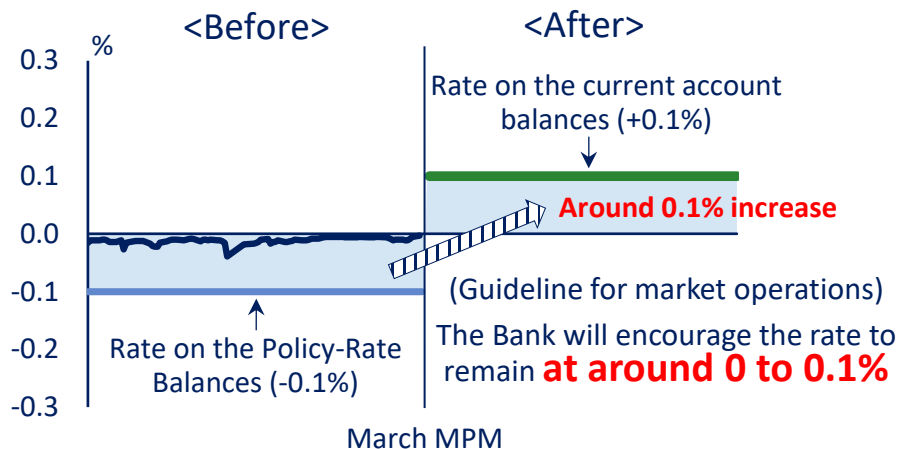


Changes in the Monetary Policy Framework (March 2024)

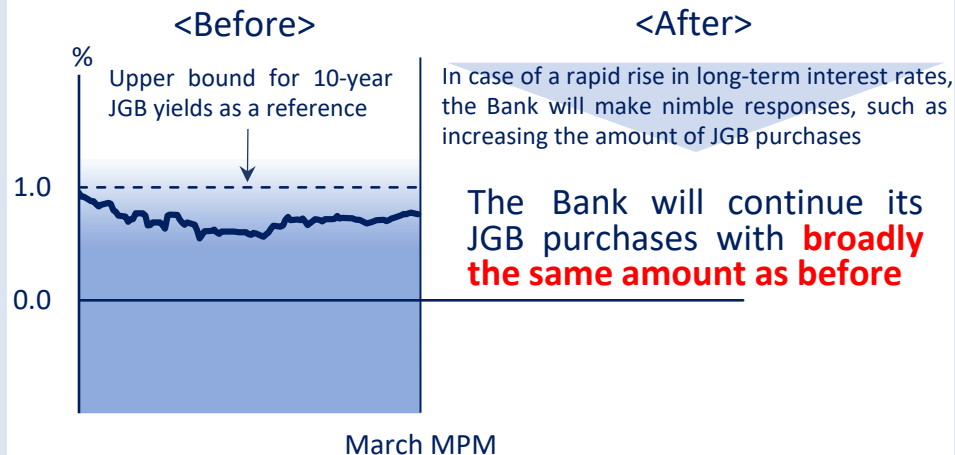
- As recent data and anecdotal information have gradually shown that the virtuous cycle between wages and prices has become more solid, the Bank judged **it came in sight that the price stability target of 2 percent would be achieved in a sustainable and stable manner** toward the end of the projection period of the January 2024 Outlook Report. It considers that **its large-scale monetary easing measures have fulfilled their roles**, including the negative interest rate policy and the yield curve control.
- With the price stability target, the Bank will conduct monetary policy as appropriate, **guiding the short-term interest rate as a primary policy tool**, in response to developments in economic activity and prices as well as financial conditions from the perspective of sustainable and stable achievement of the target. Given the current outlook for economic activity and prices, it anticipates that **accommodative financial conditions will be maintained for the time being**.

Short-term interest rate (uncollateralized overnight call rate)



(The rate had been in the range of -0.1 to 0%)

Long-term interest rates



ETFs and J-REITs

The Bank will discontinue purchases