

14 December 2016 (No. of pages: 20)

Japanese report: 09 Dec 2016

Japan's Economic Outlook No. 191 Update (Summary)

How will Japan's economy respond to Trump Shock? In this report we examine the following: (1) Overseas Investment Behavior, (2) Personal Consumption, and (3) How to Improve Economic Statistics

Japan to see real GDP growth of +1.3% in FY16 and +0.9% in FY17, with nominal GDP growth of +1.3% in FY16 and +1.4% in FY17.

Economic Intelligence Team

Mitsumaru Kumagai
Satoshi Osanai
Keisuke Okamoto
Shunsuke Kobayashi
Tsutomu Saito
Kazuma Maeda
Makoto Tanaka

Summary

- **How will Japan's economy respond to Trump Shock?:** In light of the 2nd preliminary Jul-Sep 2016 GDP release (Cabinet Office) we have revised our economic growth outlook. We now forecast real GDP growth of +1.3% in comparison with the previous year for FY16 (+1.1% in the previous forecast), and +0.9% in comparison with the previous year for FY17 (+0.9% in the previous forecast). Japan's economy is expected to recover gradually due to the following domestic factors: (1) growth in real wages, (2) low price of crude oil and improvement in terms of trade, and (3) implementation of an economic stimulus package. However, there is downside risk for Japan's economy, which could arise from the ripple effects of Donald Trump's winning of the recent US presidential election. These are mainly (1) yen appreciation, (2) stock price lows, and (3) world economic slowdown. If nothing else, there is expected to be increasing uncertainty in the world economy in the mid to long-term, coupled with risk-off behavior in the global financial markets, which could cause worldwide stock price lows and a rapid depreciation of the dollar.
- **Real GDP growth rate for Jul-Sep 2016 period was +1.3% q/q annualized (+0.3% q/q):** The real GDP growth rate for Jul-Sep 2016 (2nd preliminary est) was revised downwards to +1.3% q/q annualized (+0.3% q/q) in comparison to the 1st preliminary report (+2.2% q/q annualized and +0.5% q/q), while at the same time falling below market consensus (+2.3% q/q annualized and +0.6% q/q). But despite the negative outcome for the revised version, its major

cause is thought to be the short-term downturn due to inventory fluctuation and major revisions in methods and standards used in estimating GDP. Hence there is no need for pessimism because of these results. Looking at the basic tone of real GDP, our current assessment of the Japanese economy is that it is beginning to move toward making a comeback that should pull it out of its recent lull.

- **Downward revision of private sector capex, inventory, and net exports brings downward pressure on overall results:** Performance by demand component indicates that, while private final consumption expenditure was revised upwards, private-sector capital investment, fluctuations in private sector inventory, and net exports were all revised downwards, bringing downward pressure on overall results.

Private final consumption expenditure was revised upwards to +0.3% q/q (+0.1% on the 1st preliminary). Meanwhile, of particular note is the fact that the overall trend in consumption since the beginning of 2016 has been revised upwards due to major revisions in methods and standards used in estimating GDP. Private-sector capital investment was revised downwards to -0.4% q/q (+0.0% on the 1st preliminary). This was due to the inclusion of data from corporate statistics and the considerable upward shift of Apr-Jun 2016 results to a higher level as a result of revisions in methods and standards used in estimating GDP, which then brought on a reactionary decline on the Jul-Sep period report. When we check on the midterm revision situation, we find that the contribution to real GDP growth of capex is appropriately assessed in a way that gives it a gentle upward revision. Inventory investment's contribution was revised downwards to -0.3%pt q/q (-0.1%pt on the 1st preliminary), falling below market consensus (-0.1%pt). Looking at GDP contribution by inventory class, we see that of the four inventory classes, the downward revision of finished goods had the largest influence on GDP. Meanwhile, exports were revised downwards, while imports were revised upwards. This resulted in the downward revision of net exports (exports – imports).

As for other items, housing investment and government fixed capital formation were revised upwards from the 1st preliminary, while government consumption was revised downwards, but the effect on overall GDP was negligible.

