



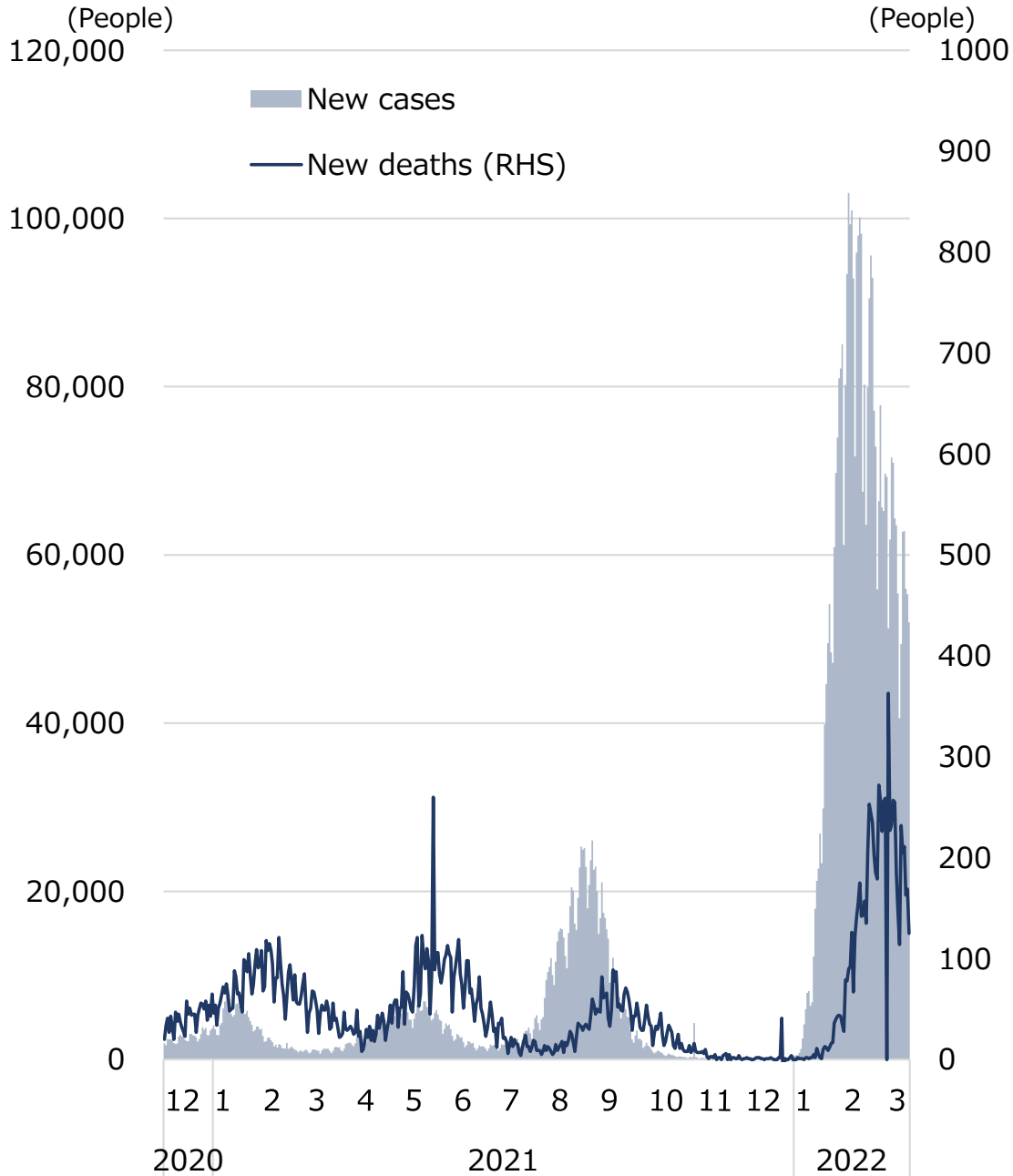
Policy Responses to COVID19 in India and Japan and Future Outlook for the Two Economies

