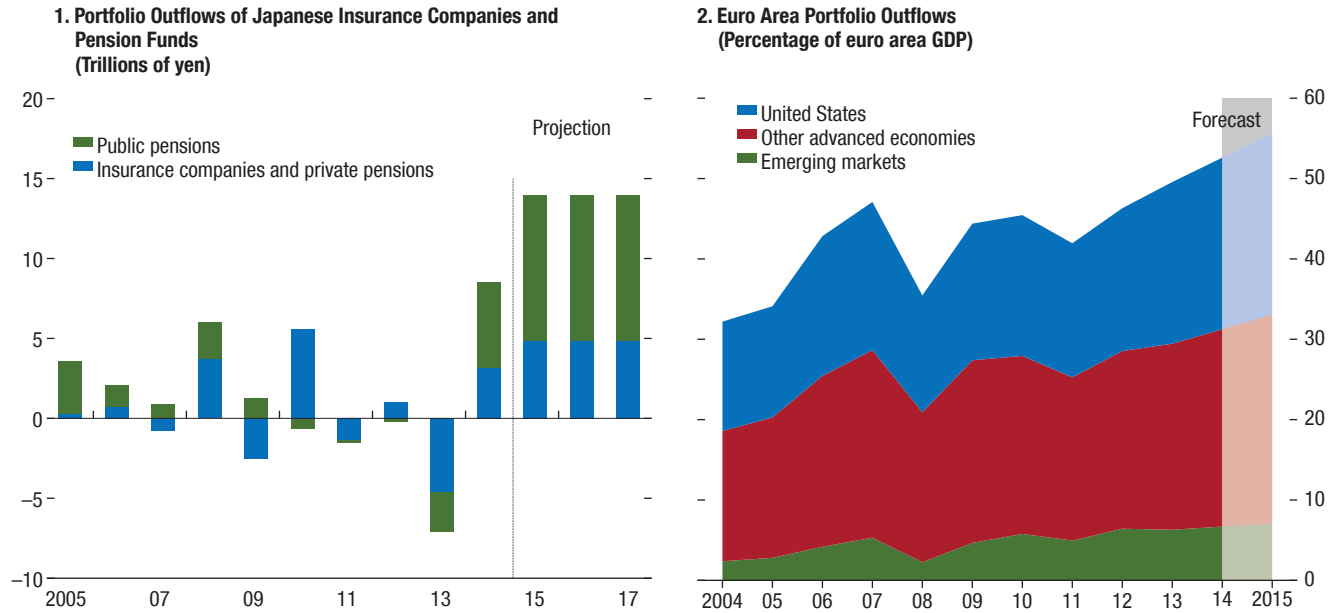


**Figure 1.10. Illustrative “Baseline” QE Portfolio Rebalancing Scenarios in Japan and the Euro Area**



Sources: Bank of Japan; and IMF staff projections.  
 Note: See Annex 1.2 for a description of the assumptions.  
 QE = quantitative easing.

Source: Bloomberg L.P.; Coordinated Portfolio Investment Survey (CPIS); European Central Bank; and IMF staff calculations.  
 Note: Foreign currency-denominated flows exclude central banks, banks and government holdings, and are determined by European insurer asset allocations as of 2013, while destinations are based on data for 2013 international portfolio flows (CPIS). Data for 2014 are IMF estimates. Emerging markets (EM) comprise Argentina, Brazil, Chile, China, Colombia, Hungary, India, Indonesia, Malaysia, Mexico, Philippines, Poland, Russia, Saudi Arabia, Singapore, South Africa, Thailand, and Turkey. Other Advanced Economies (OA) comprise Australia, Canada, Denmark, Japan, New Zealand, Norway, Sweden, Switzerland, and the United Kingdom.