- **Major revisions in methods and standards used in estimating GDP: Three changes come one on top of the other:** It is especially important to note that the Jul-Sep 2016 2nd Preliminary GDP Estimate has felt the effect of three major changes in methods of estimating GDP coming one on top of the other. These are (1) First annual estimate (previously referred to as *Kakuhō*), (2) Revision of standards (switch from 2005 standard to 2011 standard, and (3) Change in international standard – System of National Accounts (SNA). (Switch from 1993 SNA to 2008 SNA.) The last time a switch was made in international standards was in 2000 when Japan switched from use of 1968 SNA to 1993 SNA.

Results on the Jul-Sep 2016 2nd Preliminary GDP Estimate were affected as follows: (1) The level of capital expenditure shifted upwards considerably due to capitalization of R&D, and the midterm trend in capex was revised moderately upwards, (2) Private final consumption expenditure was revised upwards from the beginning of 2016, and (3) Changes had limited effect on our assessment of the economy.

- **Overseas demand the driving force; consumption continues to bottom out:** Performance by demand component in the Jul-Sep 2016 results (2nd preliminary) shows private sector final consumption expenditure up for the third consecutive quarter by +0.3% q/q (+0.1% on the 1st preliminary). Results were favorable despite the negative effects of typhoons which hit Japan in greater number than normal this year, and the unusually hot weather nationwide which continued into early autumn, taking a bite out of growth in purchase of seasonal items.

Housing investment grew for the third consecutive quarter at +2.6% (+2.3% on the 1st preliminary). New housing starts, a leading indicator for housing investment as a portion of GDP, are continuing to grow as a result of lower interest rates, growth in rental property construction as an inheritance tax strategy, and last-minute demand which developed on the assumption that the consumption tax would again be increased in April of 2017. This in turn gave a lift to housing investment, which is recorded on a progressive basis.

Capital expenditure on the part of private sector corporations declined for the second consecutive quarter at -0.4% q/q (+0.0% on the 1st preliminary), apparently taking a breather from its growth trend. Though corporate earnings remain at a high level, the source of growth is not volume, but rather the decline in the cost of input and growth in the calculated price of exports. It has not led to an increase in operating rates. Moreover, the slowdown in the overseas economy and the progressively strong yen which lasted through summer create a major headwind for capex.

Private sector inventory's contribution declined for the first time in two quarters at -0.3%pt q/q (-0.1%pt on the 1st preliminary). Contribution of distribution inventory to real GDP growth was negative. Meanwhile, work in progress inventory and material & supplies inventories, which are provisional on the 1st preliminary GDP estimate, also made negative contributions. Finished goods contributed zero on a q/q basis.

Public investment grew for the second consecutive quarter at +0.1% q/q (-0.7% on the 1st preliminary), but came in pretty much at the level of marking time. While the government having front-loaded the FY2015 supplementary budget brought a plus, the positive effect of past economic policies on public investment has begun to peter out. Government consumption was up by +0.3% q/q (+0.4% on the 1st preliminary). When averaged out this constitutes a continuation of the growth trend.

Exports grew for the first time in two quarters at +1.6% q/q (+2.0% on the 1st preliminary). As for exports of goods, Asia has maintained the favorability of the previous quarter, while exports to the US and the EU show signs of a comeback. As for Asia, export volume of ICs expanded in anticipation of the marketing of new smart phone models. Meanwhile, export volume of automobiles to the US maintained a firm undertone despite some fluctuations. In a reflection of stagnant domestic demand, imports declined for the fourth consecutive quarter at -0.4% q/q (-0.6% on the 1st preliminary). As a result, overseas demand had a positive contribution of +0.3%pt (+0.5%pt on the 1st preliminary) to GDP.

- **Moderate recovery expected for Japan's economy, but caution required regarding the policies of President elect Trump:** We expect Japan's economy to continue in a moderate expansion phase. However, caution is required as domestic demand continues to lack strength. Overseas demand is expected to continue its gradual expansion. However, if the world economy becomes more uncertain in the future, this could cause domestic demand to

stagnate, and to become a negative factor bringing downward pressure on Japan's overall economy. A further risk is the expectation that the US Fed will increase interest rates within the year. Doing so could cause a slowdown in the US economy, or capital outflow from the emerging nations associated with interest hikes. Meanwhile, caution is required regarding worldwide stock price lows and a rapid depreciation of the dollar due to risk-off behaviors, which could occur depending on future policy decisions of President elect Donald Trump.

