

Charts

Speech at a Meeting with Business Leaders in Nagano

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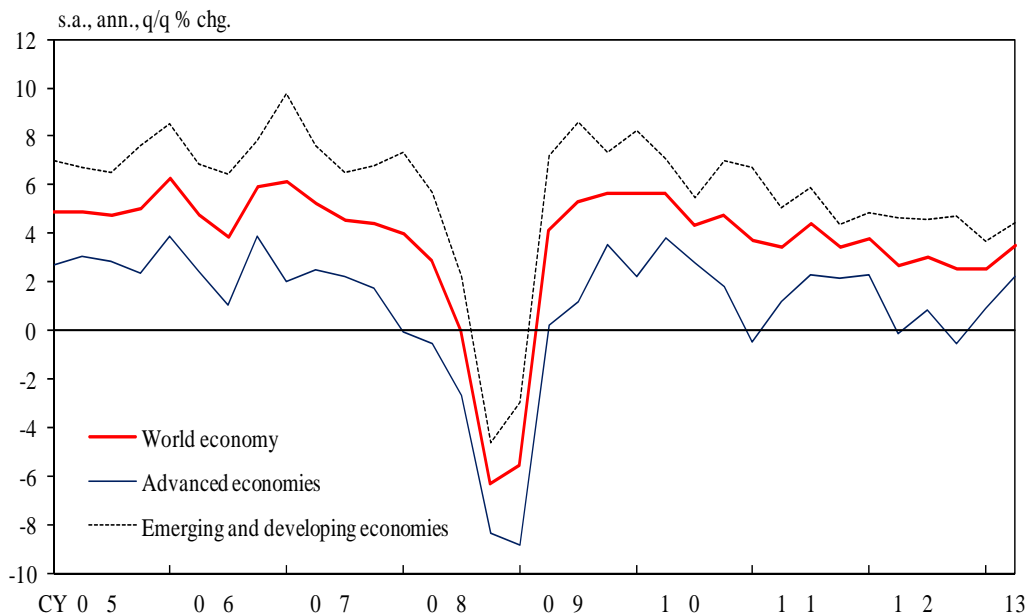
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Note: Charts are based on data released prior to November 8, 2013.

World Economic Growth Rate

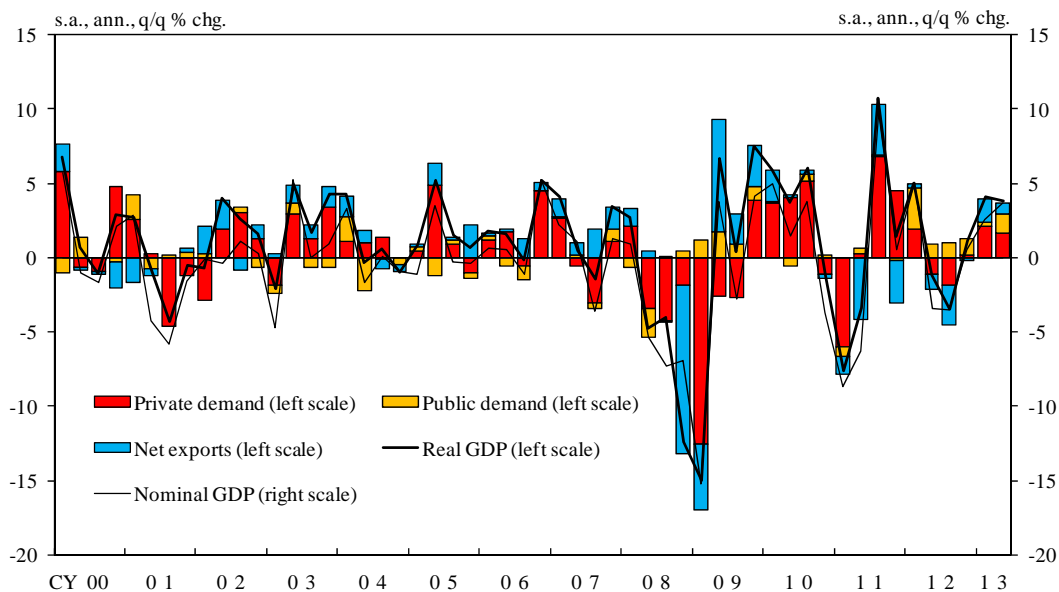


Notes: 1. The world economy covers 189 countries. The advanced economies are the United States, the euro area (17 countries), the United Kingdom, and Japan.

2. The figure for emerging and developing economies includes estimated quarterly growth rates based on historical annual data on real GDP growth rates.

