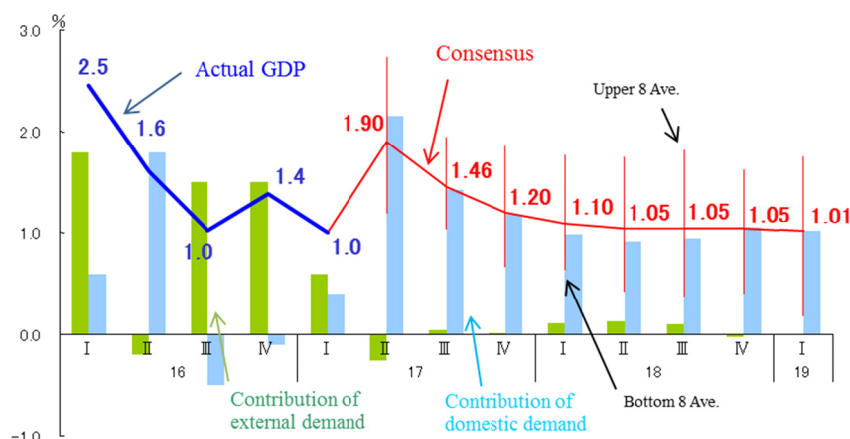


## Real GDP Growth Outlook for 2<sup>nd</sup> Quarter 2017 Revised Upward to 1.9%

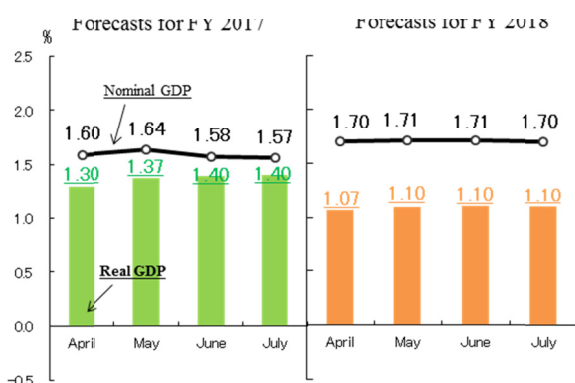
### Real GDP (Quarterly)

Professional forecasters (42 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 1.90 % last quarter, and 1.46% this quarter. They predict growth slowing-down to around 1% thereafter.



### GDP Growth (FY)

The average rates of real GDP growth prediction are 1.40% in FY2017 and 1.10% in FY2018. The nominal figures for each fiscal year are 1.57% and 1.70%, respectively.



Contribution	FY2017	FY2018
Domestic	<b>1.1</b> (1.4/0.9)	<b>1.0</b> (1.4/0.6)
Private	<b>0.9</b> (1.1/0.7)	<b>0.9</b> (1.3/0.5)
Public	<b>0.2</b> (0.4/0.1)	<b>0.1</b> (0.3/▲0.0)
External	<b>0.3</b> (0.5/0.1)	<b>0.1</b> (0.3/▲0.1)
<b>Real GDP growth</b>	<b>1.40</b> (1.64/1.19)	<b>1.10</b> (1.45/0.68)

(Notes) **Consensus** (Upper 8 Ave./Bottom 8 Ave.).

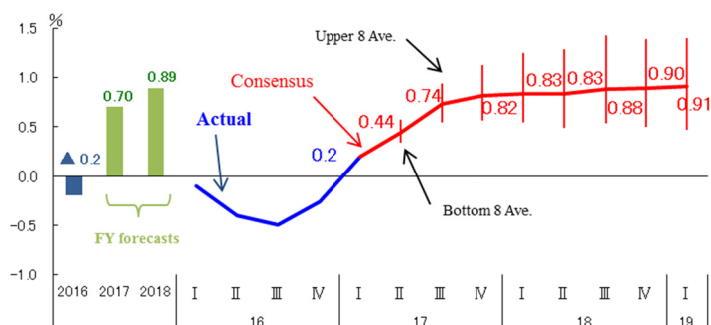
Contributions are approximate values.

#### (Additional question) Forecasts for FY2019

Consensus: 0.70% (Upper 8 Ave.: 1.28%; Bottom 8 Ave.: 0.15%)

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

The forecasters expect core CPI to moderately increase up to 0.91% in the 1<sup>st</sup> quarter of 2019. Annual average core CPI is 0.70% in FY2017 and 0.89% in FY2018, increasing from ▲0.2% in FY2016. (Note) Core CPI: All items less fresh food.



#### (Additional question) Forecasts for FY2019

Consensus (incl. effects of the consumption tax hike): 1.37%  
(Upper 8 Ave.: 2.14%; Bottom 8 Ave.: 0.58%)

Consensus (excl. effects of the consumption tax hike): 0.98%  
(Upper 8 Ave.: 1.70%; Bottom 8 Ave.: 0.33%)

Next survey will be released on or around August 9.