Atsushi Kawamoto

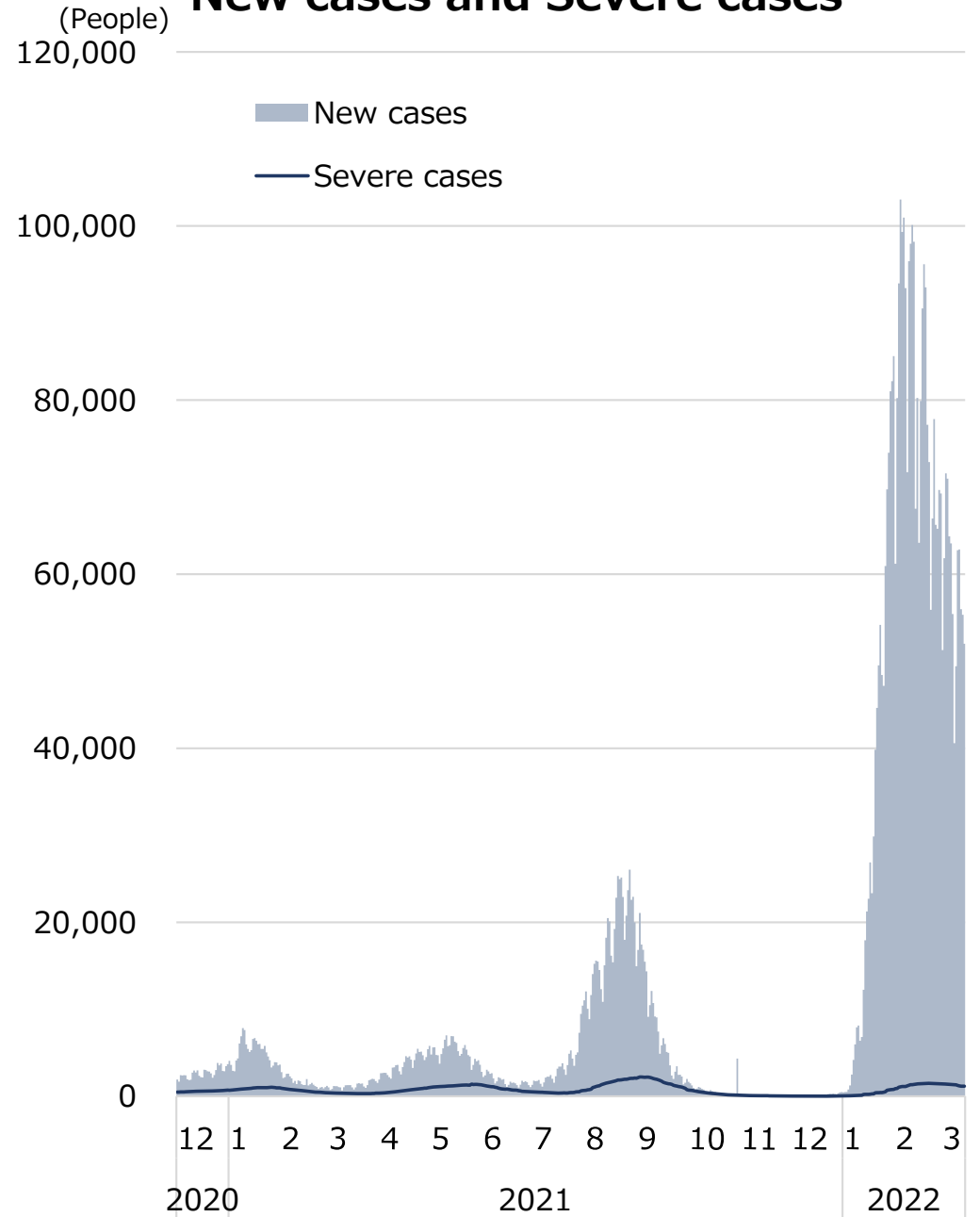
March 22, 2022

COVID-19 Infection Indicator in Japan

New cases and deaths



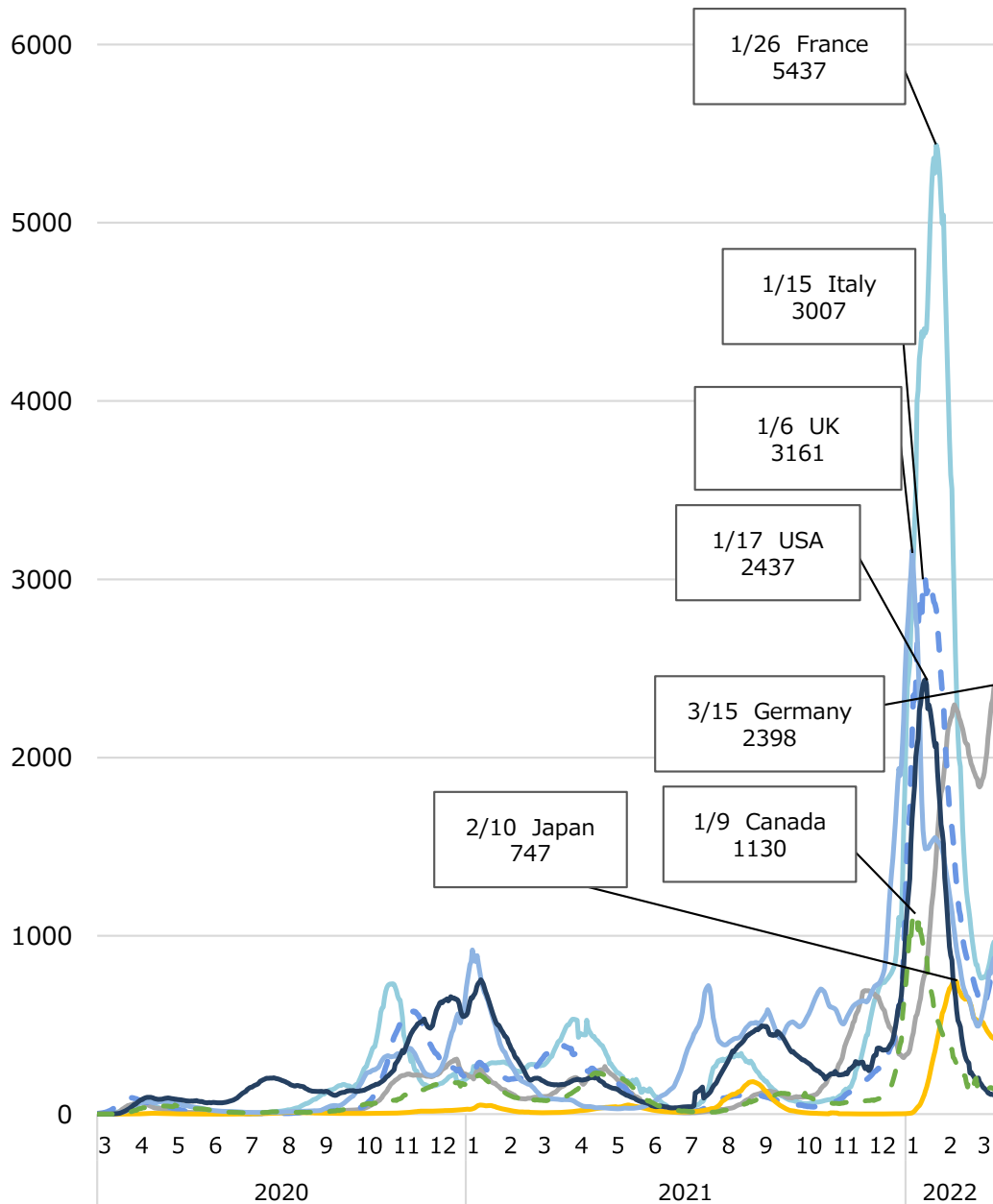
New cases and Severe cases



(Source) WHO, Ministry of Health, Labour and Welfare

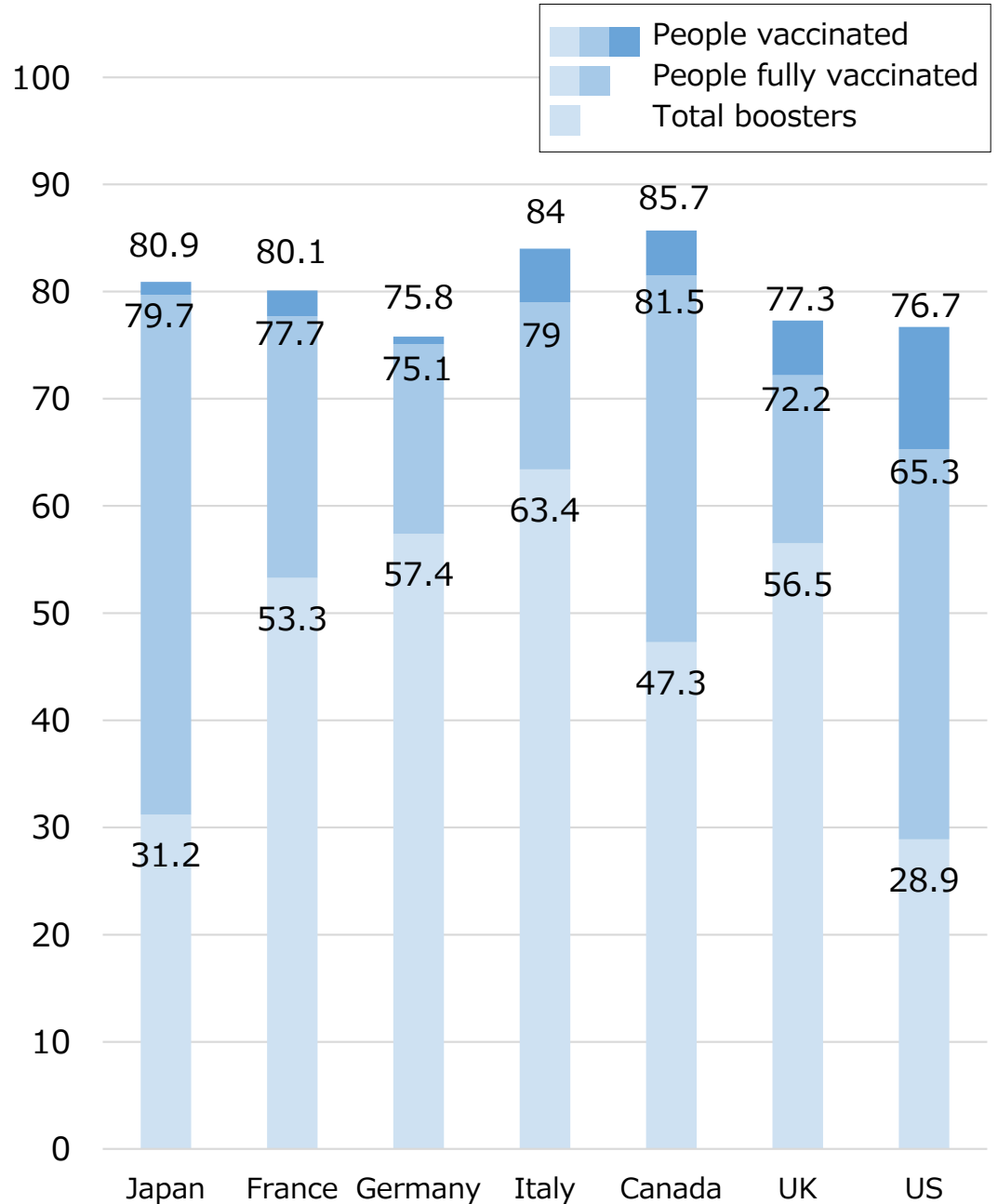
Covid-19 cases / Vaccination

Daily New Confirmed Cases (7-day moving average, per million people)



