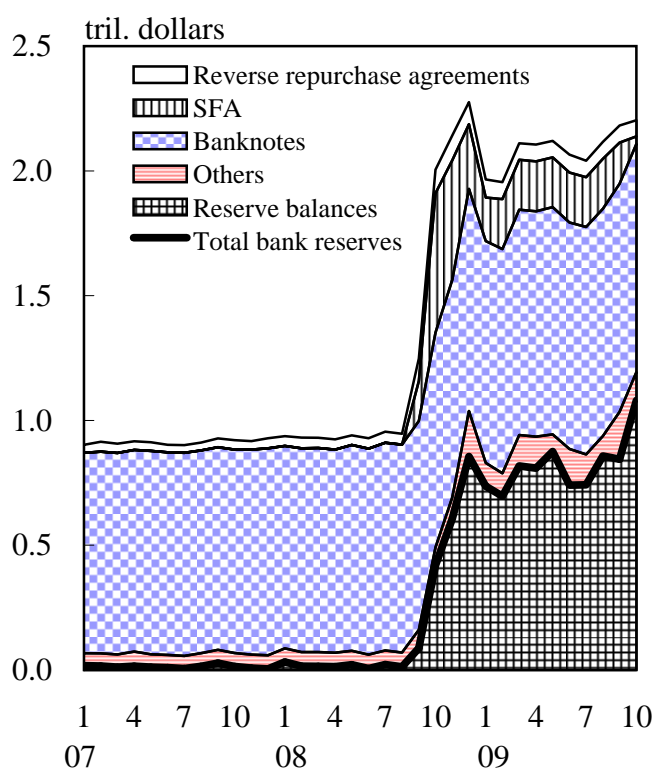


(2) Federal Reserve

(a) Assets



(b) Liabilities and Capital



Notes: 1. Figures are those from the balance sheets of the day closest to the end of each month.

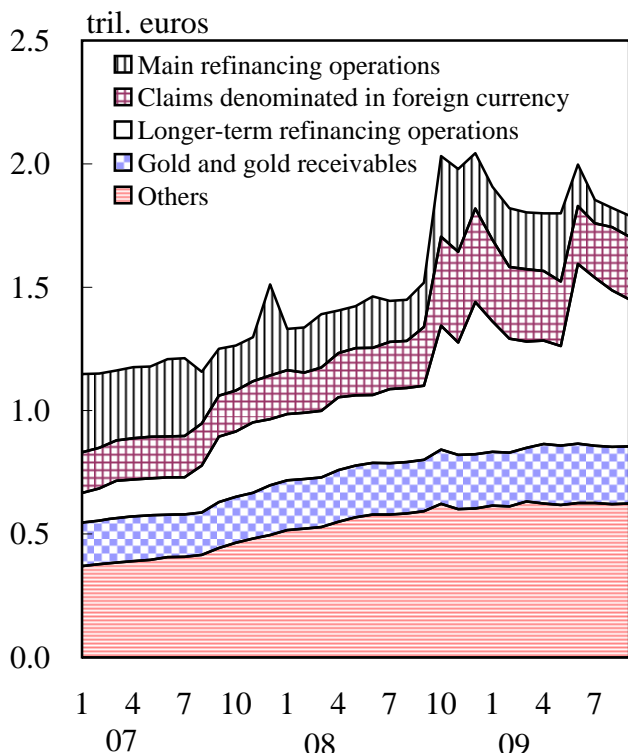
2. "Total bank reserves" is the sum of the balance of current account and "deposit facility" where applicable.

Sources: Bank of Japan; Federal Reserve; European Central Bank; Bank of England.

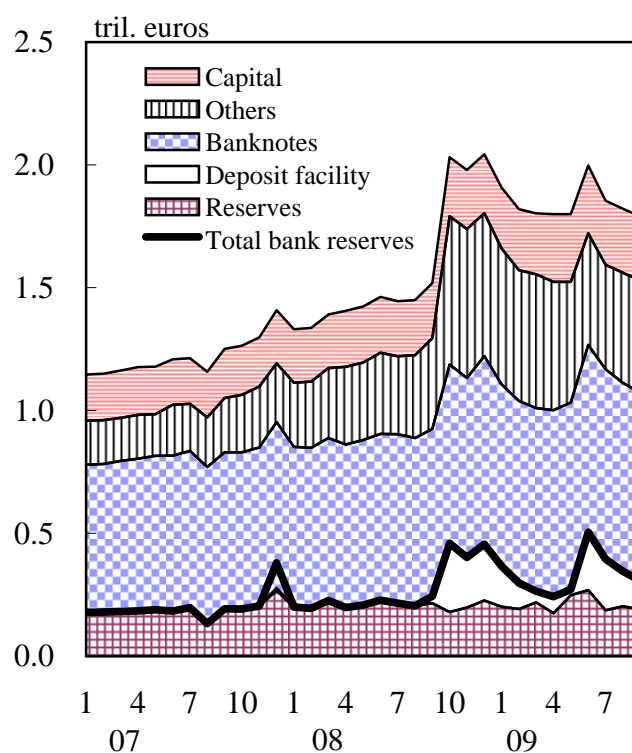
Central Banks' Balance Sheets (2)

