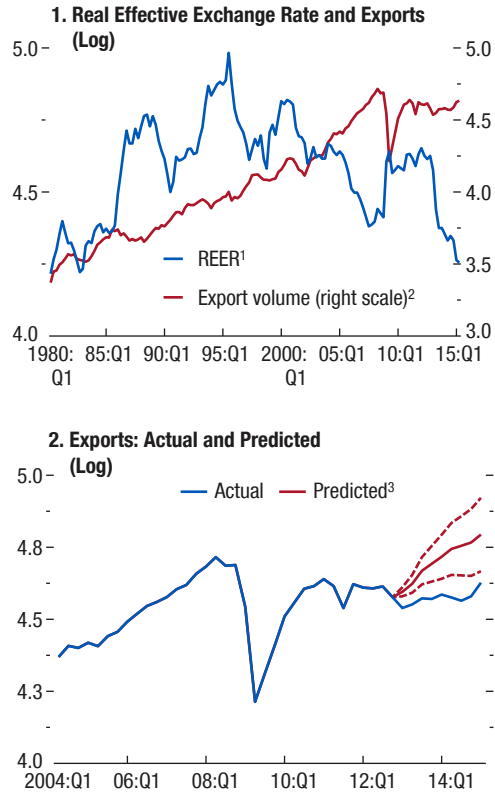


Figure 3.3.1. Japan: Exchange Rate and Exports



Sources: IMF Information Notice System; and IMF staff calculations.

¹REER denotes consumer price index-based real effective exchange rate.

²Goods exports.

³Out-of-sample prediction for third quarter of 2012 through first quarter of 2015 based on export demand equation estimated through third quarter of 2012. Dashed lines indicate 90 percent confidence intervals.