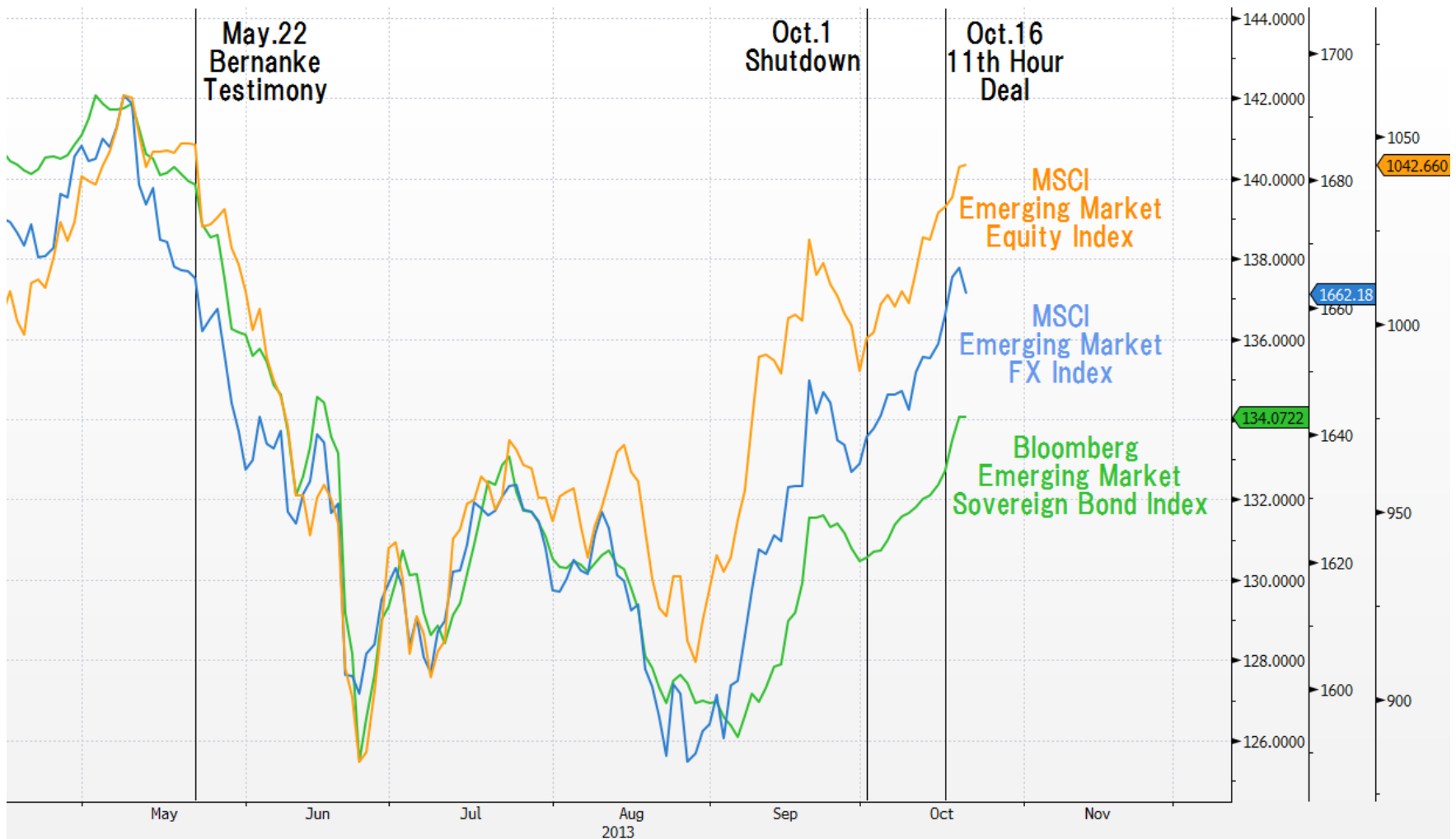


“Conflicting Dynamics for Convergence and Divergence”