Source: IMF, "World Economic Outlook."

Japan's Economic Growth Rate



Source: Cabinet Office, "National Accounts."

(Chart 3)

Outlook for Economic Activity and Prices

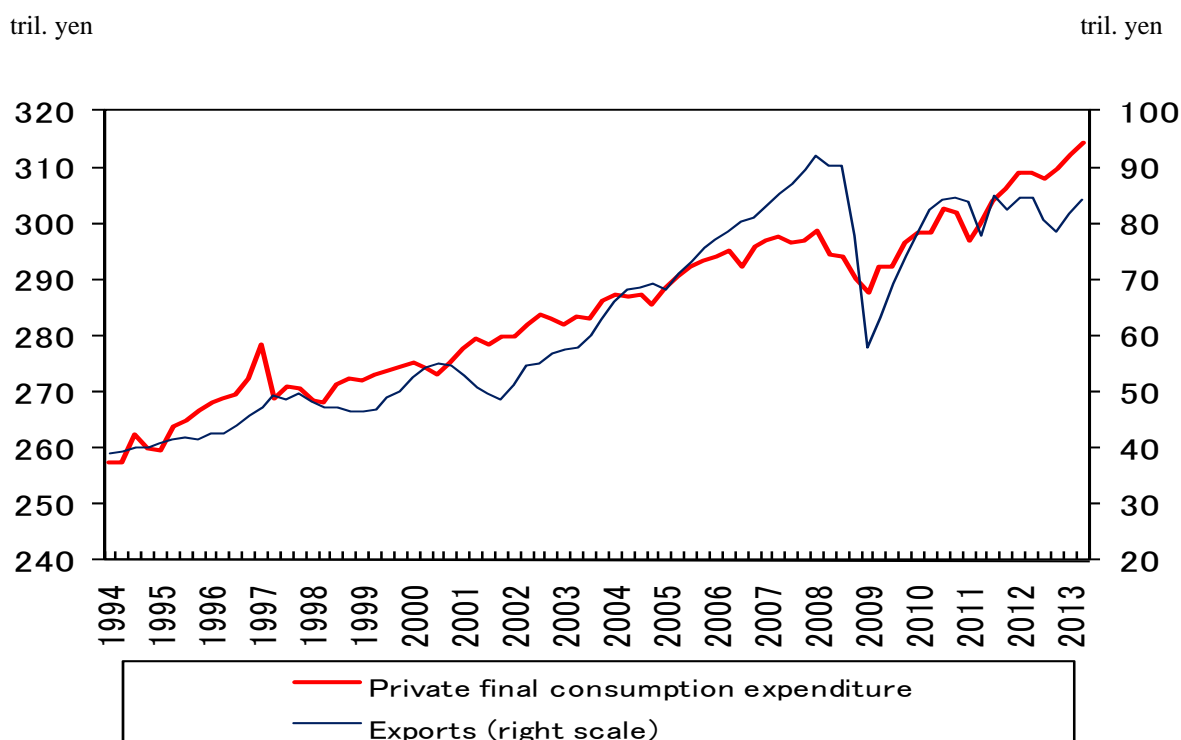
	y/y % chg.		
	Real GDP	CPI (all items less fresh food)	Excluding the effects of the consumption tax hikes
Fiscal 2013	+2.6 to +3.0 [+2.7]	+0.6 to +1.0 [+0.7]	/
Forecasts made in July 2013	+2.5 to +3.0 [+2.8]	+0.5 to +0.8 [+0.6]	/
Fiscal 2014	+0.9 to +1.5 [+1.5]	+2.8 to +3.6 [+3.3]	+0.8 to +1.6 [+1.3]
Forecasts made in July 2013	+0.8 to +1.5 [+1.3]	+2.7 to +3.6 [+3.3]	+0.7 to +1.6 [+1.3]
Fiscal 2015	+1.3 to +1.8 [+1.5]	+1.6 to +2.9 [+2.6]	+0.9 to +2.2 [+1.9]
Forecasts made in July 2013	+1.3 to +1.9 [+1.5]	+1.6 to +2.9 [+2.6]	+0.9 to +2.2 [+1.9]

Note: Figures in brackets indicate the median of the Policy Board members' forecasts (point estimates).

Source: Bank of Japan.

