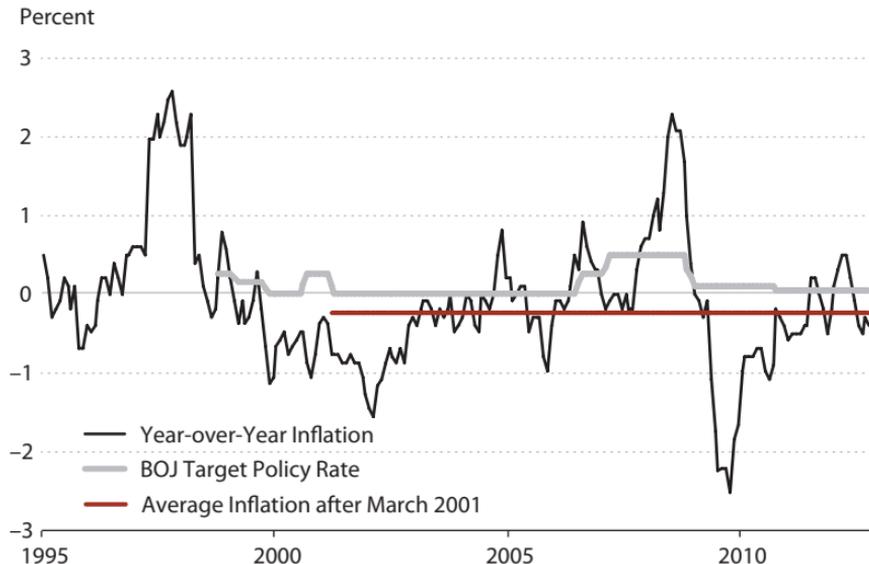


Japanese Inflation and Policy Interest Rates



NOTE: The black line depicts Japan's inflation rate as measured by the year-over-year rate of change in its consumer price index (CPI). The gray line depicts the BOJ's target policy rate, which is the uncollateralized overnight call rate. The red line depicts Japan's average year-over-year CPI inflation rate for March 2001 through October 2012.

SOURCE: International Monetary Fund.