Personal consumption is expected to continue in a moderate expansion phase. The supply of labor continues to be tight, and this should provide underlying support for personal consumption through growth in employee compensation. Meanwhile, the growth rate in the consumer price index has turned in the negative direction, and this promises to continue pushing up real wages. This should provide a boost to personal consumption. On the other hand, since the election of Donald Trump to the US presidency, the possibility has appeared that the yen may become progressively weaker and materials prices may increase. The price of crude oil has already gone up in response to OPEC's recent decision to cut production. Just recently the price of fresh foods has gone up, and the CPI risen especially on imports. Households may become more budget-minded in the future because of these developments, hence caution is required.

Meanwhile, housing investment is expected to gradually slow down. Interest on housing loans remains low, and therefore should provide continued underlying support. However, housing starts, which had rapidly expanded with the expectation that there would be a rush to purchase homes before the additional increase in consumption tax originally planned for April 2017, are expected to decrease in the future, especially for urban area condominiums, and housing investment is also expected to begin declining after that point.

Capex is expected to continue marking time. The balance of supply and demand for labor continues to be tight, and this should provide underlying support for replacement and renovation investment in the non-manufacturing industries. On the other hand, the stagnant world economy and the strong yen/weak dollar situation, especially in manufacturing, bring an increasing sense that corporate earnings are about to peak out. Corporations are therefore likely to become more cautious as regards capex spending in the future.

Public investment is expected to move toward a comeback as we approach fiscal year-end. The government's second supplementary budget, which includes economic policy measures, has taken shape, and this should gradually provide more upward pressure for public investment as we move closer to the end of the fiscal year.

As for exports, with overseas economies continuing moderate growth, we can expect exports to maintain a firm undertone, centering on consumer goods. Looking at exports of goods by region, consumer goods are expected to maintain a strong undertone in the US, EU, and Asia backed by improvements in employment environment, the effects of monetary easing, and favorable personal consumption in all regions. On the other hand, growth in corporate earnings in the US is at a low level, and overcapacity in Asia, especially in the steel industry, requires adjustment. There is a good possibility that exports of capital goods and materials will continue to be slow.

- **Overseas investment behaviors of Japanese corporations, and domestic ripple effect:** With both Japan's potential growth rate and expected growth rate at a low level, corporations are beginning to look for growth opportunities in overseas markets. An analysis of the investment behaviors of domestic corporations and their overseas subsidiaries reveals the tendency to take the practical approach and decrease the amount of domestic capex while rerouting resources to Asia and North America. Meanwhile, the divergence between real GDP and real GNI has been widening of late. In addition to improving terms of trade, this is due to

backflow of earnings from overseas subsidiaries to domestic parent companies accompanying increased overseas investments. Based on actual value in FY2015, the positive effect of backflow of overseas profits is estimated to have brought a 3.2 trillion yen improvement in employee compensation and an approximately 2.4 trillion yen increase in nominal personal consumption.