(Chart 4)

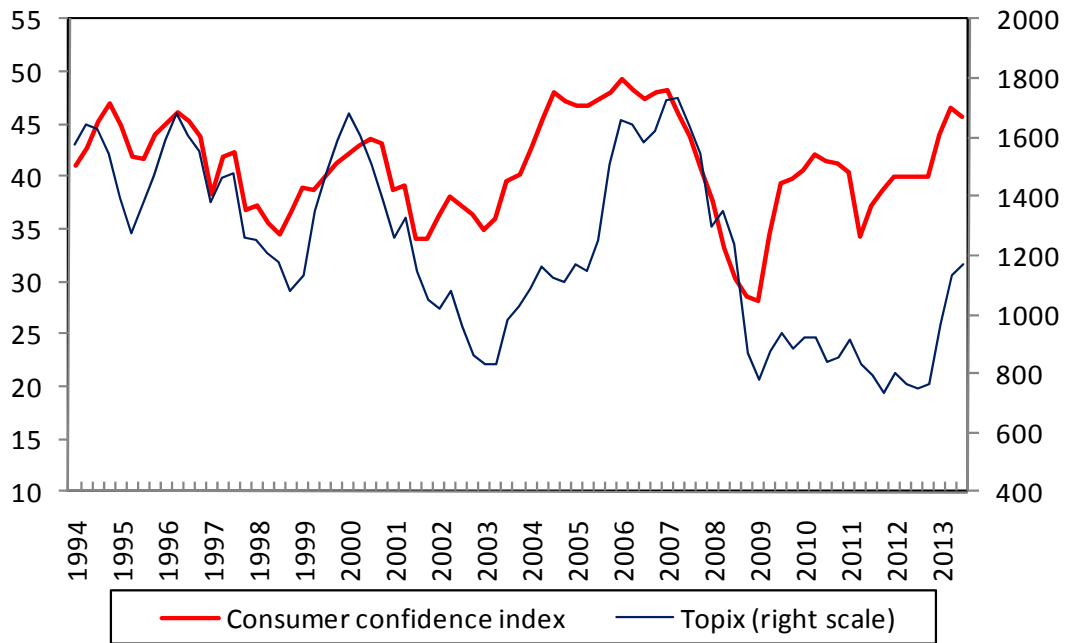
Private Consumption and Exports



Source: Cabinet Office, "National Accounts."

(Chart 5)

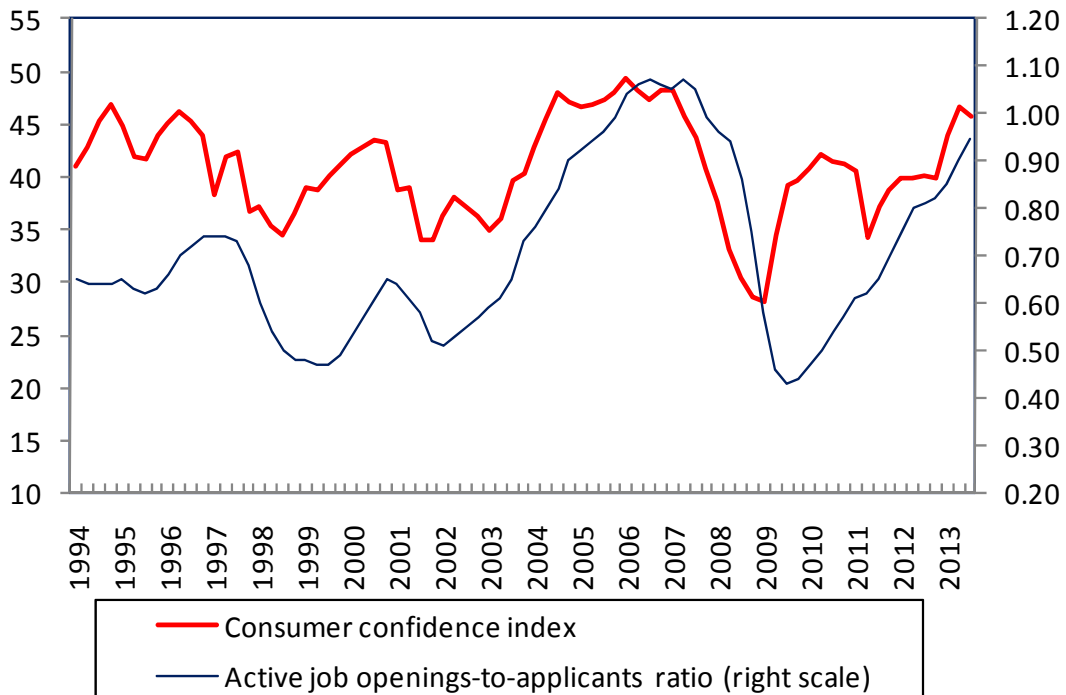
Consumer Confidence and Stock Prices



Sources: Cabinet Office, "Consumer Confidence Index"; Bloomberg.

