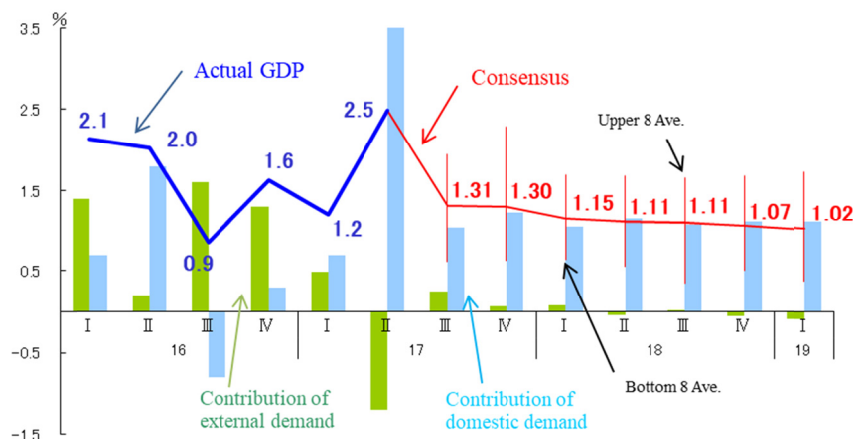


## Real GDP Growth Outlook for 3<sup>rd</sup> Quarter 2017 at 1.31%

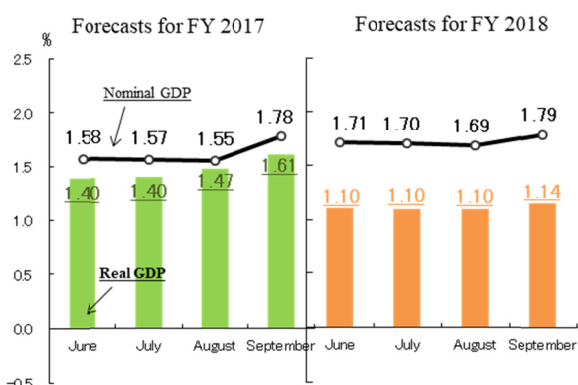
### Real GDP (Quarterly)

Professional forecasters (42 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 1.31% this quarter, revised downward from the previous survey at 1.44%. They predict growth slowing-down to around 1% thereafter.



### GDP Growth (FY)

The average rates of real GDP growth prediction are 1.61% in FY2017 and 1.14% in FY2018. The nominal figures for each fiscal year are 1.78% and 1.79%, respectively.



| Contribution           | FY2017                     | FY2018                     |
|------------------------|----------------------------|----------------------------|
| Domestic               | <b>1.6</b><br>(1.9/1.4)    | <b>1.1</b><br>(1.6/0.7)    |
| Private                | <b>1.2</b><br>(1.4/1.0)    | <b>1.0</b><br>(1.5/0.7)    |
| Public                 | <b>0.4</b><br>(0.5/0.2)    | <b>0.1</b><br>(0.3/▲0.1)   |
| External               | <b>0.0</b><br>(0.2/▲0.1)   | <b>0.0</b><br>(0.2/▲0.2)   |
| <b>Real GDP growth</b> | <b>1.61</b><br>(1.88/1.44) | <b>1.14</b><br>(1.49/0.81) |

(Notes) **Consensus** (Upper 8 Ave./Bottom 8 Ave.).  
Contributions are approximate values.

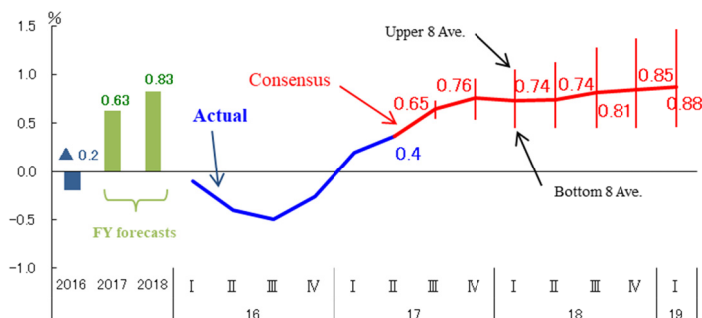
#### (Additional question) Forecasts for FY2019

Consensus: 0.65% (Upper 8 Ave.: 1.13%; Bottom 8 Ave.: 0.15%)

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

The forecasters expect core CPI to moderately increase up to 0.88% in the 1<sup>st</sup> quarter of 2019. Annual average core CPI is 0.63% in FY2017 and 0.83% 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): 1.33%  
(Upper 8 Ave.: 2.09%; Bottom 8 Ave.: 0.60%)

Consensus (excl. effects of the consumption tax hike): 0.95%  
(Upper 8 Ave.: 1.65%; Bottom 8 Ave.: 0.38%)

Next survey will be released on or around October 10.