(Source) WHO, United Nations

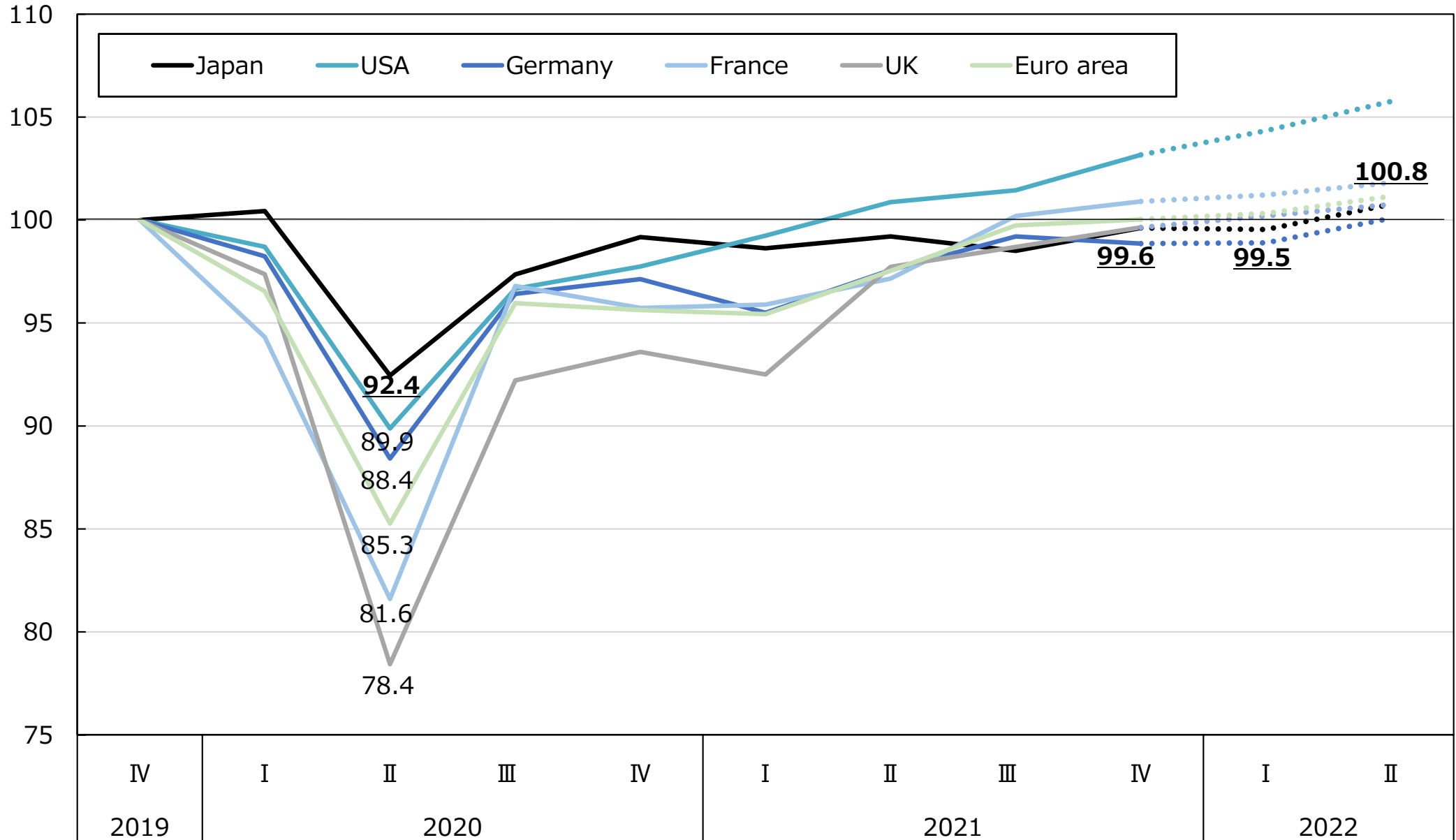
People COVID-19 vaccinated



(Source) Our World in Data

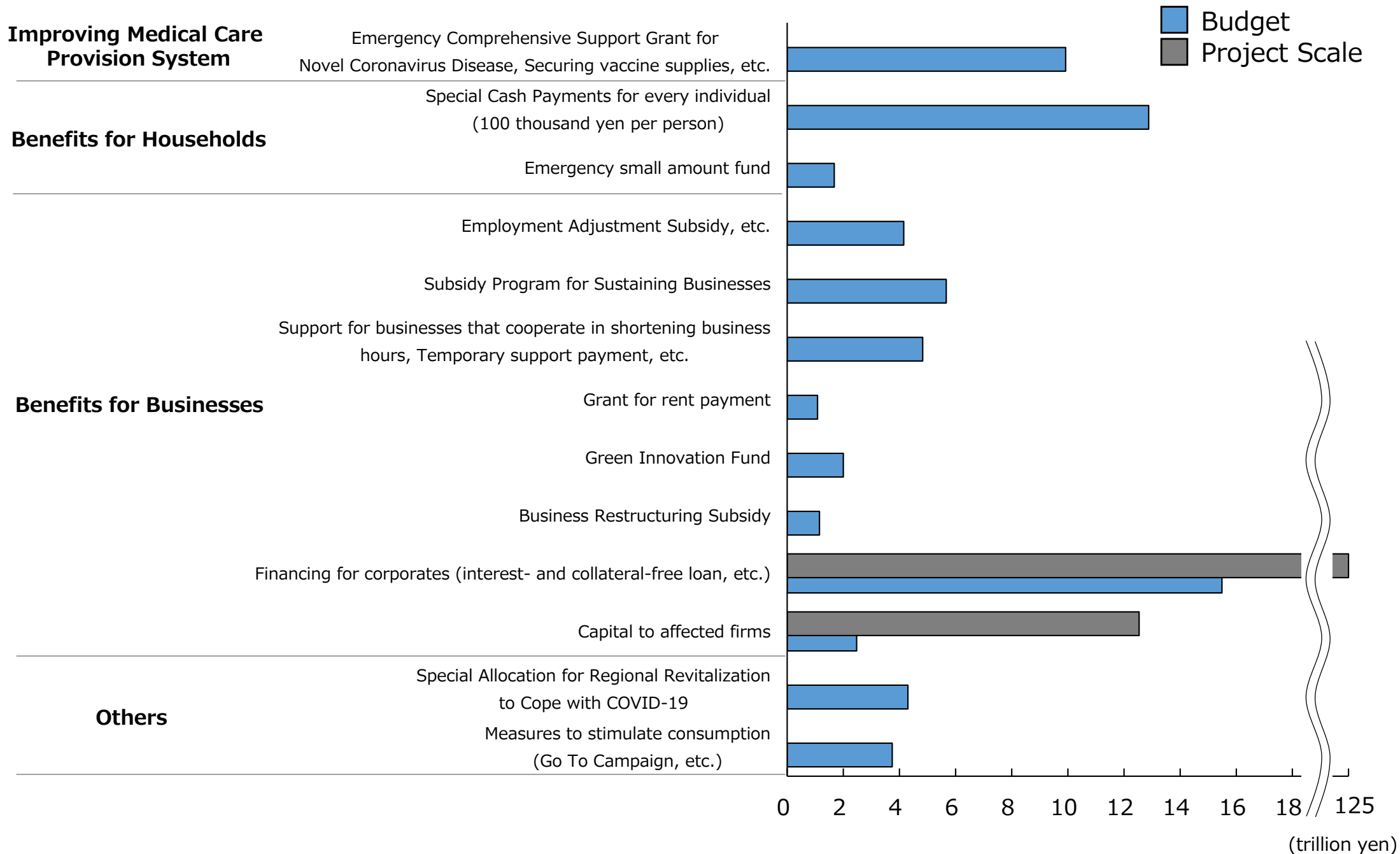
Real GDP

(2019 IV = 100)



(Note) Projections are calculated using the 2021Q4 outcomes and growth forecasts by Bloomberg (as of March 16) and ESP forecast for Japan (March 16)
 (Source) Cabinet Office, Japan Center for Economic Research, Department of Commerce (USA), Congressional Budget Office, Federal Statistical Office
 Germany, Institut national de la statistique et des etudes economiques (France), European Commission, Bank of England,

Major items of economic measures in FY2020



(Source) Materials submitted by the Cabinet Office for the 11th Council on Economic and Fiscal Policy on Nov. 9, 2021

Chronology of economic measures / supplementary budget for COVID-19

Economic Measures (cabinet decision)

2020/4/20

Emergency Economic Measures to Cope with COVID-19

2020/12/8

Comprehensive Economic Measures to Secure People's Lives and Livelihoods towards Relief and Hope