(Chart 6)

Consumer Confidence and Active Job Openings-to-Applicants Ratio



Sources: Cabinet Office, "Consumer Confidence Index";
Ministry of Health, Labour and Welfare, "Report on Employment Service."

(Chart 7)

Labor Productivity per Worker

10 thous. yen



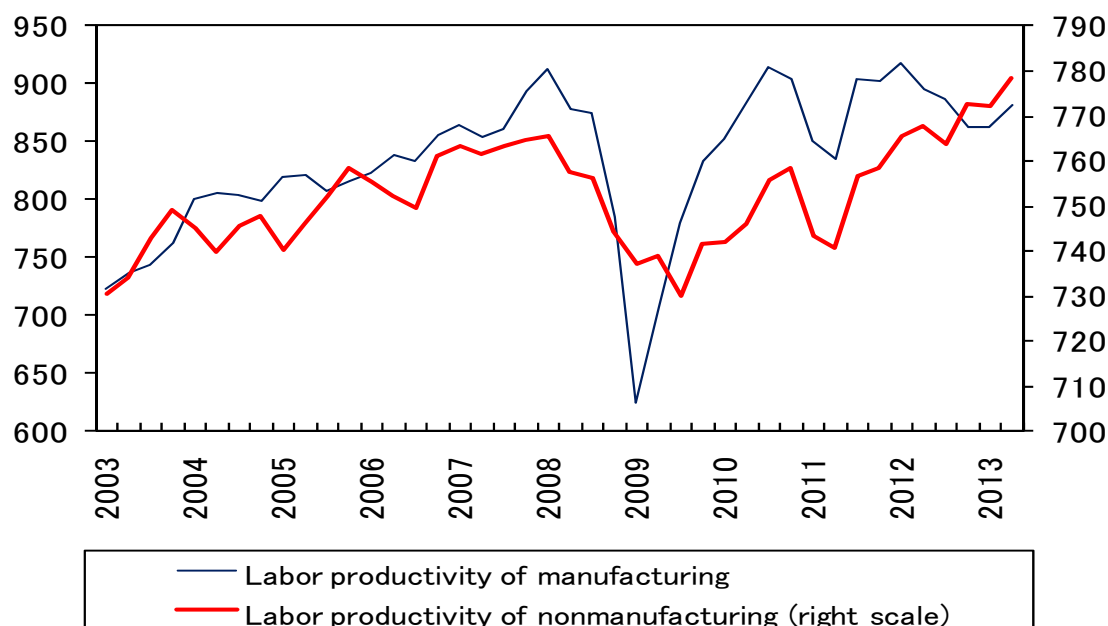
Sources: Cabinet Office, "National Accounts";
Ministry of Internal Affairs and Communications, "Labour Force Survey."

(Chart 8)