(3) Eurosystem

(a) Assets

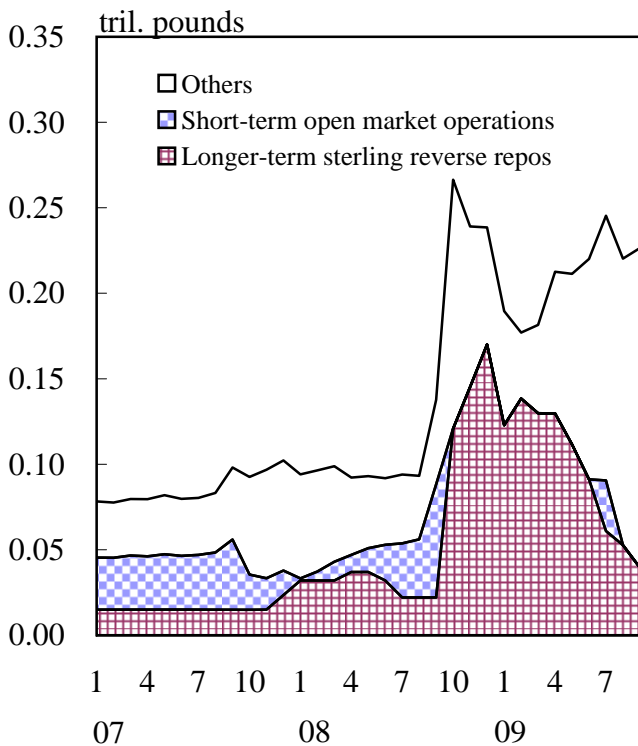


(b) Liabilities and Capital

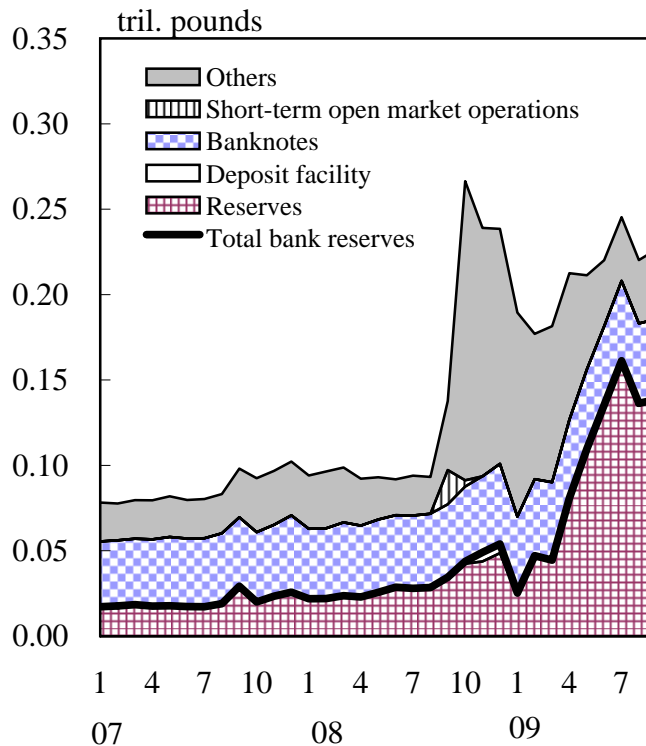


(4) Bank of England

(a) Assets



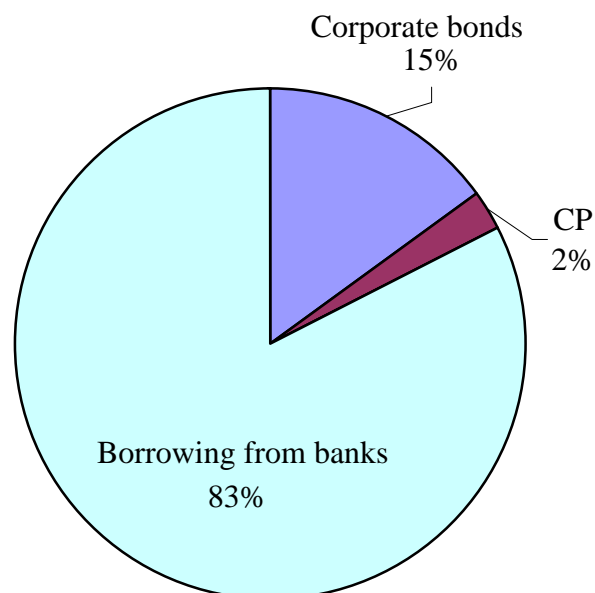
(b) Liabilities and Capital



- Notes:
1. The figures for the deposit facility of the Bank of England include those of the operational deposit facility. Figures