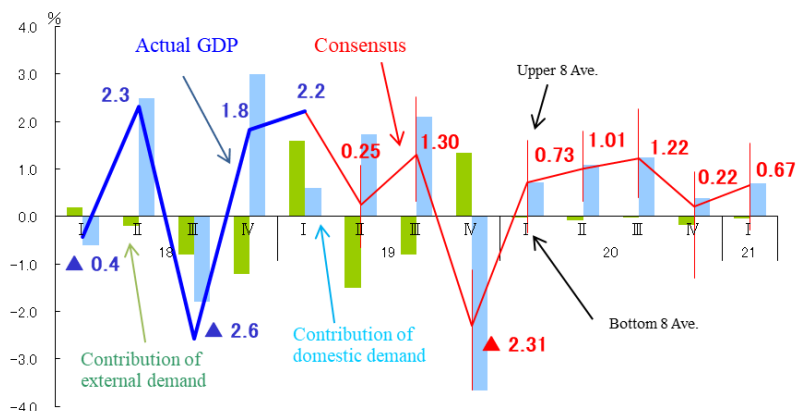


Real GDP Growth Outlook for 2019Q2 Revised Upward to 0.25%

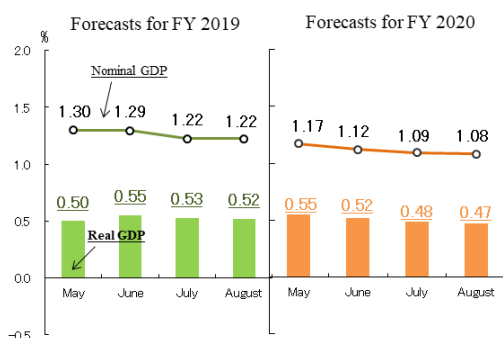
Real GDP (Quarterly)

Professional forecasters (37 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 0.25% last quarter, revised upward from the previous survey at ▲0.17%. They predict rush demand at 1.30% in this quarter and its slack growth at ▲2.31% in the following quarter owing to the consumption tax hike.



GDP Growth (FY)

The average rates of real GDP growth prediction are 0.52% in FY2019, and 0.47% in FY2020. The nominal figures for each fiscal year are 1.22%, and 1.08%, respectively.



Contribution	FY2019	FY2020
Domestic	0.8 (1.1/0.5)	0.4 (0.7/0.1)
Private	0.5 (0.8/0.3)	0.2 (0.5/▲0.1)
Public	0.3 (0.4/0.2)	0.2 (0.3/0.1)
External	▲0.2 (▲0.1/▲0.5)	0.1 (0.2/▲0.1)
Real GDP growth	0.52 (0.78/0.25)	0.47 (0.69/0.25)

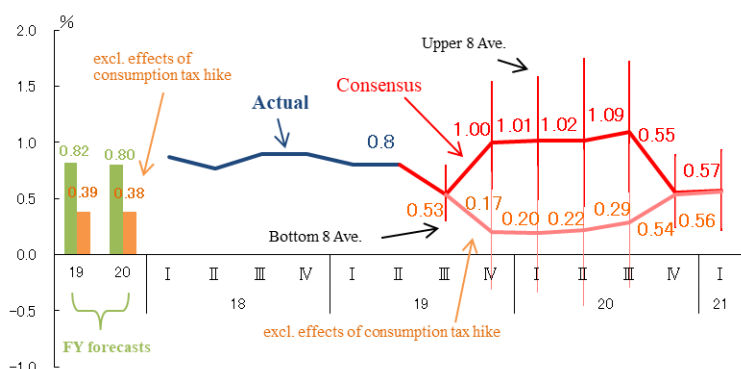
(Notes) Consensus (Upper 8 Ave./Bottom 8 Ave.).
Contributions are approximate values.

(Additional question) Forecasts for FY2021

Consensus: 0.56% (Upper 8 Ave.: 0.94%; Bottom 8 Ave.: 0.10%)

Core CPI (year-on-year)

The forecasters expect core CPI to decrease from 0.8% to 0.53% in this quarter and increase to 1.00% in the following quarter. Annual average core CPI is 0.82% in FY2019, and 0.80% in FY2020, almost flat at 0.8% in FY2018. (Note) Core CPI: All items less fresh food.



(Additional question) Forecasts for FY2021

Consensus: 0.75%

(Upper 8 Ave.: 1.16%; Bottom 8 Ave.: 0.39%)

Next survey will be released on or around September 18.