Labor Productivity of Manufacturing and Nonmanufacturing

10 thous. yen

10 thous. yen

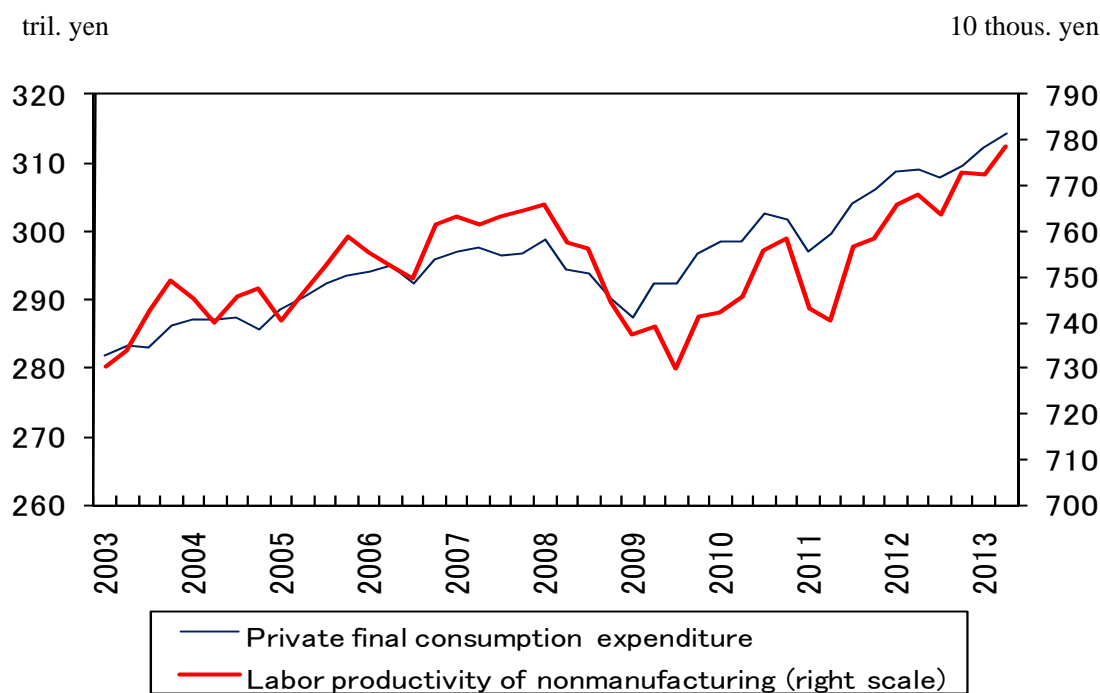


Note: The real GDP of each sector is based on the following calculation: total real GDP times each sector's weight induced using the "Indices of All Industry Activity."

Sources: Cabinet Office, "National Accounts";
Ministry of Economy, Trade and Industry, "Indices of All Industry Activity";
Ministry of Internal Affairs and Communications, "Labour Force Survey."

(Chart 9)

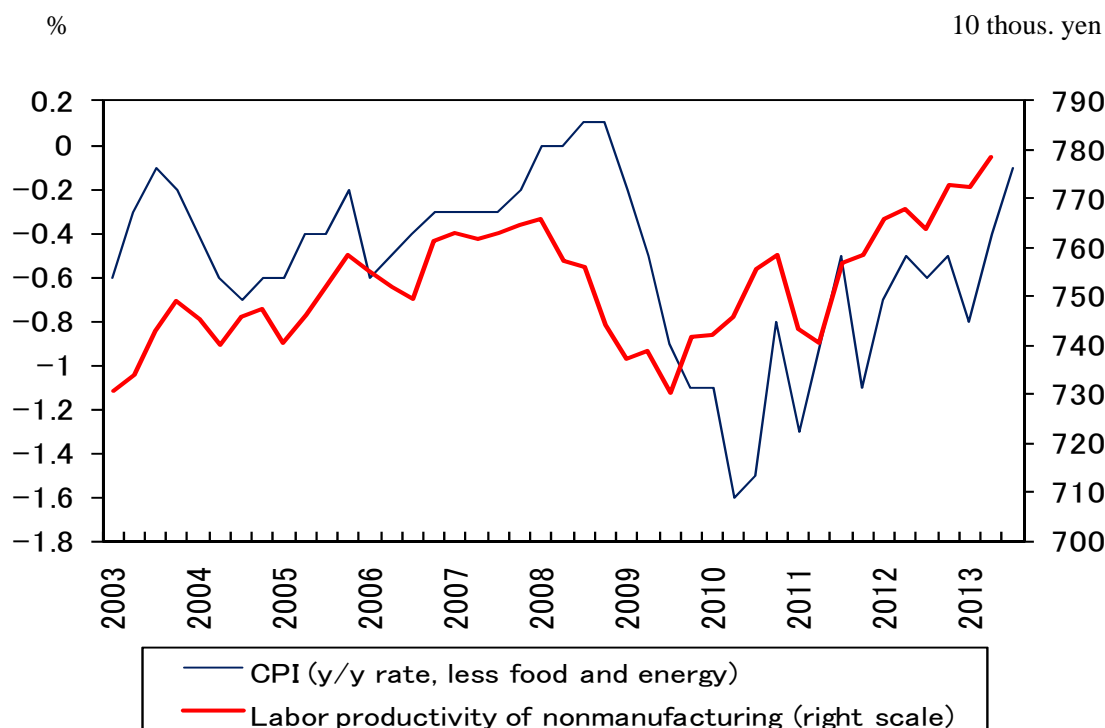
Labor Productivity of Nonmanufacturing and Private Consumption



Sources: Cabinet Office, "National Accounts";
Ministry of Economy, Trade and Industry, "Indices of All Industry Activity";
Ministry of Internal Affairs and Communications, "Labour Force Survey."