2021/11/19

Economic Measures for Overcoming Coronavirus Infections and Opening Up a New Era

Supplementary Budget

2020/4/30

1st Supplementary Budget for FY2020

2020/6/12

2nd Supplementary Budget for FY2020

2021/1/28

3rd Supplementary Budget for FY2020

2021/12/20

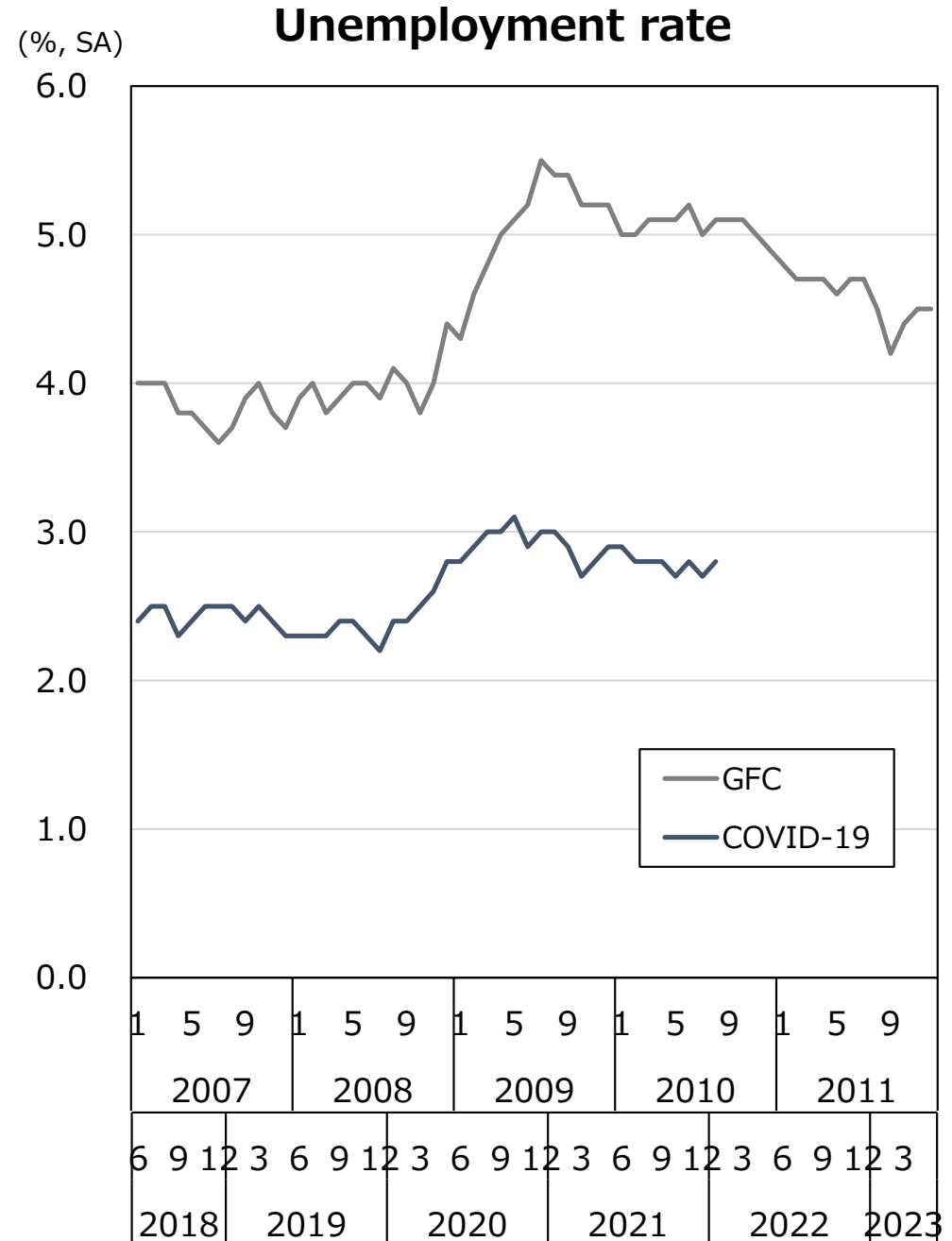
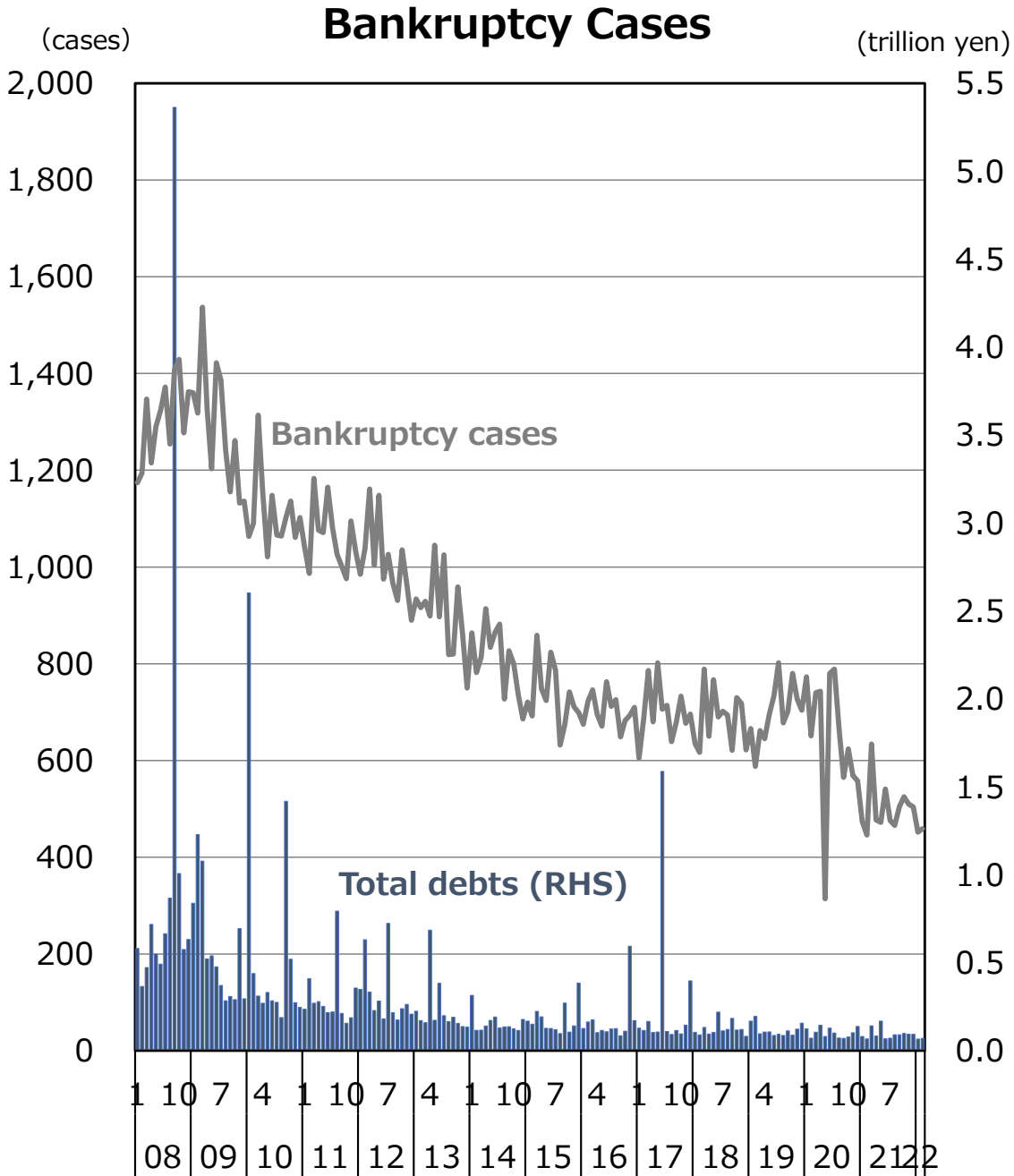
Supplementary Budget for FY2021

New economic measures in November 2021

| Pillars of the New Economic Package on November 19, 2021 | Fiscal Expenditure | % of GDP |
|--|--------------------|----------|
| I. Preventing the spread of the COVID-19 | ¥22.1tn | 4.1% |
| <ul style="list-style-type: none"> • Ensuring a medical care provision system • Support for business and livelihoods of people under severe conditions due to the impact of the COVID-19 | | |
| II. Resuming socioeconomic activities with COVID-19 and preparing for the next crisis | ¥9.2tn | 1.7% |
| <ul style="list-style-type: none"> • Resumption of socioeconomic activities with safety and relief ensured • Drastic strengthening of contingency plans for infectious diseases | | |
| III. Launching a New Form of Capitalism to Open the Way to the Future | ¥19.8tn | 3.7% |
| <ul style="list-style-type: none"> • Growth Strategies • Distribution Strategies | | |
| IV. Ensuring safety and relief by promoting disaster prevention and mitigation and national resilience | ¥4.6tn | 0.9% |

(Note) Fiscal expenditure includes FILP and local government expenditure; the national budget is 43.7 trillion yen, of which the supplementary budget for FY2021 is 31.9 trillion yen.

