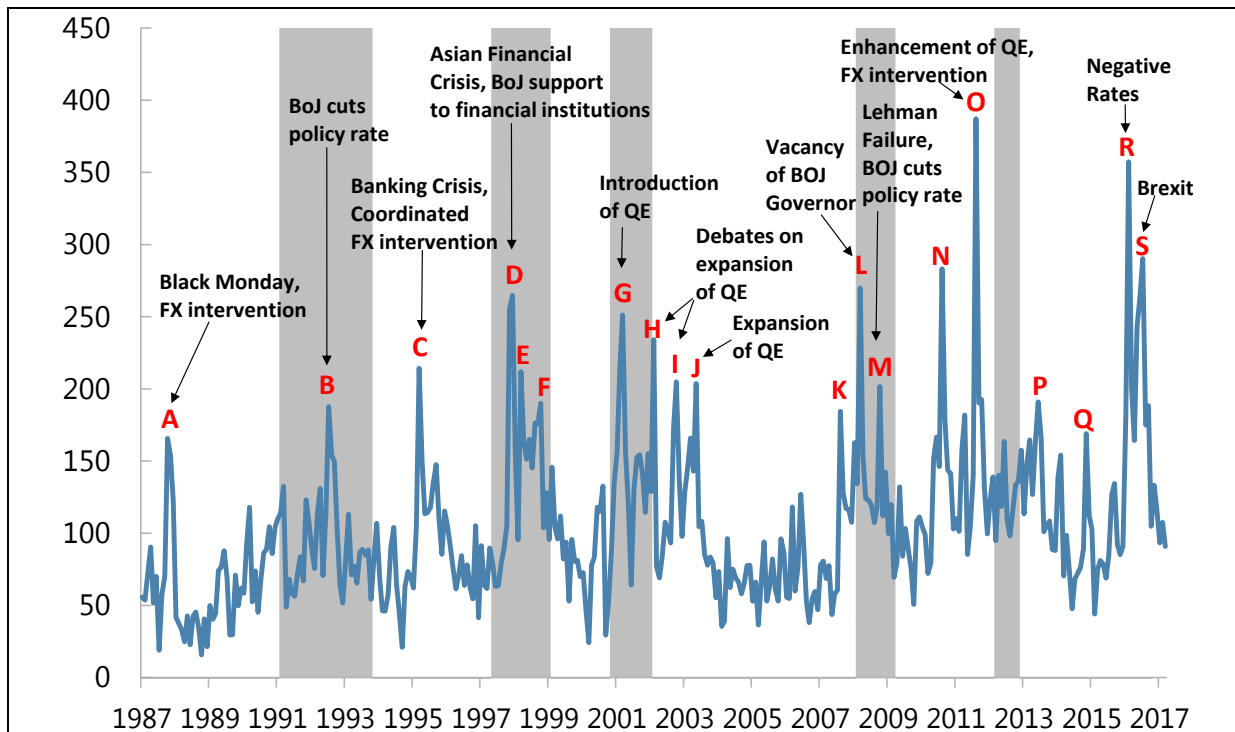


Arbatli et al. Monetary Policy Uncertainty Index for Japan (1987M1-2017M3)



Sources: Authors' calculations.

A: October 1987. Black Monday. FX intervention. B: July 1992. BOJ cuts policy rate. C: March 1995. Japan's banking crisis. Coordinated FX intervention. Debate about policy rate cut. D: November 1997. Asian Financial Crisis. Special BOJ loans to stabilize financial system after bankruptcy of Hokkaido Takushoku Bank and Yamaichi Securities. E: March 1998. BOJ Governor Matsushita resigns. F: October 1998. Debate on further monetary easing amid mounting concern over the financial system. G: March 2001. Introduction of QE. H: February 2002. Debate on expansion of QE. I: September-October 2002. Debate on expansion of QE. J: May 2003. Concerns over the spread of SARS epidemic. Expansion of QE. BOJ's provision of special loans to Resona Bank. K: August 2007. Disarray in global financial markets with the outbreak of U.S. subprime loan crisis. Injection of liquidity by central banks. Debate about policy rate cut in Japan and the US. L: March 2008. Concerns over vacancy of BOJ Governor. M: October 2008. Lehman Brothers failure. BOJ cuts policy rate. N: August 2010. Debate on QE enhancement amid sharp yen appreciation. O: August 2011. QE enhancement and the BOJ's unilateral FX intervention. P: June 2013. Concerns over FED QE tapering. Q: November 2014. Debate on the BOJ's QE program under PM Abe's decision to delay the consumption tax hike planned for October 2015. R: January-February 2016. Introduction of negative interest rates. S: May-July 2016. Debate on FX intervention amid surge in yen. Brexit. Enhancement of monetary easing.

Note: Shaded areas indicate recession periods.