- **Why Does Personal Consumption Remain Stagnant?:** Personal income continues to decline despite the two-and-a-half years which have passed since the 2014 increase in consumption tax. Looking at the short-term factors behind this phenomenon, it is believed that personal consumption has been weighed down by the elimination of the special payment system for the national pension, stagnant growth in disposable income, and a reactionary decline following past economic stimulus measures. Between FY2012 and FY2014, these factors have brought downward pressure on personal consumption totaling 1.3%pt. On the other hand, structural problems may also become a drag on personal consumption in the midterm, including consumers becoming increasingly budget-minded, increasing uncertainty regarding the future, and issues surrounding employment for the younger generation. Hopes are that the government will build a sustainable social security system and speed up efforts to introduce the principle of equal pay for equal work.
- **What is needed to improve Japan's economic statistics?:** Japan's economic statistics compare poorly with those of other countries both in the area of accuracy and prompt reporting. With Japan's potential growth rate on the decline, we believe that it is important to first aim for more accuracy in economic statistics. In considering concrete methods of improving statistics, we performed an analysis using a survey of households. By replacing items within the category of goods which tend to fluctuate widely, we were able to solve the problem of underestimating. On the other hand, no improvement was gained in the category of services even when using figures which complemented the Household Survey. Figures remained weaker than those on the supply-side. Since this may have some effect on underestimating GDP, we believe that related statistics should also be studied closely. Further detailed analyses should be performed in the future in order to uncover problem points and consider means of handling potential problems in a manner appropriate for each statistic.
- **Risk factors facing Japan's economy:** Risk factors for the Japanese economy are: (1) The policies of President Elect Donald Trump, (2) The downward swing of China's economy, (3) Tumult in the economies of emerging nations in response to the US exit strategy, (4) A strong yen / weak stock market situation brought on by risk-off behavior of investors due to geopolitical risk, and (5) Negotiations regarding the UK's withdrawal from the EU (*Brexit*), and deleveraging at EU financial institutions.
- **BOJ's monetary policy:** We expect the BOJ to maintain current monetary policy for the time being. Considering the policy introduced in September to permanently battle deflation, the issue is expected to be creating a more flexible inflation target.

Our assumptions

- Public works spending is expected to increase by +3.1% in FY16, and then decrease by -0.2% in FY17.
- Average exchange rate of Y109.6/\$ in FY16, and Y114.0/\$ in FY17.
- US real GDP growth of +1.6% in CY16, and +2.2% in CY17.

Main Economic Indicators and Real GDP Components

	FY15	FY16 (Estimate)	FY17 (Estimate)	CY15	CY16 (Estimate)	CY17 (Estimate)
Main economic indicators						
Nominal GDP (y/y %)	2.8	1.3	1.4	3.3	1.3	1.5
Real GDP (chained [2005]; y/y %)	1.3	1.3	0.9	1.2	1.0	1.1
Domestic demand (contribution, % pt)	1.1	0.9	0.7	0.7	0.6	0.9
Foreign demand (contribution, % pt)	0.2	0.4	0.1	0.5	0.4	0.2
GDP deflator (y/y %)	1.4	0.0	0.5	2.0	0.2	0.4
Index of All-industry Activity (y/y %)*	0.9	1.0	1.1	0.4	0.5	1.2
Index of Industrial Production (y/y %)	-1.0	0.8	2.4	-1.2	-0.7	2.6
Index of Tertiary Industry Activity (y/y %)	1.3	0.8	0.8	0.9	0.7	0.8
Corporate Goods Price Index (y/y %)	-3.3	-2.7	0.4	-2.3	-3.4	0.2
Consumer Price Index (excl. fresh food; y/y %)	-0.0	-0.2	0.5	0.5	-0.3	0.5
Unemployment rate (%)	3.3	3.1	3.0	3.4	3.1	3.0
Government bond yield (10 year; %)	0.26	-0.07	0.00	0.35	-0.07	0.00
Money stock; M2 (end-period; y/y %)	3.6	3.8	4.1	3.7	3.6	4.1
Balance of payments						
Trade balance (Y tril)	0.5	5.5	6.4	-0.6	5.0	6.1
Current balance (\$100 mil)	1,499	1,810	1,944	1,356	1,785	1,894
Current balance (Y tril)	18.0	20.1	22.5	16.4	19.6	21.6
(% of nominal GDP)	3.3	3.7	4.1	3.1	3.6	4.0
Real GDP components (Chained [2005]; y/y %; figures in parentheses: contribution, % pt)						
Private final consumption	0.5 (0.3)	0.6 (0.3)	0.7 (0.4)	-0.4 (-0.2)	0.4 (0.2)	0.6 (0.4)
Private housing investment	2.7 (0.1)	5.3 (0.2)	-1.5 (-0.0)	-1.6 (-0.1)	5.2 (0.2)	-0.7 (-0.0)
Private fixed investment	0.6 (0.1)	1.3 (0.2)	0.8 (0.1)	1.2 (0.2)	0.7 (0.1)	0.9 (0.1)
Government final consumption	2.0 (0.4)	0.8 (0.2)	1.6 (0.3)	1.6 (0.3)	1.6 (0.3)	1.0 (0.2)
Public fixed investment	-2.0 (-0.1)	4.0 (0.2)	-0.5 (-0.0)	-2.2 (-0.1)	-0.3 (-0.0)	6.1 (0.3)
Exports of goods and services	0.8 (0.1)	1.3 (0.2)	4.5 (0.7)	3.0 (0.5)	0.4 (0.1)	3.9 (0.6)
Imports of goods and services	-0.2 (0.0)	-1.2 (0.2)	3.5 (-0.6)	0.1 (-0.0)	-1.9 (0.3)	2.8 (-0.4)
Major assumptions:						
1. World economy						
Economic growth of major trading partners	3.4	3.4	3.4	3.6	3.3	3.5
Crude oil price (WTI futures; \$/bbl)	45.0	47.6	50.0	48.8	43.6	50.0
2. US economy						
US real GDP (chained [2009]; y/y %)	2.2	1.7	2.2	2.6	1.6	2.2
US Consumer Price Index (y/y %)	0.4	1.6	2.3	0.1	1.3	2.3
3. Japanese economy						
Nominal public fixed investment (y/y %)	-1.4	3.1	-0.2	-0.8	-1.3	6.4
Exchange rate (Y/\$)	120.1	109.6	114.0	121.0	110.0	114.0
(Y/€)	132.5	120.1	122.5	133.7	121.5	122.5