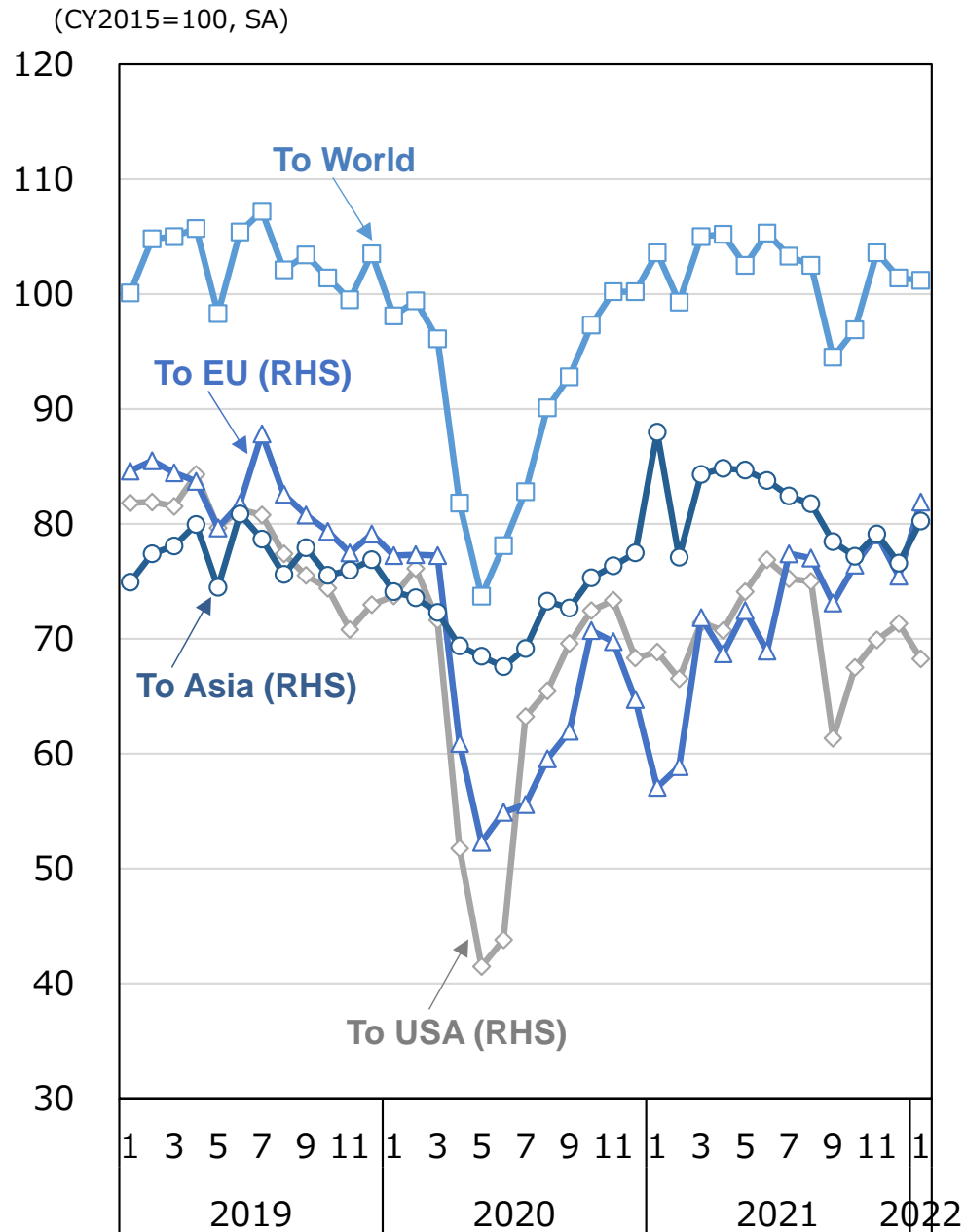
Bankruptcy / Employment



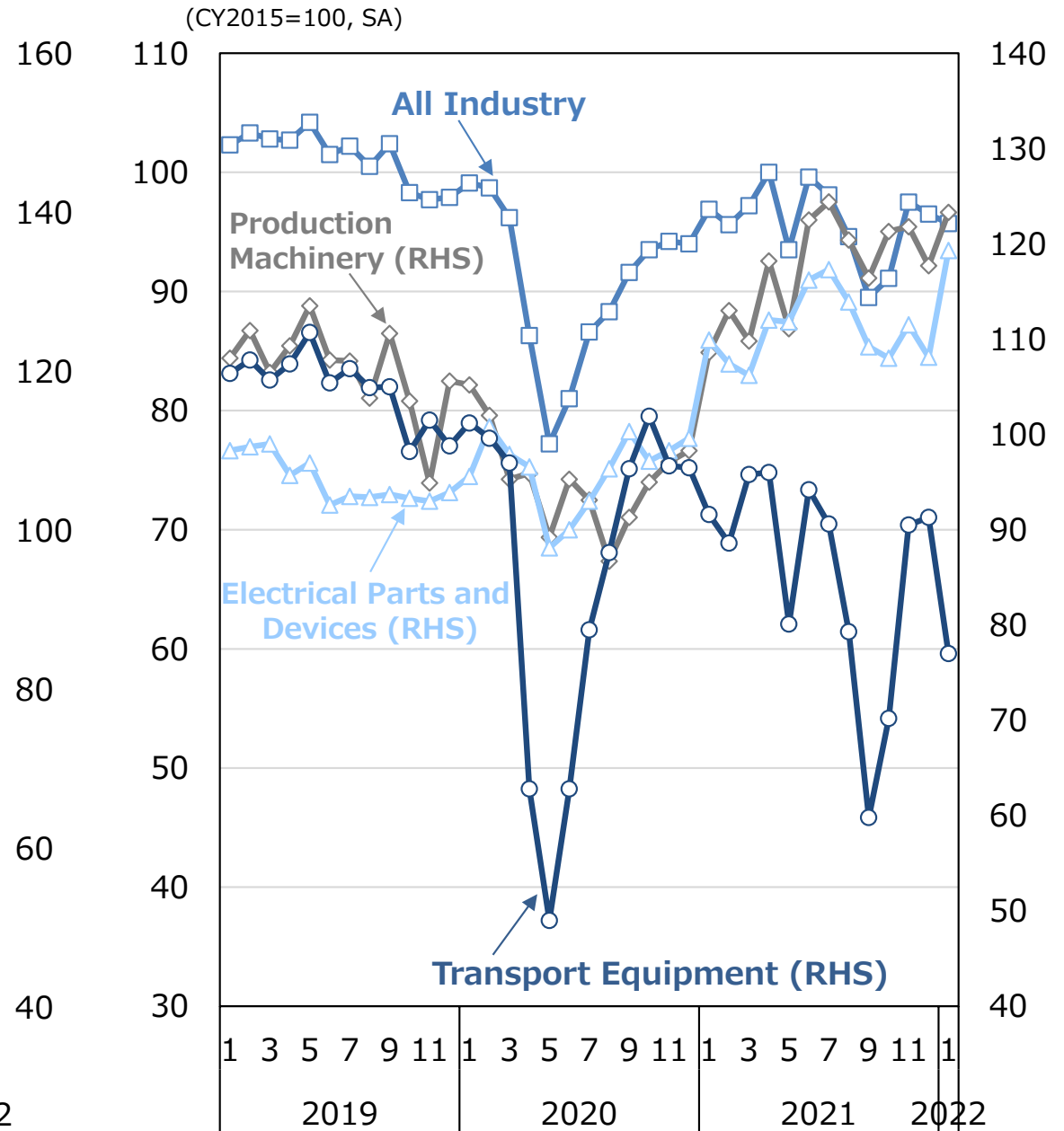
(Source) Tokyo Shoko Research, Ministry of Internal Affairs and Communications