for the operational deposit facility are the average amount outstanding of the reserve maintenance period.
 2. "Total bank reserves" is the sum of the balance of current account and "deposit facility" where applicable.

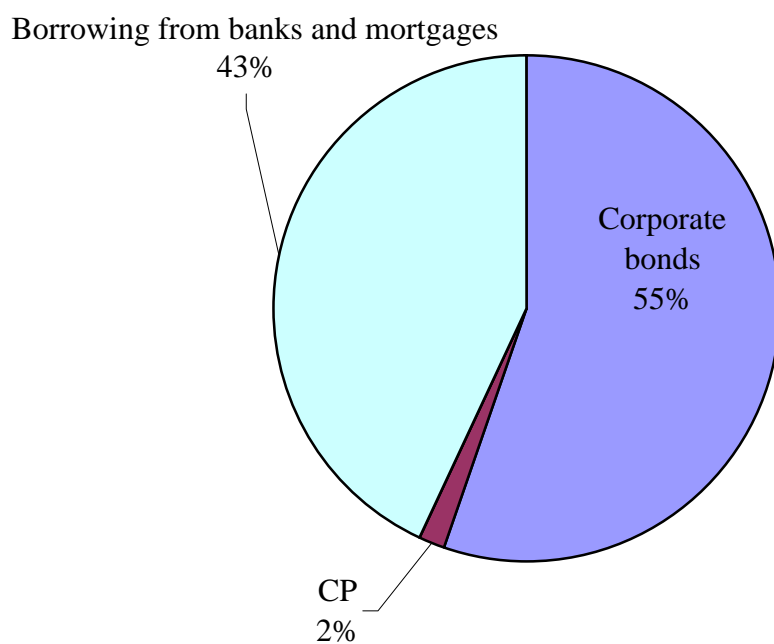
Firms' External Financing

(1) Japan



Note: Figures are as of the end of 2008.
Source: Bank of Japan.