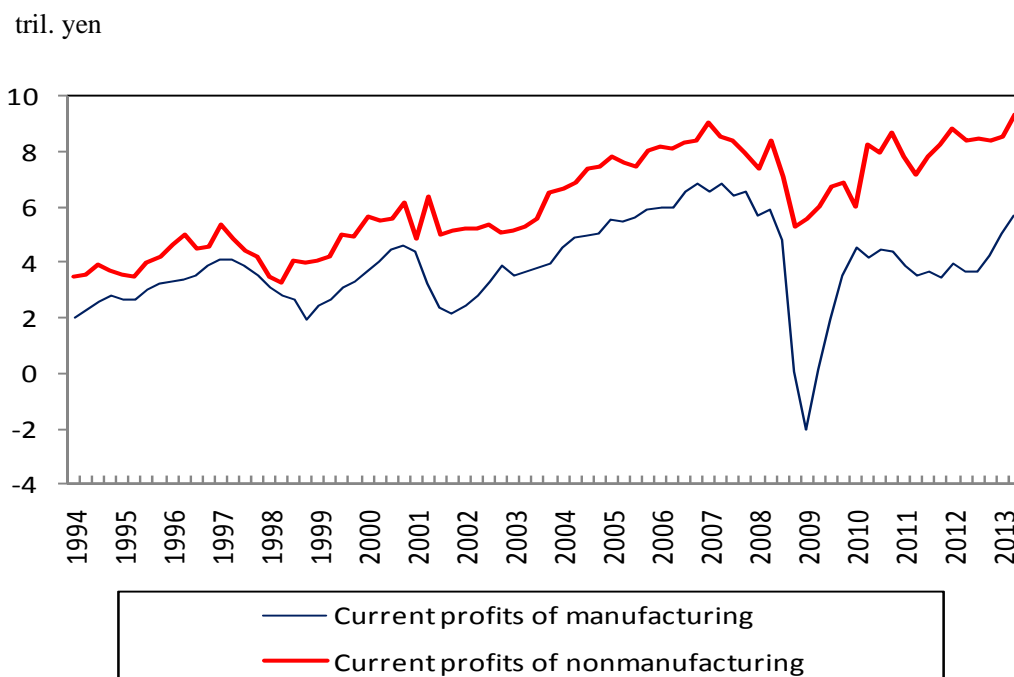
(Chart 10)

Labor Productivity of Nonmanufacturing and the Inflation Rate



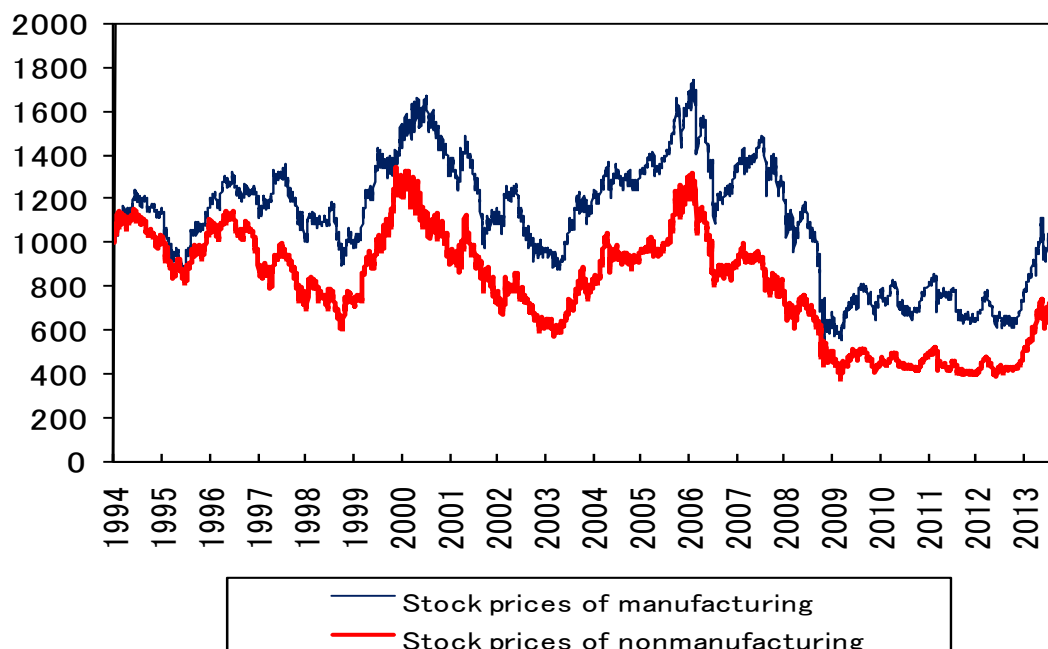
Sources: Cabinet Office, "National Accounts";
Ministry of Economy, Trade and Industry, "Indices of All Industry Activity";
Ministry of Internal Affairs and Communications, "Labour Force Survey,"
"Consumer Price Index."