Exports / Industrial Production

Export quantity



Indices of Industrial Production



(Source) Ministry of Finance, Ministry of Economy, Trade and Industry

Corporate investment / saving

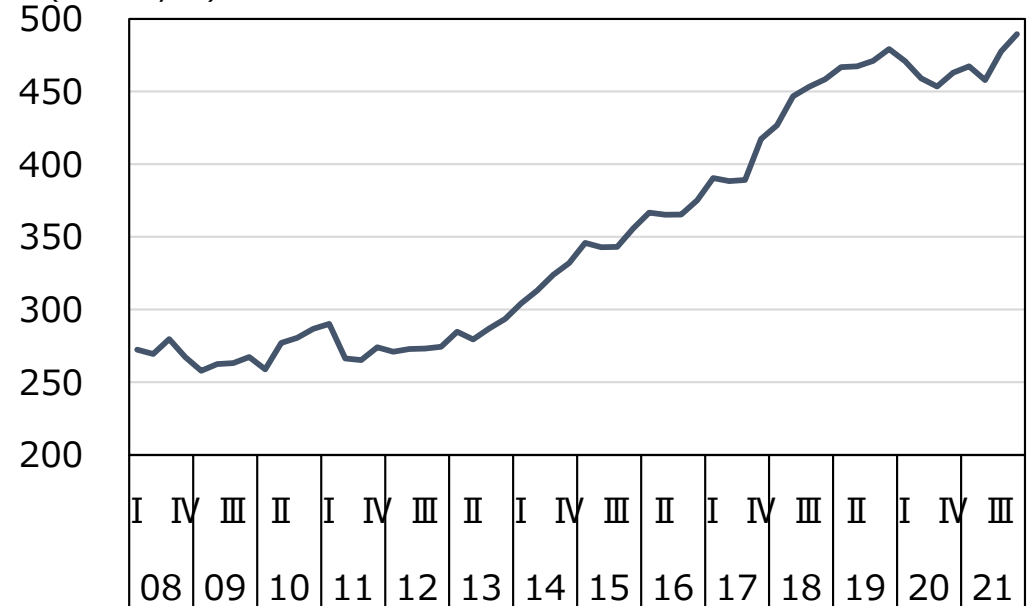
Nominal capital spending

(trillion yen, SA) *annualized



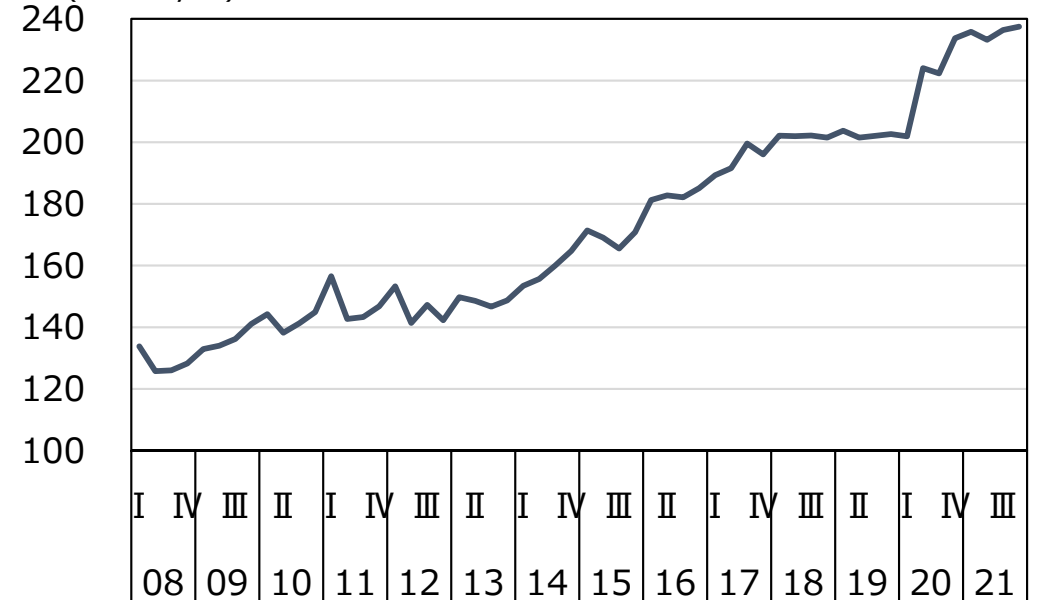
Retained earnings

(trillion yen)



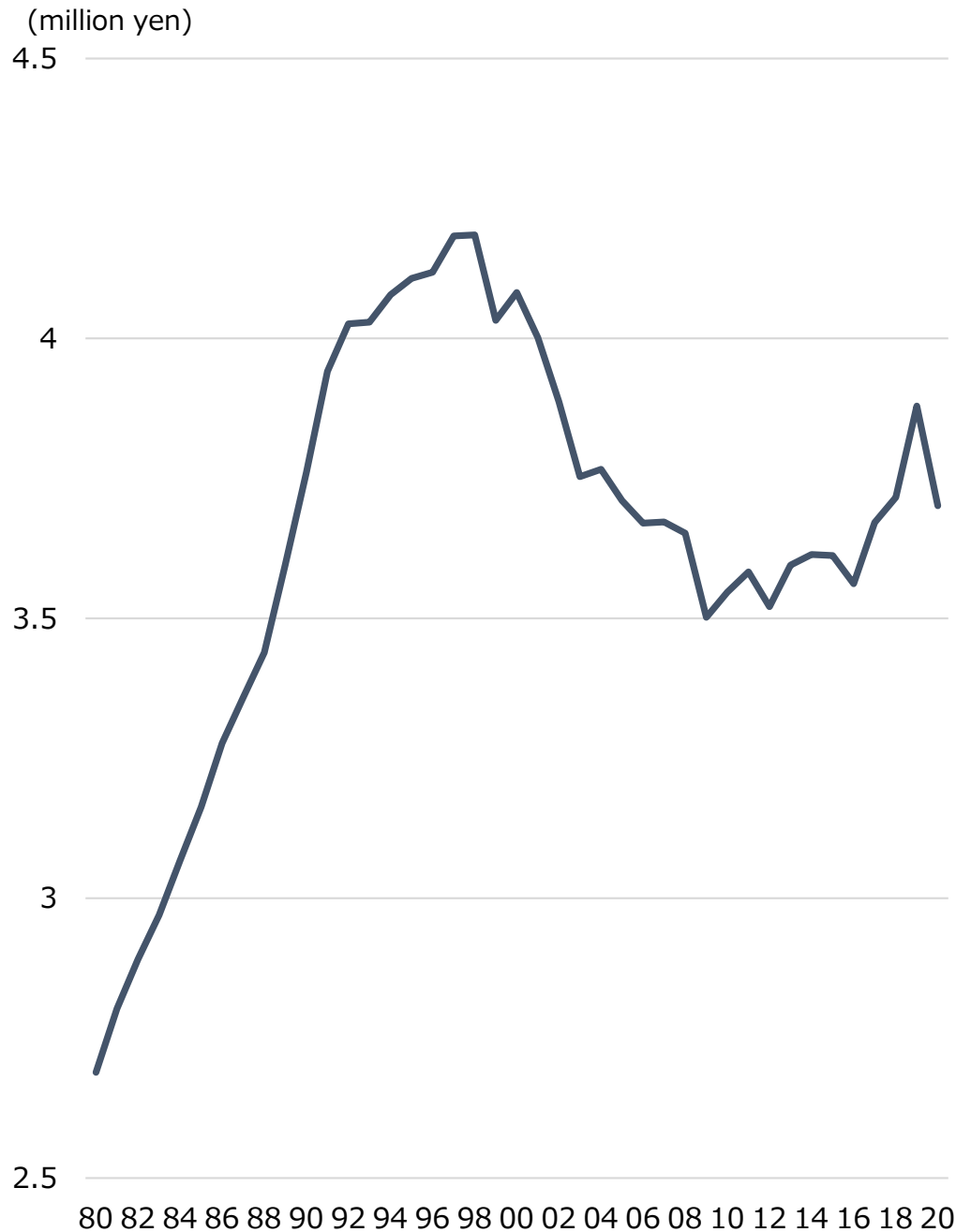
Cash and deposits

(trillion yen)