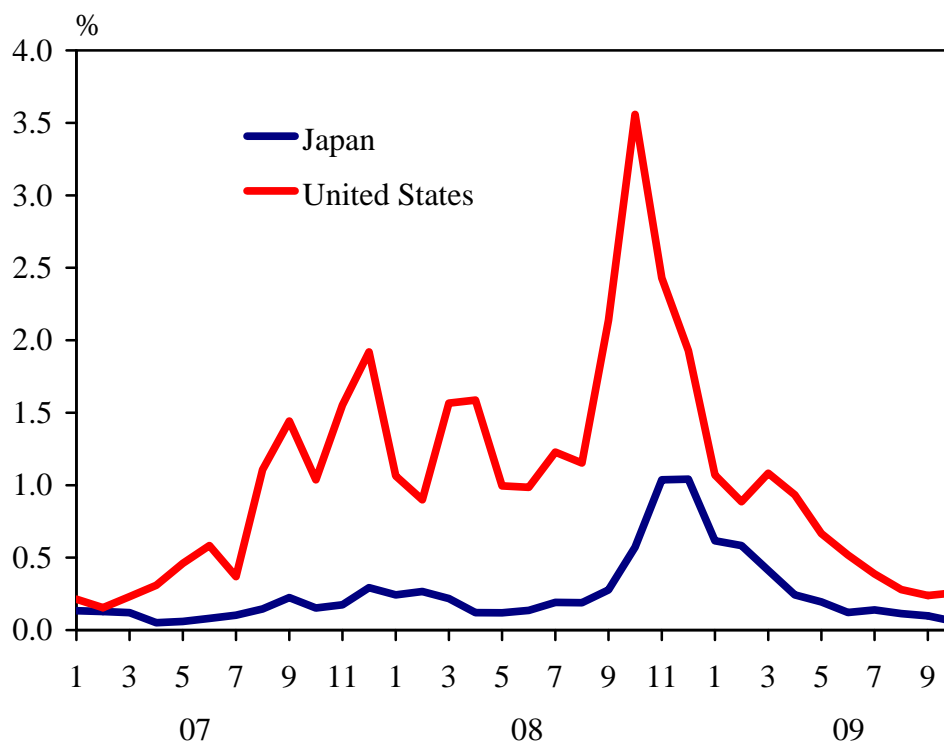
(2) United States



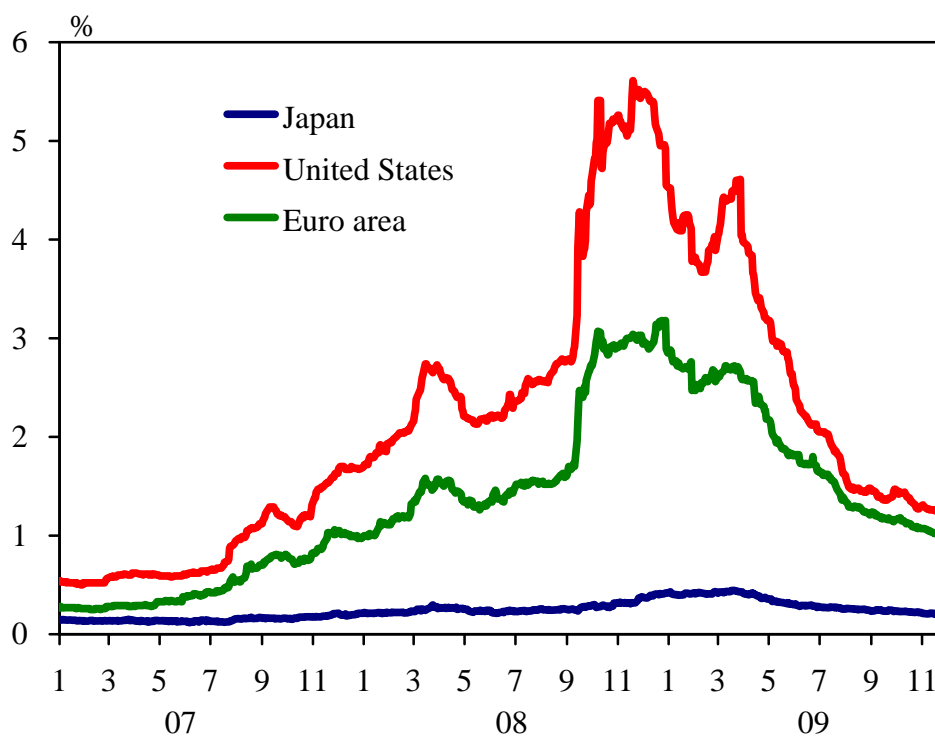
Note: Figures are as of the end of 2008.
Source: Federal Reserve.

CP and Corporate Bond Markets

(1) Credit Spreads on CP



(2) Credit Spreads on Corporate Bonds (Rated AA)