Current Profits of Manufacturing and Nonmanufacturing



Source: Ministry of Finance, "Financial Statements Statistics of Corporations by Industry."

Stock Prices of Manufacturing and Nonmanufacturing

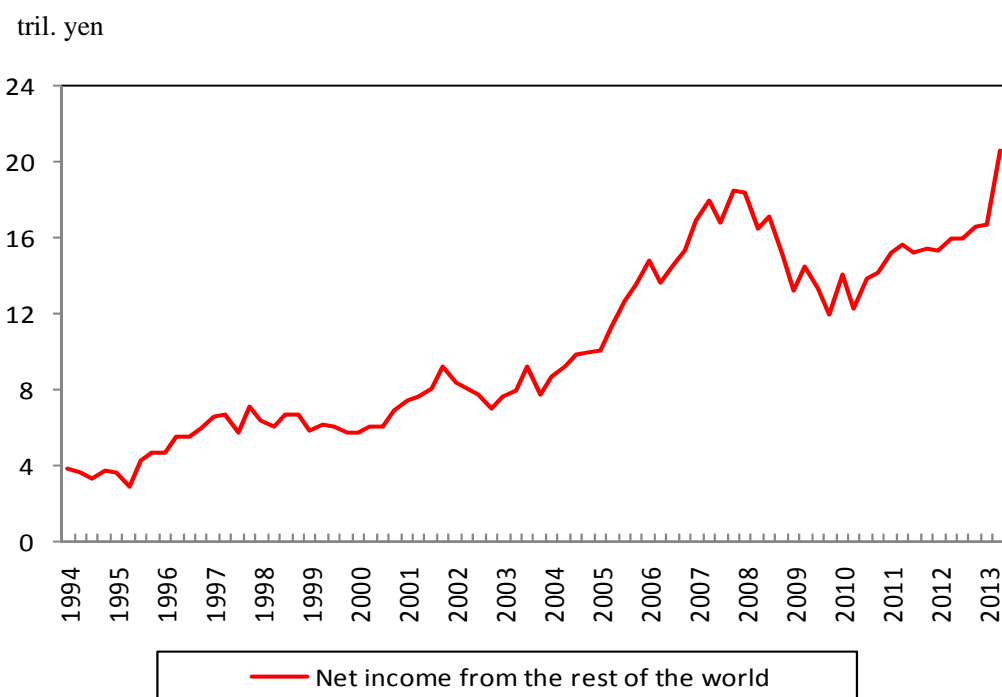


Note: The figures are the current total value divided by the total value as of January 4, 1994 which is regarded as the base value of 1,000. The figures include 17 and 15 sectors, respectively, which are listed on the Tokyo Stock Exchange. The figures are the averages of stock prices weighted by the value of each sector.

Sources: Cabinet Office, "National Accounts";
Ministry of Economy, Trade and Industry, "Indices of All Industry Activity."

(Chart 13)

Net Income from the Rest of the World



Source: Cabinet Office, "National Accounts."

(Chart 14)

Medium- to Long-Term Inflation Expectations

Survey period	Two to six years ahead	Seven to eleven years ahead
June 2012	0.6%	0.9%
Dec. 2012	0.7%	1.0%
June 2013	1.2%	1.4%

Source: Japan Center for Economic Research, "ESP Forecast."

Quantitative and Qualitative Monetary Easing (QQE)

1. Adoption of the monetary base control

- The monetary base will increase at an annual pace of about 60-70 tril. yen.

2. Increase in JGB purchases and their maturity extension

- With a view to encouraging a further decline in interest rates across the yield curve, the Bank will purchase JGBs so that their amount outstanding will increase at an annual pace of about 50 tril. yen.
- JGBs with all maturities will be made eligible for purchase, and the average remaining maturity of the Bank's JGB purchases will be extended from slightly less than 3 years to about 7 years -- equivalent to the average maturity of the amount outstanding of JGBs issued.

