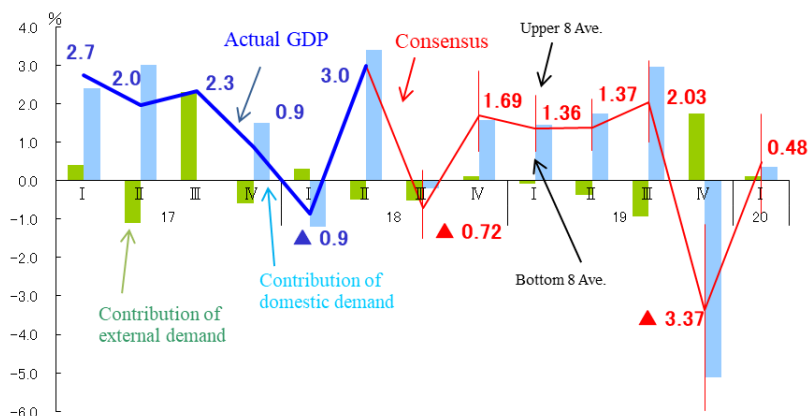


## Real GDP Growth Outlook for 3<sup>rd</sup> Quarter 2018 at ▲0.72%

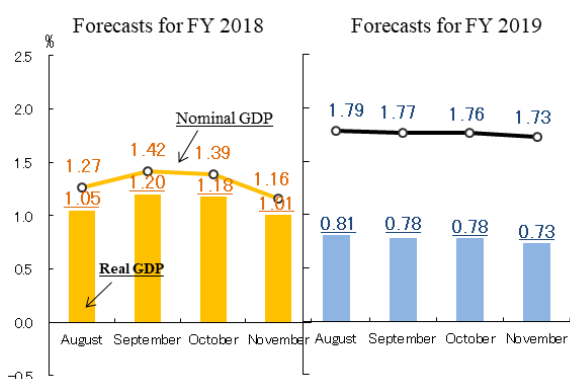
### Real GDP (Quarterly)

Professional forecasters (38 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of ▲0.72% last quarter, revised downward from the previous survey at 0.37%. They predict growth around 1.4-1.7% until the 2<sup>nd</sup> quarter of 2019, and rush demand and its slack growth owing to the consumption tax hike.



### GDP Growth (FY)

The average rates of real GDP growth prediction are 1.01% in FY2018 and 0.73% in FY2019. The nominal figures for each fiscal year are 1.16% and 1.73%, respectively.



Contribution	FY2018	FY2019
Domestic	<b>1.1</b> (1.3/0.9)	<b>0.8</b> (1.1/0.6)
Private	<b>1.1</b> (1.3/0.9)	<b>0.6</b> (0.8/0.3)
Public	<b>0.0</b> (0.1/▲0.0)	<b>0.2</b> (0.4/0.1)
External	<b>▲0.1</b> (0.0/▲0.2)	<b>▲0.1</b> (0.2/▲0.4)
<b>Real GDP growth</b>	<b>1.01</b> (1.20/0.84)	<b>0.73</b> (0.98/0.48)

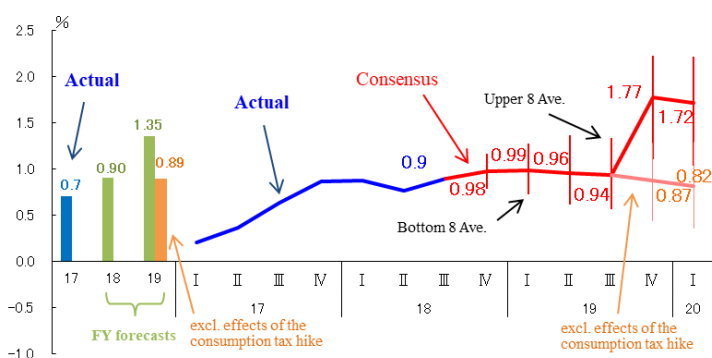
(Notes) **Consensus** (Upper 8 Ave./Bottom 8 Ave.).  
Contributions are approximate values.

### (Additional question) Forecasts for FY2020

Consensus: 0.69% (Upper 8 Ave.: 1.25%; Bottom 8 Ave.: 0.18%)

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

The forecasters expect core CPI to average around 1.0% over the next four quarters and increase up to 1.77% in the 4<sup>th</sup> quarter of 2019 due to the consumption tax hike. Annual average core CPI is 0.90% in FY2018, and 1.35% in FY2019. (Note) Core CPI: All items less fresh food.



### (Additional question) Forecasts for FY2020

Consensus (incl. effects of the consumption tax hike): 1.33%  
(Upper 8 Ave.: 1.83%; Bottom 8 Ave.: 0.76%)

Consensus (excl. effects of the consumption tax hike): 0.89%  
(Upper 8 Ave.: 1.40%; Bottom 8 Ave.: 0.43%)

Next survey will be released on or around December 18.