Japan Center for International Finance
President Takatoshi Kato
October, 2013

Exhibit 1



Source: Bloomberg

2. Currency Distribution of Global Foreign Exchange Market Turnover

Currency	1998		2001		2004		2007		2010		2013	
	Share	Rank	Share	Rank	Share	Rank	Share	Rank	Share	Rank	Share	Rank
USD	86.8	1	89.9	1	88.0	1	85.6	1	84.9	1	87.0	1
EUR	...	32	37.9	2	37.4	2	37.0	2	39.1	2	33.4	2
JPY	21.7	2	23.5	3	20.8	3	17.2	3	19.0	3	23.0	3
GBP	11.0	3	13.0	4	16.5	4	14.9	4	12.9	4	11.8	4
AUD	3.0	6	4.3	7	6.0	6	6.6	6	7.6	5	8.6	5
CHF	7.1	4	6.0	5	6.0	5	6.8	5	6.3	6	5.2	6
CAD	3.5	5	4.5	6	4.2	7	4.3	7	5.3	7	4.6	7
MXN	0.5	9	0.8	14	1.1	12	1.3	12	1.3	14	2.5	8
CNY	0.0	30	0.0	35	0.1	29	0.5	20	0.9	17	2.2	9
NZD	0.2	17	0.6	16	1.1	13	1.9	11	1.6	10	2.0	10
SEK	0.3	11	2.5	8	2.2	8	2.7	9	2.2	9	1.8	11
RUB	0.3	12	0.3	19	0.6	17	0.7	18	0.9	16	1.6	12
HKD	1.0	8	2.2	9	1.8	9	2.7	8	2.4	8	1.4	13
NOK	0.2	15	1.5	10	1.4	10	2.1	10	1.3	13	1.4	14
SGD	1.1	7	1.1	12	0.9	14	1.2	13	1.4	12	1.4	15
TRY	...	33	0.0	30	0.1	28	0.2	26	0.7	19	1.3	16
KRW	0.2	18	0.8	15	1.1	11	1.2	14	1.5	11	1.2	17
ZAR	0.4	10	0.9	13	0.7	16	0.9	15	0.7	20	1.1	18
BRL	0.2	16	0.5	17	0.3	21	0.4	21	0.7	21	1.1	19
INR	0.1	22	0.2	21	0.3	20	0.7	19	1.0	15	1.0	20
Total	200.0		200.0		200.0		200.0		200.0		200.0	

