

Japanese Economy in FY2001-2010

(1) Gradual Reform Scenario

Forecast

		Fiscal Year							Average annual rate of percent change	
		2000	2001	2002	2003	2004	2005	2006	2006/2000	2010/2006
Gross Domestic Production (at 1995 prices, billion yen)		530,736.9	524,814.7	521,417.5	525,433.5	533,418.1	539,074.5	543,660.9		
(year-on-year percent change)		1.0	-1.1	-0.6	0.8	1.5	1.1	0.9	0.4	0.8
year-on-year change	Private final consumption expenditure	-0.0	0.7	0.5	1.0	1.3	0.7	0.8	0.8	1.1
	Private housing investment	-1.9	-7.8	1.2	-3.3	4.3	1.6	2.7	-0.3	0.6
	Private plant & equipment investment	4.6	-4.5	-5.0	0.0	3.4	2.8	1.4	-0.3	2.0
	Private inventory investment (contribution)	0.1	-0.0	-0.1	0.1	0.0	0.1	-0.0	-	-
	Government final consumption expenditure	3.3	3.3	2.7	2.5	2.3	1.1	0.6	2.1	0.4
	Public fixed capital formation	-6.1	-5.1	-10.2	-2.7	-2.9	-2.8	-3.1	-4.5	-3.2
	Exports of goods & services	9.3	-6.5	1.4	1.9	2.5	1.4	1.2	0.3	1.4
	Imports of goods & services	9.8	-1.4	0.6	3.0	4.7	0.8	-0.8	1.1	2.1
Contribution	Domestic demand	0.8	-0.5	-0.7	0.8	1.7	1.0	0.6	-	-
	Private demand	0.7	-0.7	-0.5	0.6	1.4	0.9	0.7	-	-
	Public demand	0.1	0.2	-0.3	0.3	0.2	0.0	-0.1	-	-
	Net foreign demand	0.2	-0.6	0.1	-0.1	-0.2	0.1	0.2	-	-
Gross Domestic Production (at current prices, billion yen)		510,839.1	499,544.1	491,215.9	490,358.9	494,307.3	501,066.4	508,111.2		
(year-on-year percent change)		-0.6	-2.2	-1.7	-0.2	0.8	1.4	1.4	-0.1	1.6
Government bond (10-years, over-the-counter standard)		1.64	1.22	1.14	1.18	1.32	2.20	2.41	-	-
Current account to nominal GDP		2.4	1.7	1.9	1.9	1.6	1.6	1.7	-	-
Propensity to consume		88.6	87.8	87.4	87.2	87.6	87.8	88.1	-	-
Unemployment rate		4.7	5.2	5.5	5.9	6.1	6.1	6.0	-	-
Compensation of employees (nominal)		1.3	0.2	-0.7	0.0	0.6	1.0	0.8	0.3	1.3
Mining & manufacturing production index		4.0	-9.5	-0.7	1.1	1.9	1.2	-0.3	-1.1	1.4
Consumer price index (excluding foods)		-0.5	-0.9	-1.0	-1.2	-0.7	0.3	0.4	-0.5	0.7
Domestic wholesale price index		0.0	-0.9	-1.1	-1.2	-1.2	0.0	0.2	-0.7	0.4

(2) Economic Revival Scenario

Forecast

		Fiscal Year							Average annual rate of percent change	
		2000	2001	2002	2003	2004	2005	2006	2006/2000	2010/2006
Gross Domestic Production (at 1995 prices, billion yen)		530,736.9	524,238.1	520,082.8	522,396.7	532,862.0	543,987.3	553,951.7		
(year-on-year percent change)		1.0	-1.2	-0.8	0.4	2.0	2.1	1.8	0.7	1.7
year-on-year change	Private final consumption expenditure	-0.0	0.6	0.2	1.0	1.8	1.6	1.9	1.1	2.2
	Private housing investment	-1.9	-7.8	1.2	-3.3	6.1	2.4	3.9	0.3	2.6
	Private plant & equipment investment	4.6	-4.6	-4.6	-2.1	4.6	5.4	3.9	0.4	4.1
	Private inventory investment (contribution)	0.1	-0.1	-0.0	0.1	0.0	0.1	-0.1	-	-
	Government final consumption expenditure	3.3	3.3	2.7	2.5	2.5	1.5	0.5	2.2	-0.4
	Public fixed capital formation	-6.1	-5.1	-10.2	-2.7	-2.9	-2.8	-3.1	-4.5	-3.2
	Exports of goods & services	9.3	-6.5	1.3	1.9	2.5	2.0	1.3	0.4	1.7
	Imports of goods & services	9.8	-1.3	0.5	2.8	4.9	1.3	-0.4	1.3	2.5
Contribution	Domestic demand	0.8	-0.6	-0.9	0.5	2.2	2.0	1.7	-	-
	Private demand	0.7	-0.8	-0.6	0.2	1.9	1.9	1.7	-	-
	Public demand	0.1	0.2	-0.3	0.3	0.3	0.1	-0.1	-	-
	Net foreign demand	0.2	-0.6	0.1	-0.0	-0.2	0.1	0.2	-	-
Gross Domestic Production (at current prices, billion yen)		510,839.1	499,042.7	489,844.0	487,457.6	494,152.3	506,000.6	518,396.6		
(year-on-year percent change)		-0.6	-2.3	-1.8	-0.5	1.4	2.4	2.4	0.2	2.6
Government bond (10-years, over-the-counter standard)		1.64	1.22	1.14	1.18	1.32	2.20	2.41	-	-
Current account to nominal GDP		2.4	1.7	1.9	1.9	1.7	1.7	1.7	-	-
Propensity to consume		88.6	87.7	87.1	86.8	87.4	87.7	88.4	-	-
Unemployment rate		4.7	5.2	5.6	6.2	6.4	6.3	5.8	-	-
Compensation of employees (nominal)		1.3	0.2	-0.9	0.1	1.1	1.8	1.7	0.7	1.9
Mining & manufacturing production index		4.0	-10.1	-2.6	-0.5	4.4	3.9	2.1	-0.6	2.4
Consumer price index (excluding foods)		-0.5	-0.9	-1.0	-1.2	-0.7	0.3	0.6	-0.5	0.9
Domestic wholesale price index		0.0	-0.9	-1.1	-1.2	-1.2	0.0	0.2	-0.7	0.5

(Note) 1. Year-on-year percent change (%)

(Sources) Cabinet Office "Annual Report on National Accounts", Bank of Japan "Economic Statistics Monthly", etc.