Source: Compiled by DIR.

Note: Due to rounding, actual figures may differ from those released by the government.

* Excl. agriculture, forestry, and fisheries.

Estimate: DIR estimate.

Comparison with Previous Outlook

	Current outlook (Outlook 191 update)		Previous outlook (Outlook 191)		Difference between previous and current outlooks	
	FY16	FY17	FY16	FY17	FY16	FY17
Main economic indicators						
Nominal GDP (y/y %)	1.3	1.4	1.4	1.3	-0.1	0.1
Real GDP (chained [2005]; y/y %)	1.3	0.9	1.1	0.9	0.2	0.0
Domestic demand (contribution, % pt)	0.9	0.7	0.9	0.5	0.0	0.1
Foreign demand (contribution, % pt)	0.4	0.1	0.3	0.3	0.1	-0.1
GDP deflator (y/y %)	0.0	0.5	0.3	0.4	-0.2	0.1
Index of All-industry Activity (y/y %)*	1.0	1.1	0.8	1.0	0.2	0.1
Index of Industrial Production (y/y %)	0.8	2.4	0.4	2.0	0.4	0.4
Index of Tertiary Industry Activity (y/y %)	0.8	0.8	0.8	0.7	0.1	0.1
Corporate Goods Price Index (y/y %)	-2.7	0.4	-2.7	0.4	0.0	0.0
Consumer Price Index (excl. fresh food; y/y %)	-0.2	0.5	-0.2	0.4	0.1	0.1
Unemployment rate (%)	3.1	3.0	3.1	3.0	0.0	0.0
Government bond yield (10 year; %)	-0.07	0.00	-0.07	0.00	0.00	0.00
Money stock; M2 (end-period; y/y %)	3.8	4.1	3.8	4.1	0.0	0.0
Balance of payments						
Trade balance (Y tril)	5.5	6.4	5.2	6.3	0.3	0.1
Current balance (\$100 mil)	1,810	1,944	1,901	2,116	-91	-171
Current balance (Y tril)	20.1	22.5	20.6	23.2	-0.5	-0.8
(% of nominal GDP)	3.7	4.1	4.1	4.5	-0.3	-0.4
Real GDP components (chained [2005]; y/y %)						
Private final consumption	0.6	0.7	0.5	0.5	0.1	0.1
Private housing investment	5.3	-1.5	5.8	-1.6	-0.5	0.1
Private fixed investment	1.3	0.8	0.2	0.9	1.1	-0.1
Government final consumption	0.8	1.6	1.2	1.6	-0.4	-0.0
Public fixed investment	4.0	-0.5	7.7	-2.7	-3.7	2.2
Exports of goods and services	1.3	4.5	0.8	4.6	0.4	-0.1
Imports of goods and services	-1.2	3.5	-0.9	3.4	-0.3	0.1
Major assumptions:						
1. World economy						
Economic growth of major trading partners	3.4	3.4	2.9	3.1	0.5	0.3
Crude oil price (WTI futures; \$/bbl)	47.6	50.0	45.1	44.9	2.5	5.1
2. US economy						
US real GDP (chained [2009]; y/y %)	1.7	2.2	1.7	2.1	0.1	0.1
US Consumer Price Index (y/y %)	1.6	2.3	1.5	2.0	0.1	0.3
3. Japanese economy						
Nominal public fixed investment (y/y %)	3.1	-0.2	6.8	-2.4	-3.7	2.1
Exchange rate (Y/\$)	109.6	114.0	106.8	108.3	2.8	5.7
(Y/€)	120.1	122.5	117.0	116.3	3.1	6.2