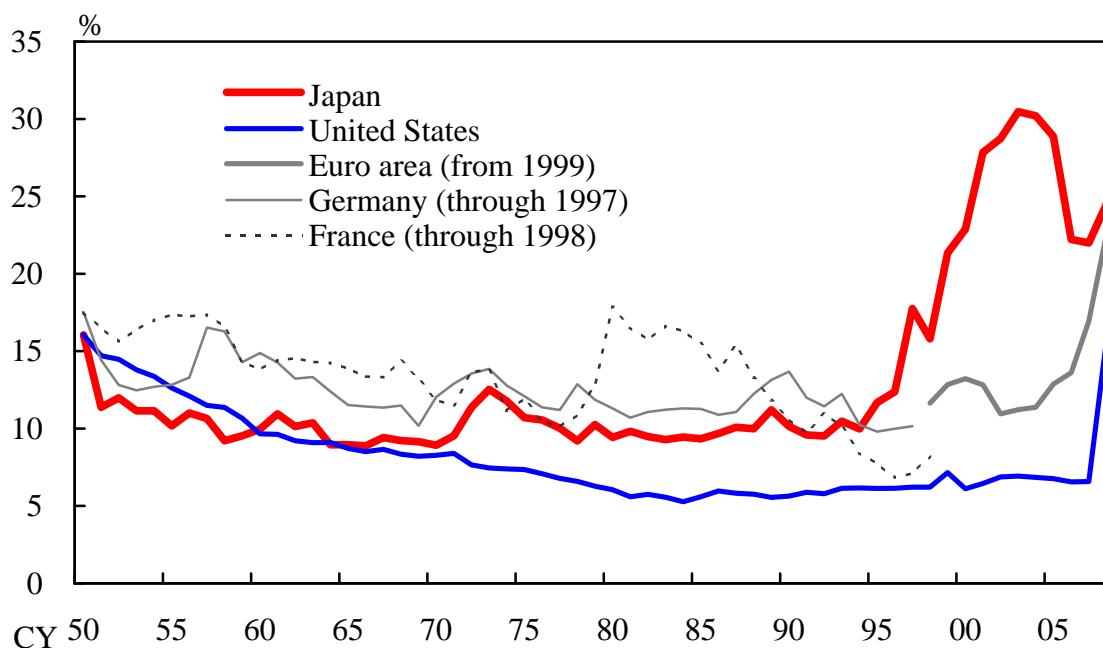


Note: The CP rates for Japan and the United States represent the monthly average rates of newly issued three-month CP rated a-1 or higher and the monthly average rate of three-month CP rated a-1 or higher, respectively.

Sources: Bloomberg; Bank of Japan.

Central Bank Assets and Banknotes: International Comparison

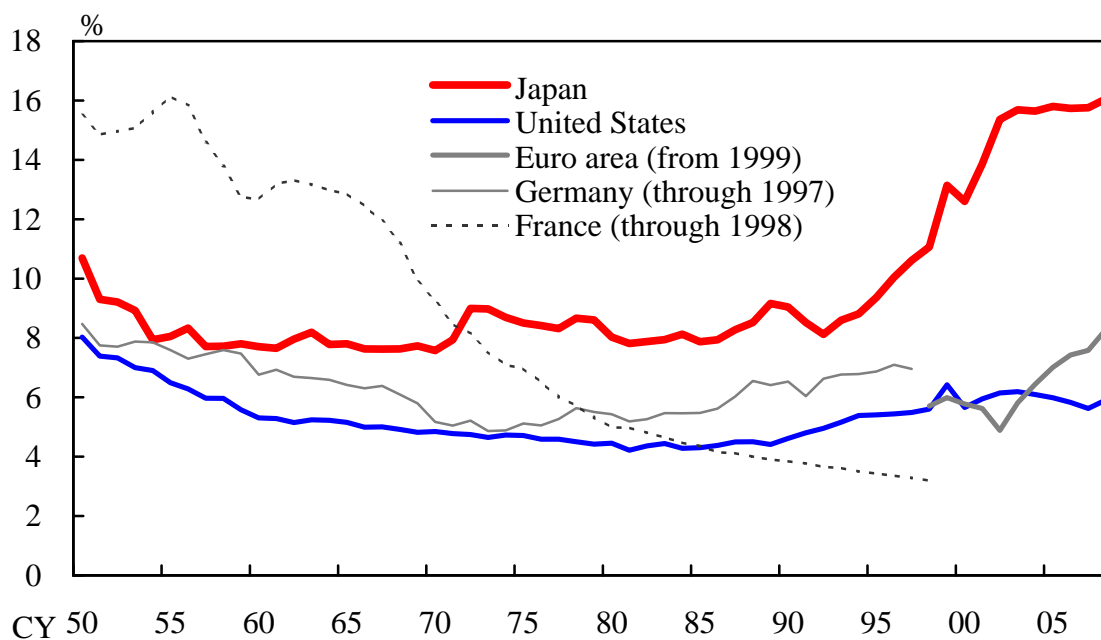
(1) Ratio of Central Banks' Total Assets to Nominal GDP



- Notes: 1. Figures for nominal GDP and central bank assets are for the calendar year and the year-end, respectively. The figures for the Bank of Japan's assets are as of the fiscal year-end.
 2. Figures for Germany for the years through 1989 are those for the former West Germany. The same applies to Chart 8 (2).
 3. Figures for the euro area are the sum (consolidated basis) of the EU member states that have introduced the euro.

Sources: Bank of Japan; Federal Reserve; European Central Bank; Deutsche Bundesbank; Banque de France.

(2) Ratio of Banknotes to Nominal GDP



- Notes: 1. Figures for nominal GDP and banknotes are for the calendar year and the year-end, respectively.
 2. Figures for the United States are the ratio of Federal Reserve notes outstanding to nominal GDP.

Sources: Bank of Japan; Federal Reserve; European Central Bank; Deutsche Bundesbank; Banque de France.