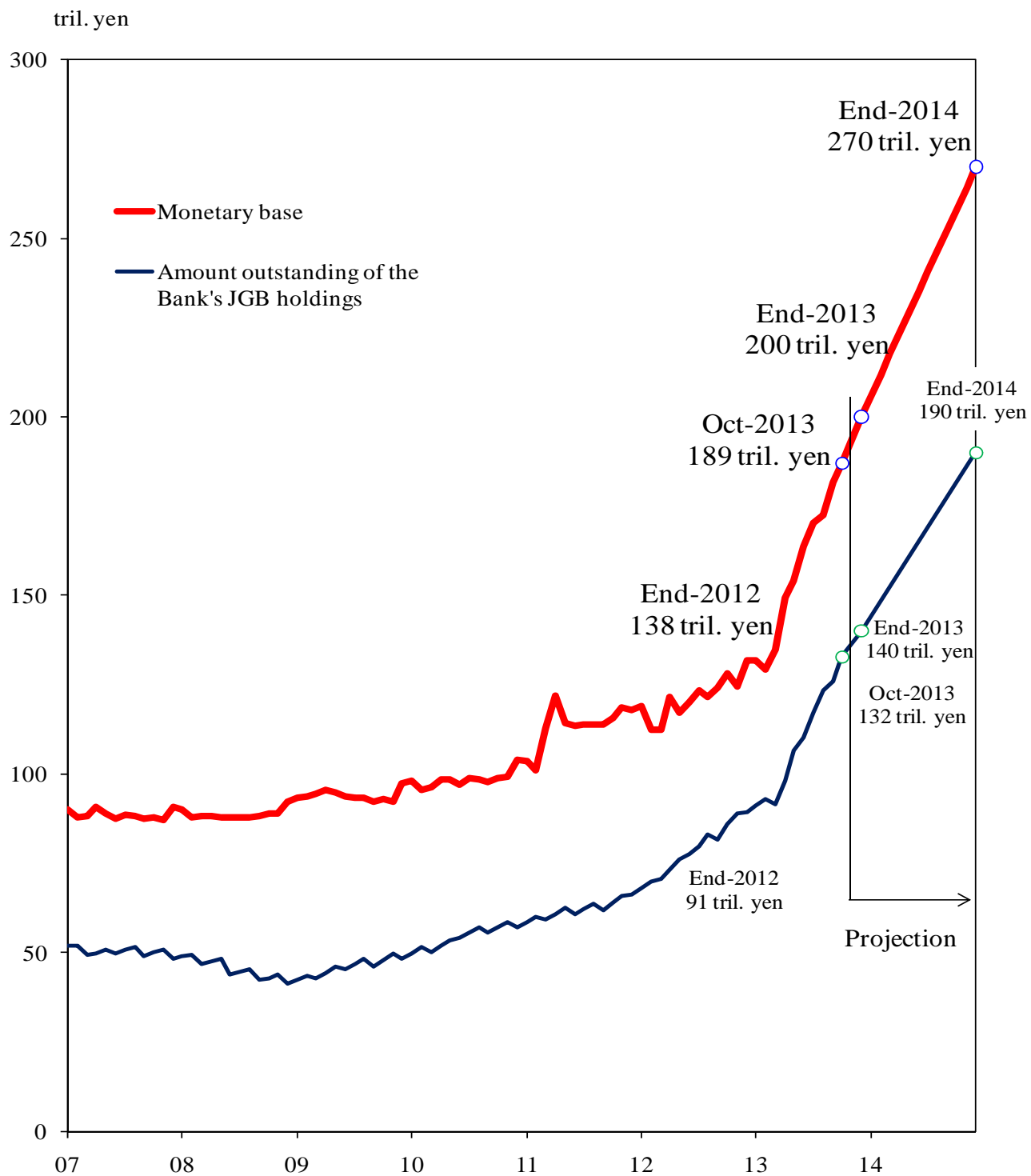
3. Increase in ETF and J-REIT purchases

- With a view to lowering risk premia of asset prices, the Bank will purchase ETFs and J-REITs so that their amounts outstanding will increase at an annual pace of 1 tril. yen and 30 bil. yen, respectively.

4. Continuation of the QQE

- The Bank will continue with the QQE, aiming to achieve the price stability target of 2%, as long as it is necessary for maintaining that target in a stable manner.
- The Bank will examine both upside and downside risks to economic activity and prices, and make adjustments as appropriate.

Expansion in the Monetary Base and JGB Purchases



(Chart 17)

Balance-Sheet Projections

tril. yen

	End-2012 (actual)	End-2013 (projected)	End-2014 (projected)
Monetary base	138	200	270

Breakdown of the Bank's Balance Sheet

	JGBs	89	140	190
	CP	2.1	2.2	2.2
	Corporate bonds	2.9	3.2	3.2
	Exchange-traded funds (ETFs)	1.5	2.5	3.5
	Japan real estate investment trusts (J-REITs)	0.11	0.14	0.17
	Loan Support Program	3.3	13	18
Total assets (including others)		158	220	290
	Banknotes	87	88	90
	Current deposits	47	107	175
Total liabilities and net assets (including others)		158	220	290

Transmission Channels