Source: Compiled by DIR.

Notes: Due to rounding, differences do not necessarily conform to calculations based on figures shown.

* Excl. agriculture, forestry, and fisheries.

Quarterly Forecast Tables

1.1 Selected Economic Indicators

	2014			2015			2016			FY		CY	
	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	2014	2015	2014	2015	
Nominal GDP (SAAR; Y tril)	512.5	512.6	517.1	528.6	529.7	532.7	531.3	535.4	517.9	532.2	513.7	530.5	
Q/q %	0.0	0.0	0.9	2.2	0.2	0.6	-0.3	0.8					
Q/q %, SAAR	0.2	0.0	3.6	9.2	0.9	2.3	-1.0	3.1					
Y/y %	2.0	0.9	2.0	3.3	3.3	3.9	2.6	1.3	2.1	2.8	2.1	3.3	
Real GDP (chained [2011]; SAAR; Y tril)	507.8	506.8	509.4	517.3	516.6	517.7	515.4	518.9	510.4	517.2	510.5	516.7	
Q/q %	-1.8	-0.2	0.5	1.5	-0.1	0.2	-0.4	0.7					
Q/q %, SAAR	-7.1	-0.8	2.1	6.3	-0.5	0.8	-1.8	2.8					
Y/y %	-0.3	-1.1	-0.4	-0.1	1.8	2.1	1.1	0.4	-0.4	1.3	0.3	1.2	
Contribution to GDP growth (% pt)													
Domestic demand	-2.8	-0.1	0.2	1.3	0.0	0.3	-0.5	0.3	-1.1	1.1	0.4	0.7	
Foreign demand	1.0	-0.1	0.4	0.2	-0.2	-0.1	0.1	0.4	0.6	0.2	-0.0	0.5	
GDP deflator (y/y %)	2.2	2.1	2.4	3.3	1.6	1.8	1.5	0.9	2.5	1.4	1.7	2.0	
Index of All-Industry Activity (2010=100)	101.1	101.1	101.7	102.6	102.5	102.5	102.3	102.3	101.7	102.6	102.0	102.5	
Q/q %; y/y %	-2.8	0.0	0.6	0.9	-0.1	0.0	-0.2	0.1	-1.1	0.9	0.1	0.4	
Index of Industrial Production (2010=100)	98.8	97.4	98.2	99.3	98.0	97.0	97.1	96.1	98.4	97.4	99.0	97.8	
Q/q %; y/y %	-3.1	-1.3	0.8	1.1	-1.3	-1.0	0.0	-1.0	-0.5	-1.0	2.1	-1.2	
Index of Tertiary Industry Activity (2010=100)	101.2	101.7	102.2	103.1	103.3	103.4	103.3	103.6	102.1	103.5	102.3	103.2	
Q/q %; y/y %	-2.8	0.5	0.6	0.8	0.2	0.1	-0.1	0.3	-1.1	1.3	-0.4	0.9	
Corporate Goods Price Index components (2010=100)													
Domestic Company Goods Price Index	106.0	106.5	105.1	103.3	103.7	102.6	101.2	99.7	105.2	101.8	105.1	102.7	
Y/y %	4.4	4.0	2.4	0.5	-2.2	-3.7	-3.7	-3.5	2.8	-3.3	3.2	-2.3	
CPI (excl. fresh food; 2015=100)	100.0	100.3	100.2	99.6	100.2	100.1	100.1	99.5	100.0	100.0	99.5	100.0	
Y/y %	3.3	3.2	2.7	2.2	0.2	-0.2	-0.1	-0.1	2.8	-0.0	2.6	0.5	
Unemployment rate (%)	3.6	3.6	3.5	3.5	3.4	3.4	3.3	3.2	3.5	3.3	3.6	3.4	
Government bond yield (10 year; %)	0.59	0.52	0.40	0.34	0.40	0.38	0.29	-0.01	0.46	0.26	0.53	0.35	
Money stock; M2 (y/y %)	3.2	3.0	3.5	3.5	3.9	4.0	3.4	3.2	3.3	3.6	3.4	3.7	
Trade balance (SAAR; Y tril)	-9.4	-9.8	-6.2	-0.7	-1.6	-1.5	1.4	3.6	-6.6	0.5	-10.5	-0.6	
Current balance (SAAR; \$100 mil)	430	437	1,025	1,193	1,316	1,304	1,581	1,724	794	1,499	367	1,356	
Current balance (SAAR; Y tril)	4.4	4.5	11.7	14.2	16.0	15.9	19.2	19.9	8.7	18.0	3.9	16.4	
(% of nominal GDP)	0.9	0.9	2.3	2.7	3.0	3.0	3.6	3.7	1.7	3.3	0.8	3.1	
Exchange rate (Y/\$)	102.1	103.9	114.5	119.1	121.4	122.2	121.5	115.4	109.9	120.1	105.8	121.0	
(Y/Euro)	139.5	137.8	143.8	132.6	135.0	135.6	131.5	128.0	138.4	132.5	140.3	133.7	

