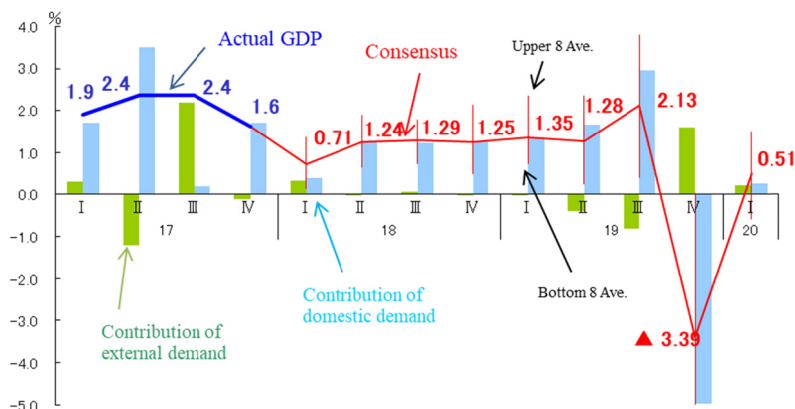


## Real GDP Growth Outlook for 2018Q1 at 0.71%

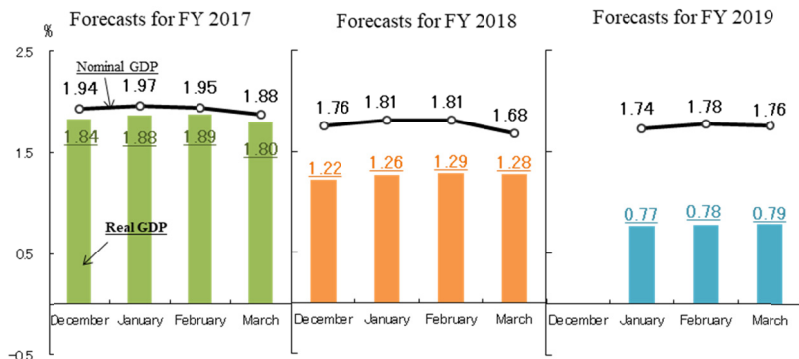
### Real GDP (Quarterly)

Professional forecasters (41 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 0.71% this quarter, revised downward from the previous survey at 1.21%. They predict growth around 1.2-1.3% thereafter over the survey period except the consumption tax hike.



### GDP Growth (FY)

The average rates of real GDP growth prediction are 1.80% in FY2017, 1.28% in FY2018, and 0.79% in FY2019. The nominal figures for each fiscal year are 1.88%, 1.68%, and 1.76%, respectively.

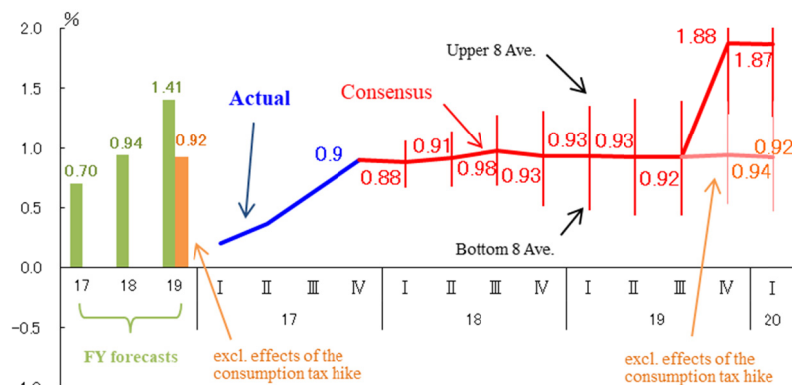


Contribution	FY2017	FY2018	FY2019
Domestic	1.5 (1.5/1.4)	1.1 (1.5/0.7)	0.8 (1.2/0.5)
Private	1.3 (1.4/1.2)	1.0 (1.4/0.7)	0.6 (1.0/0.3)
Public	0.2 (0.2/0.1)	0.1 (0.2/▲0.0)	0.2 (0.4/0.1)
External	0.3 (0.4/0.3)	0.2 (0.4/▲0.1)	▲0.0 (0.2/▲0.4)
<b>Real GDP growth</b>	<b>1.80</b> (1.88/1.75)	<b>1.28</b> (1.60/0.96)	<b>0.79</b> (1.09/0.50)

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

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

The forecasters expect core CPI to average around 0.9% over the next seven quarters and increase up to 1.88% in the 4<sup>th</sup> quarter of 2019 due to the consumption tax hike. Annual average core CPI is 0.70% in FY2017, 0.94% in FY2018, and 1.41% in FY2019. (Note) Core CPI: All items less fresh food.



Next survey will be released on or around April 10.