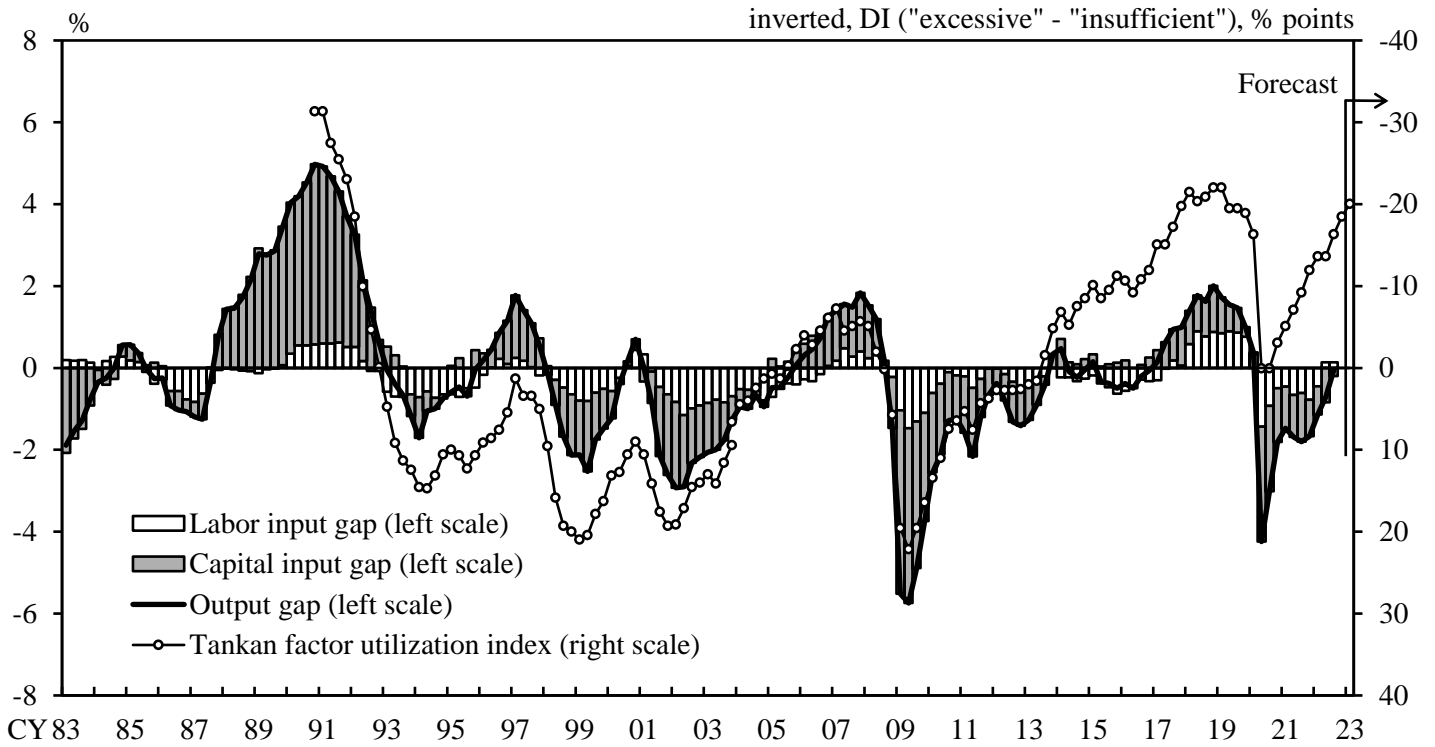
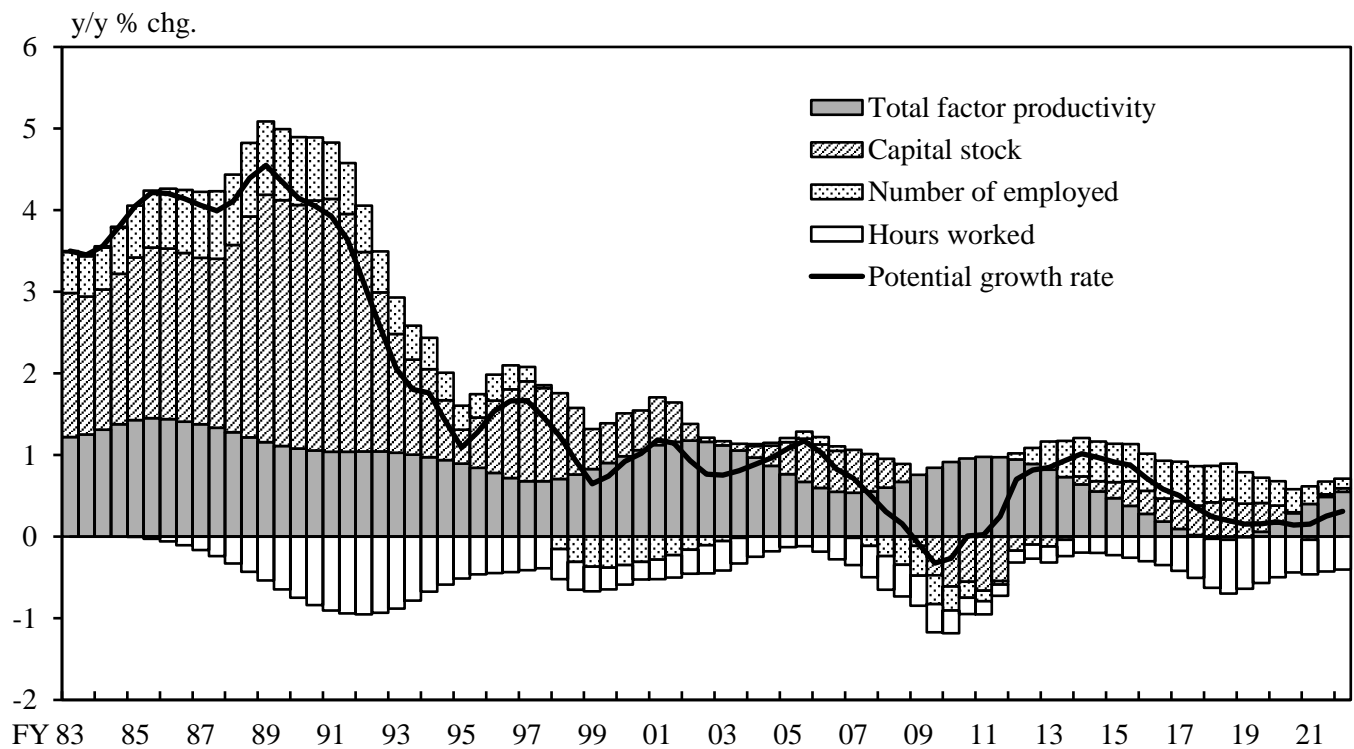


Output Gap and Potential Growth Rate

(1) Output Gap



(2) Potential Growth Rate



Notes: 1. The output gap and the potential growth rate are estimated by the Research and Statistics Department, Bank of Japan.

2. The Tankan factor utilization index is calculated as the weighted average of the production capacity DI and the employment conditions DI for all industries and enterprises. The capital and labor shares in the "National Accounts" are used as weights. There is a discontinuity in the data for December 2003 due to a change in the survey framework.

Sources: Cabinet Office; Bank of Japan; Ministry of Internal Affairs and Communications; Ministry of Health, Labour and Welfare; Ministry of Economy, Trade and Industry.