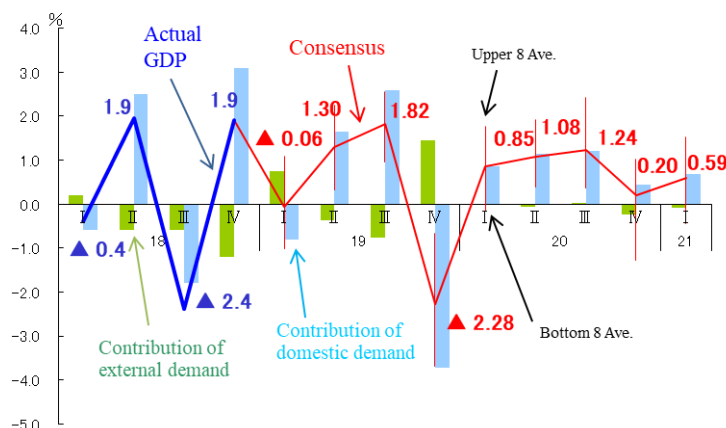


## Slightly Negative Real GDP Growth Outlook for 2019Q1 Remains Unchanged

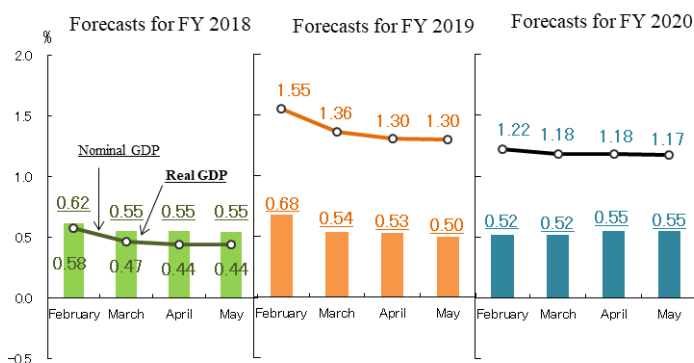
### Real GDP (Quarterly)

Professional forecasters (38 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of ▲0.06% last quarter, unchanged from the previous survey. They predict rush demand at 1.82% in the 3<sup>rd</sup> quarter of 2019 and its slack growth at ▲2.28% in the following quarter owing to the consumption tax hike.



### GDP Growth (FY)

The average rates of real GDP growth prediction are 0.55% in FY2018, 0.50% in FY2019, and 0.55% in FY2020. The nominal figures for each fiscal year are 0.44%, 1.30%, and 1.17%, respectively.

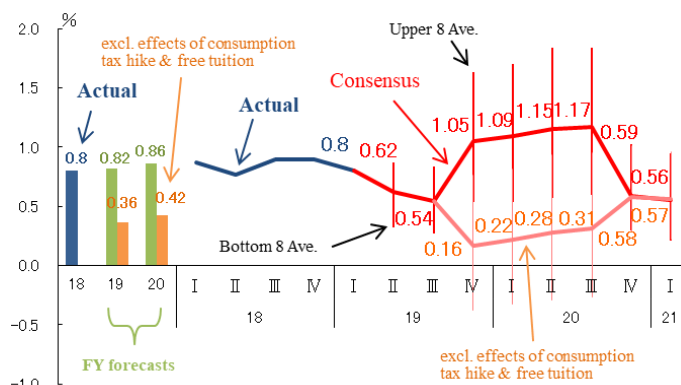


Contribution	FY2018	FY2019	FY2020
Domestic	<b>0.7</b> (0.8/0.7)	<b>0.6</b> (0.9/0.3)	<b>0.5</b> (0.8/0.2)
Private	<b>0.8</b> (0.9/0.7)	<b>0.3</b> (0.7/▲0.0)	<b>0.3</b> (0.6/▲0.0)
Public	<b>▲0.0</b> (0.0/▲0.1)	<b>0.3</b> (0.4/0.2)	<b>0.2</b> (0.3/0.1)
External	<b>▲0.2</b> (▲0.1/▲0.3)	<b>▲0.1</b> (0.2/▲0.4)	<b>0.1</b> (0.3/▲0.1)
<b>Real GDP growth</b>	<b>0.55</b> (0.63/0.46)	<b>0.50</b> (0.76/0.20)	<b>0.55</b> (0.80/0.31)

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

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

The forecasters expect core CPI to decrease from 0.8% to 0.54% in the 3<sup>rd</sup> quarter of 2019 and increase to 1.05% in the following quarter. Annual average core CPI is 0.82% in FY2019, and 0.86% in FY2020, slightly higher than 0.8% in FY2018. (Note) Core CPI: All items less fresh food.



Next survey will be released on or around June 18.