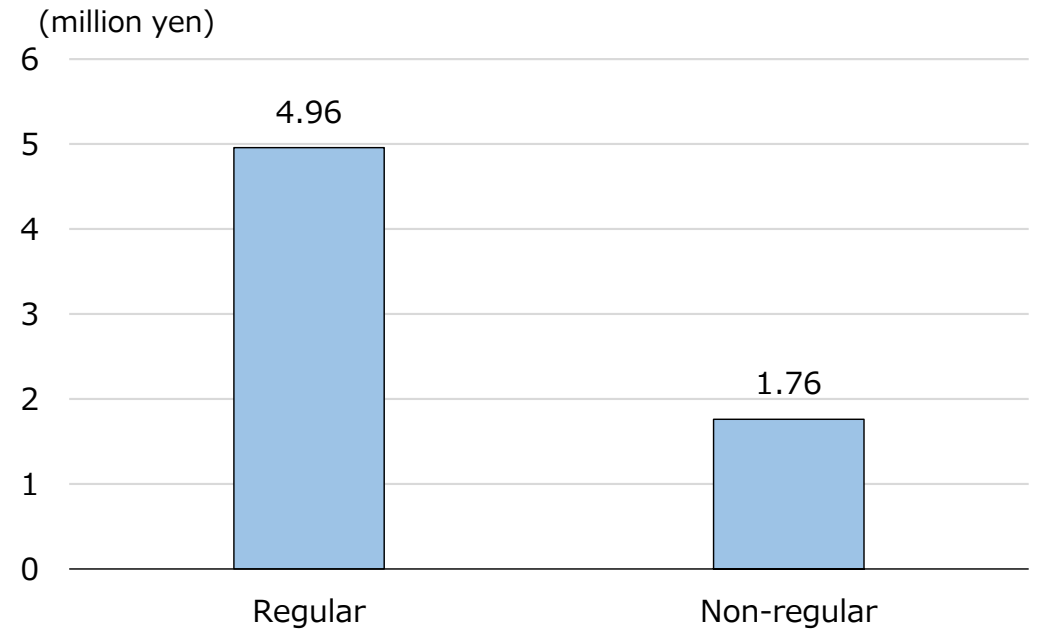


Wage and number of employees

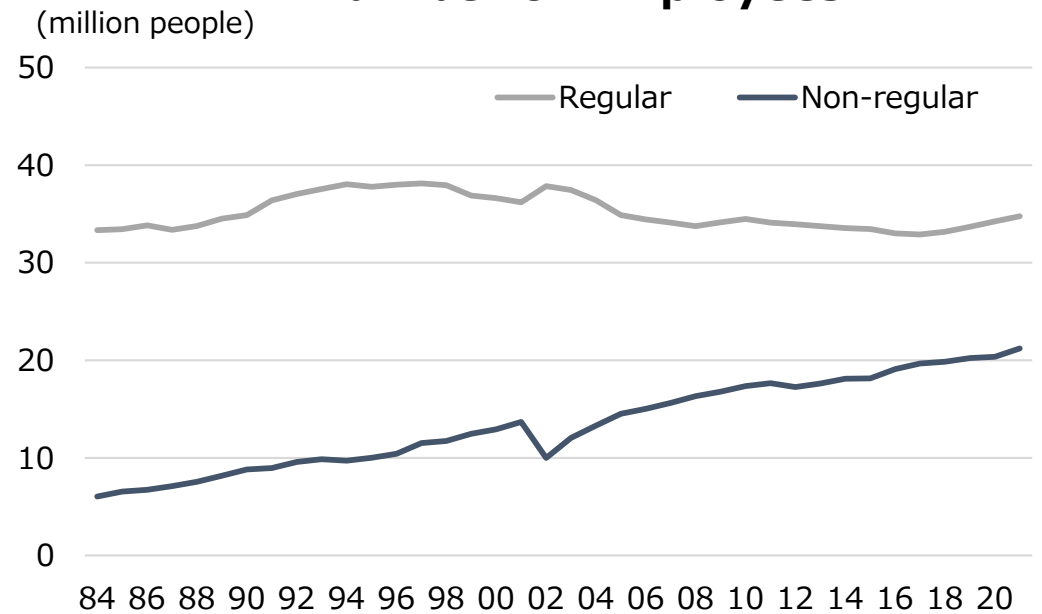
Annual Average Wage



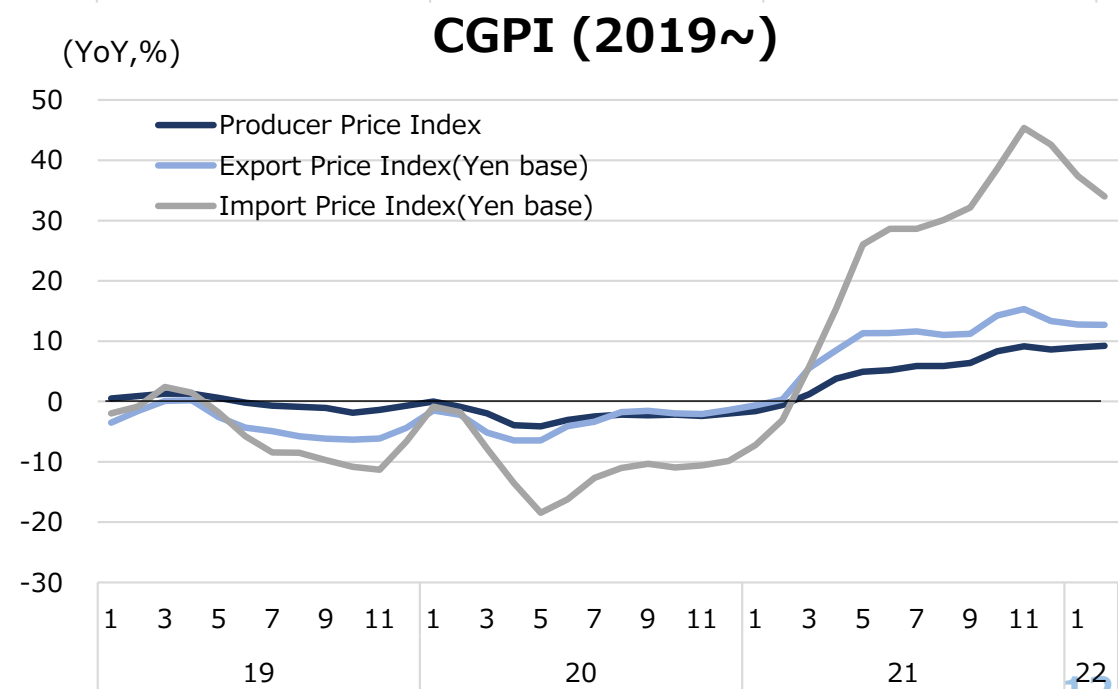
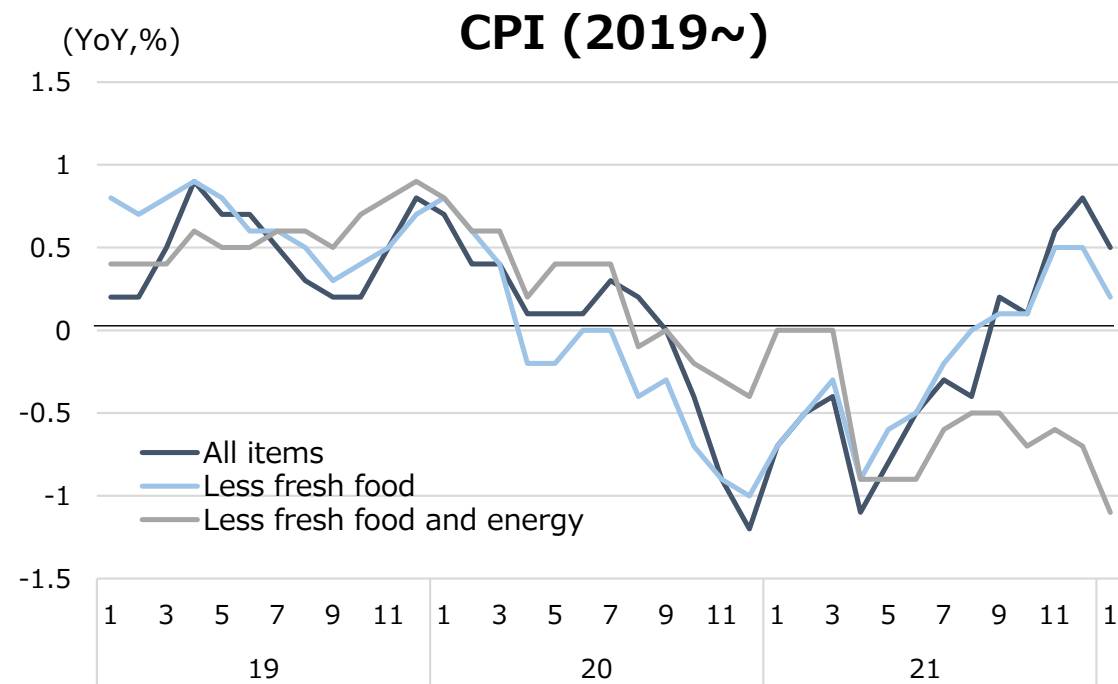
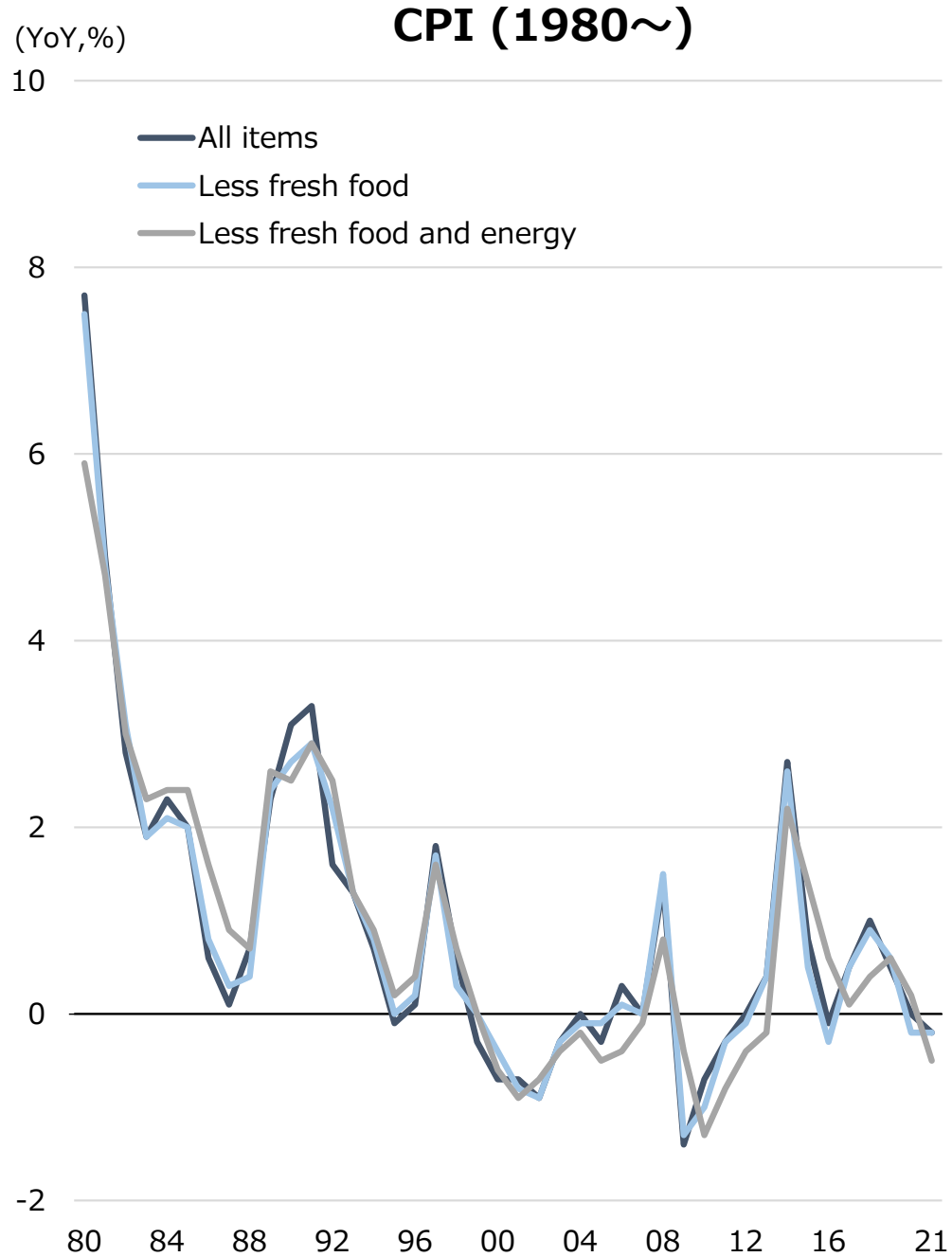
Annual Average Wage (2020)