* Net-net basis, percentage shares of average daily turnover in April

Source: BIS Triennial Central Bank Survey 2013

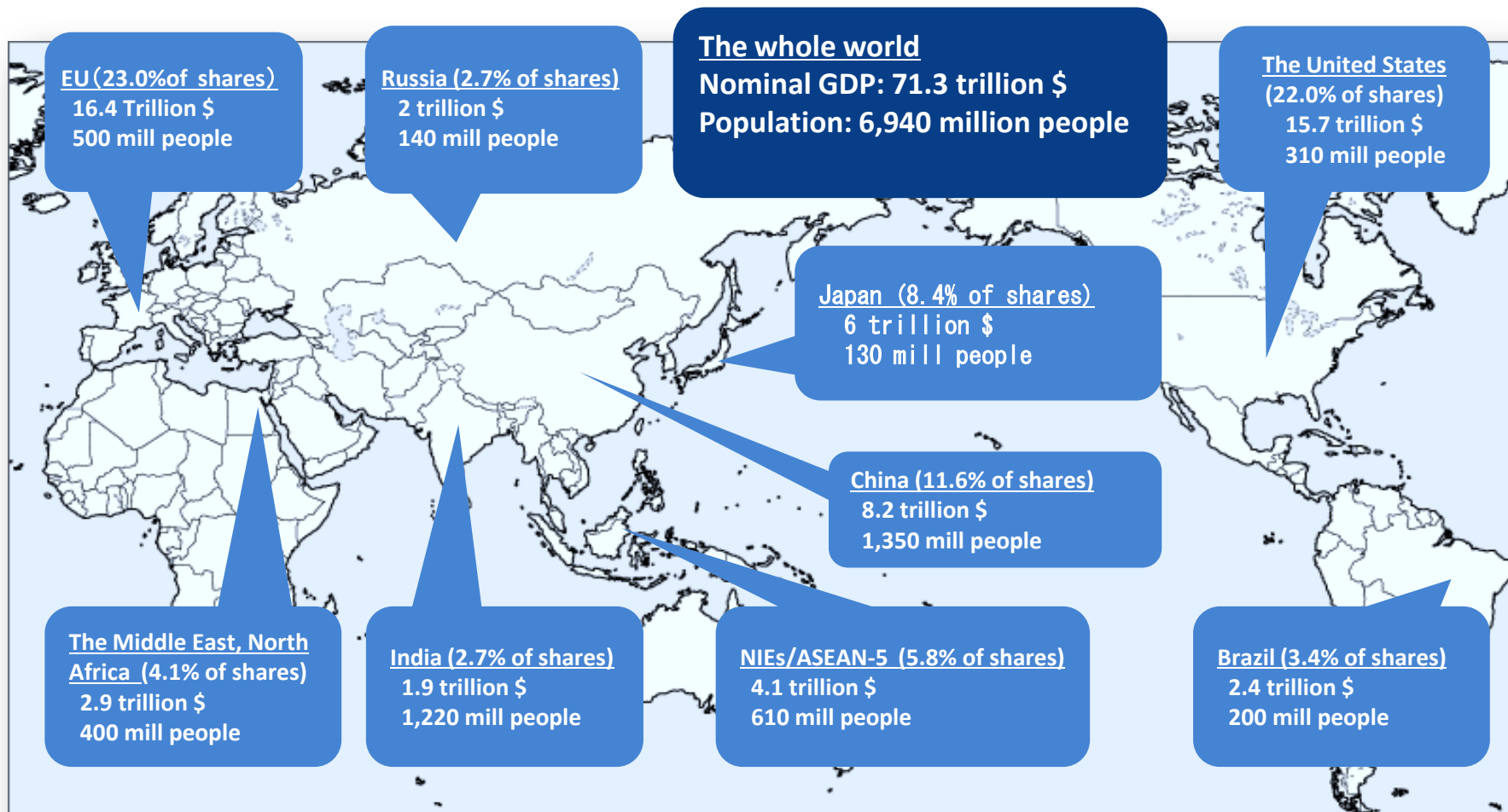
3. Geographical Distribution of Global Foreign Exchange Market Turnover

Country	1998		2001		2004		2007		2010		2013	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Australia	48	2.3	54	3.2	107	4.1	176	4.1	192	3.8	182	2.7
China	0	0.0	1	0.0	9	0.2	20	0.4	44	0.7
Chinese Taipei	5	0.2	5	0.3	9	0.4	16	0.4	18	0.4	26	0.4
Hong Kong SAR	80	3.8	68	4.0	106	4.1	181	4.2	238	4.7	275	4.1
India	2	0.1	3	0.2	7	0.3	38	0.9	27	0.5	31	0.5
Indonesia	2	0.1	4	0.2	2	0.1	3	0.1	3	0.1	5	0.1
Japan	146	7.0	153	9.0	207	8.0	250	5.8	312	6.2	374	5.6
Korea	4	0.2	10	0.6	21	0.8	35	0.8	44	0.9	48	0.7
Malaysia	1	0.1	1	0.1	2	0.1	3	0.1	7	0.1	11	0.2
New Zealand	7	0.3	4	0.2	7	0.3	13	0.3	9	0.2	12	0.2
Philippines	1	0.0	1	0.1	1	0.0	2	0.1	5	0.1	4	0.1
Singapore	145	6.9	104	6.1	134	5.1	242	5.6	266	5.3	383	5.7
Thailand	3	0.1	2	0.1	3	0.1	6	0.1	7	0.1	13	0.2
France	77	3.7	50	2.9	67	2.6	127	3.0	152	3.0	190	2.8
Germany	100	4.7	91	5.4	120	4.6	101	2.4	109	2.2	111	1.7
United Kingdom	685	32.6	542	31.8	835	32.0	1,483	34.6	1,854	36.8	2,726	40.9
United States	383	18.3	273	16.0	499	19.1	745	17.4	904	17.9	1,263	18.9
Grand Total	2,099	100.0	1,705	100.0	2,608	100.0	4,281	100.0	5,043	100.0	6,671	100.0

