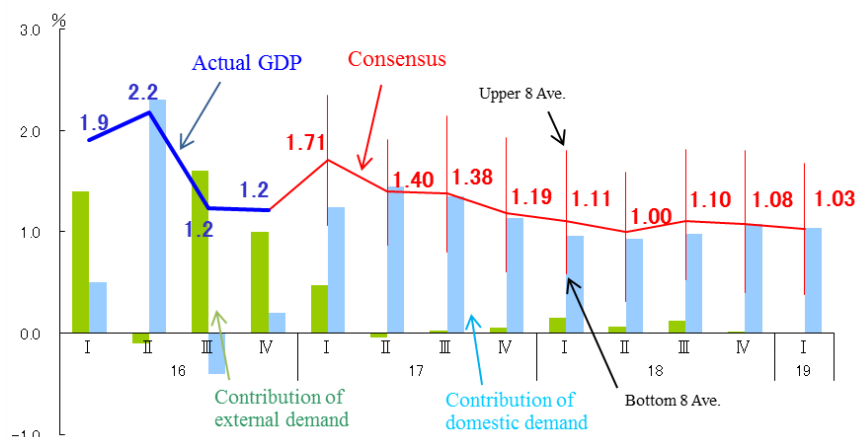


## Real GDP Growth Outlook for 1<sup>st</sup> Quarter 2017 at 1.7%

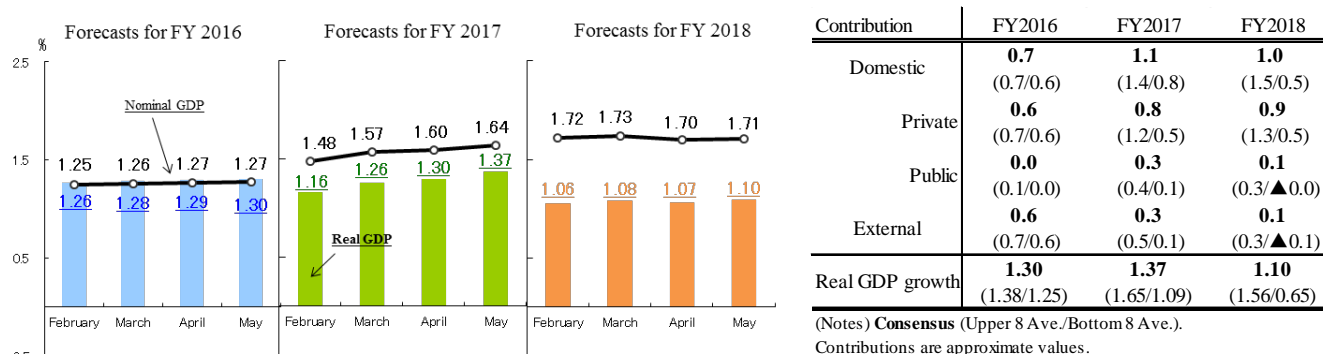
### Real GDP (Quarterly)

Professional forecasters (42 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 1.71% last quarter, and 1.40% this quarter. They predict stable growth around 1.0-1.4% thereafter.



### GDP Growth (FY)

The average rates of real GDP growth prediction are 1.30% in FY2016, 1.37% in FY2017, and 1.10% in FY2018. The nominal figures for each fiscal year are 1.27%, 1.64%, and 1.71%, respectively.



### Core CPI (year-on-year)

After having leveled off in the 3<sup>rd</sup> quarter of 2016 and jumped back into positive territory last quarter, the forecasters expect core CPI to moderately increase up to 1.03% in the 1<sup>st</sup> quarter of 2019. Annual average core CPI is 0.81% in FY2017 and 0.99% in FY2018, following ▲0.2% in FY2016. (Note) Core CPI: All items less fresh food.