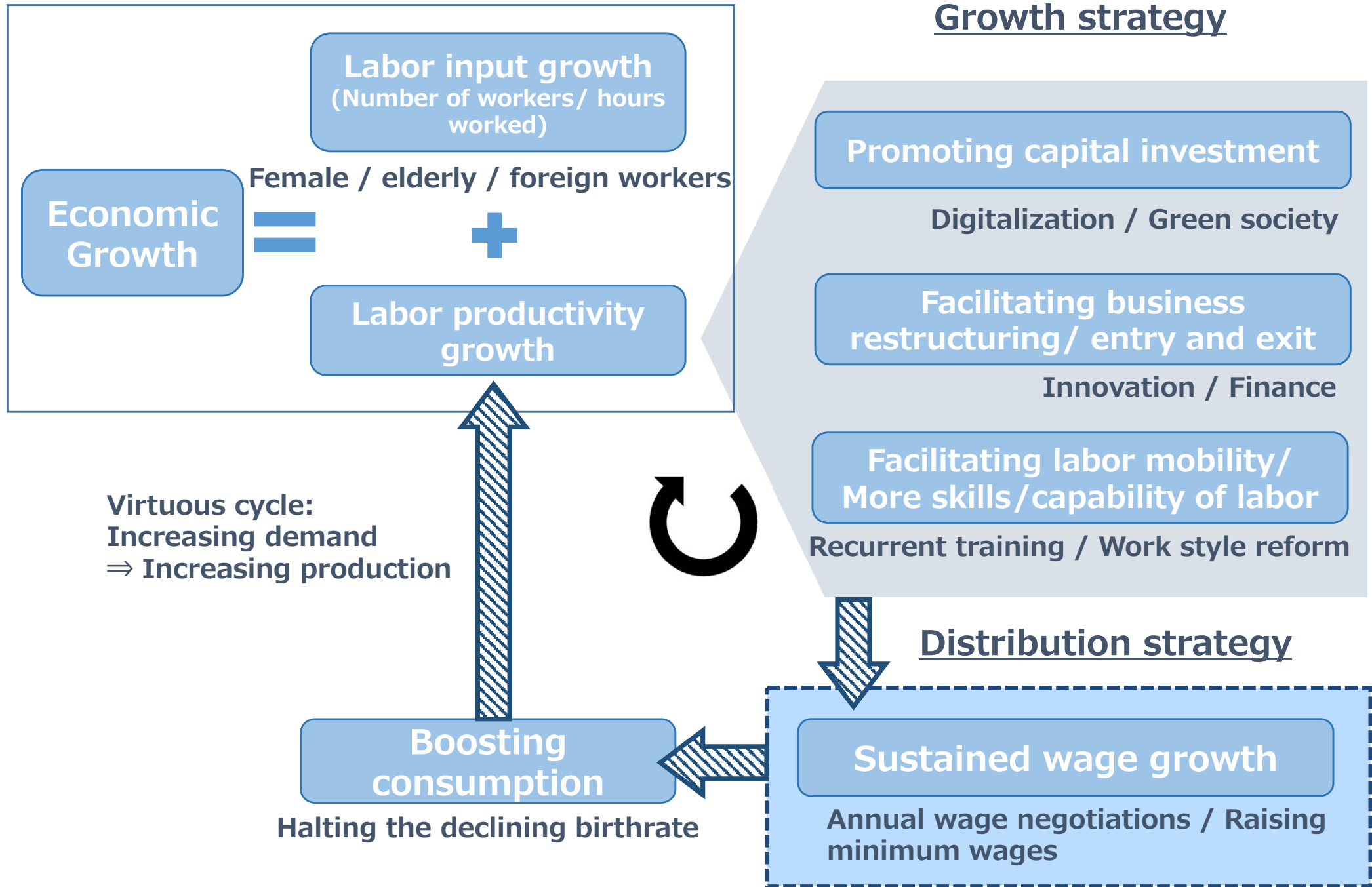
Number of Employees



CPI / CGPI



Aspiration: Virtuous cycle of the economy



Growth under the new form of capitalism

[Policy Speech by PM Kishida, Dec 6]

The first point is our Growth Strategy. The public and private sectors will together play their roles and collaborate in making bold investments for growth.

Innovation

Climate change

Vision for
a Digital Garden City Nation

Economic security