* Net-gross basis, daily average in April, in billions of US dollars and percentages

Source: BIS Triennial Central Bank Survey 2013

4. Global Economic Engines 2012



- NIEs + ASEAN-5 (9) Korea, Taiwan, Hong Kong, Singapore, Indonesia, Malaysia, Philippines, Thailand, Vietnam
- The Middle East, North Africa (20) Algeria, Bahrain, Republic of Djibouti, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Qatar, Saudi Arabia, Sudan, Syria,

Tunisia, UAE, Yemen

Source : IMF

5. Asian Economies' Medium-term Growth Outlook

(%)

Real Growth Outlook	2011	2012	Forecast		
			2013	2014	2018
World	3.9	3.2	2.9	3.6	4.1
Advanced Economies	1.7	1.5	1.2	2.0	2.5
Emerging and Developing Economies	6.2	4.9	4.5	5.1	5.5
of which Developing Asia	7.8	6.4	6.3	6.5	6.7
of which China	9.3	7.7	7.6	7.3	7.0
India	6.3	3.2	3.8	5.1	6.7

Source: IMF World Economic Outlook (Oct., 2013)

6. Outstanding Asian Debt Securities

(US Dollars, Billions)

Debt Securities (Domestic and International)	International debt securities					
	2001	2006	2012			
Japan	6,410	9,230	14,779	248	305	375
Hong Kong	38	61	111	38	61	111
Singapore	50	99	196	21	43	79
China	256	1,212	3,949	18	29	173
India	12	58	683	7	26	61
Indonesia	52	87	184	9	17	54
Korea	47	963	1,448	47	96	168
Malaysia	17	192	402	17	32	51
Pakistan	27	37	87	1	2	2
Philippines	43	77	130	19	32	45
Thailand	29	129	307	10	11	17
All Area	14,588	31,201	52,285	6,337	15,035	21,919

Source: BIS Debt Securities Statistics September 2013

7. International Investment Position of Major Creditor Countries

(US Dollars, Billions)

		2006	2007	2008	2009	2010	2011	2012
Taiwan	Assets	736	852	848	973	1,113	1,171	1,294
	(Percent of GDP)	(196%)	(214%)	(220%)	(249%)	(239%)	(259%)	(267%)
Japan	Assets	4,697	5,360	5,731	6,039	6,893	7,499	7,664
	(Percent of GDP)	(110%)	(119%)	(104%)	(118%)	(116%)	(124%)	(139%)
China	Assets	1,690	2,416	2,957	3,437	4,119	4,735	5,175
	(Percent of GDP)	(61%)	(66%)	(64%)	(69%)	(68%)	(63%)	(63%)
Korea	Assets	466	597	489	626	694	754	842
	(Percent of GDP)	(48%)	(57%)	(60%)	(68%)	(67%)	(70%)	(71%)

Source: (Taiwan) Central Bank of the Republic of China, Financial Statistics
(Japan, China, Korea) IMF, Balance of Payments Statistics

8. Japan's FDIs by Investment Destination

(\$ billion)

	2008	2009	2010	2011	2012	2013 1st half(P)	Charge from 1st half 2012 (%)
Global Aggregate	130.8	74.7	57.2	108.8	122.4	56.5	-5.9%
Asia	23.3	20.6	22.1	39.5	33.5	18.8	22.2%
China	6.5	6.9	7.3	12.6	13.5	4.9	-31.2%
Asian NIEs	5.8	5.9	6.9	9.3	8.0	4.4	47.3%
ASEAN4	4.0	3.5	4.3	13.2	6.4	6.0	183.1%
Vietnam	1.1	0.6	0.7	1.9	2.6	2.4	34.1%
India	5.6	3.7	2.9	2.3	2.8	0.9	-28.5%
North America	46.0	10.9	9.0	15.2	35.8	11.8	-33.8%
Latin America	29.6	17.4	5.3	11.3	10.5	4.5	11.2%
Europe	23.1	17.8	15.0	39.8	31.0	18.0	27.7%

Source : Ministry of Finance, Balance of Payments