Source: Compiled by DIR.

Notes: 1) Quarterly figures (excl. y/y %) seasonally adjusted, other unadjusted.

2) Index of All-Industry Activity Index: excl. agriculture, forestry, and fisheries.

3) Due to rounding, figures may differ from those released by the government.

1.2 Selected Economic Indicators

	2016		2017				2018		FY		CY	
	4-6	7-9	10-12 (E)	1-3 (E)	4-6 (E)	7-9 (E)	10-12 (E)	1-3 (E)	2016 (E)	2017 (E)	2016 (E)	2017 (E)
Nominal GDP (SAAR; Y tril)	536.7	537.3	539.8	542.9	545.2	546.2	546.9	548.4	539.3	546.7	537.4	545.3
Q/q %	0.2	0.1	0.5	0.6	0.4	0.2	0.1	0.3				
Q/q %, SAAR	1.0	0.5	1.9	2.3	1.7	0.7	0.5	1.1				
Y/y %	1.3	0.9	1.7	1.4	1.6	1.6	1.3	1.0	1.3	1.4	1.3	1.5
Real GDP (chained [2011]; SAAR; Y tril)	521.2	523.0	524.5	526.5	527.8	528.2	528.3	529.0	524.0	528.4	522.1	527.8
Q/q %	0.5	0.3	0.3	0.4	0.2	0.1	0.0	0.1				
Q/q %, SAAR	1.8	1.3	1.2	1.5	1.0	0.3	0.1	0.5				
Y/y %	0.9	1.1	1.8	1.4	1.2	1.0	0.7	0.5	1.3	0.9	1.0	1.1
Contribution to GDP growth (% pt)												
Domestic demand	0.5	-0.0	0.3	0.4	0.3	0.0	-0.1	0.1	0.9	0.7	0.6	0.9
Foreign demand	-0.1	0.3	-0.0	-0.0	-0.0	0.0	0.1	0.0	0.4	0.1	0.4	0.2
GDP deflator (y/y %)	0.4	-0.2	-0.1	-0.0	0.3	0.6	0.5	0.5	0.0	0.5	0.2	0.4
Index of All-Industry Activity (2010=100)	102.7	103.3	103.7	103.9	104.1	104.4	104.7	105.0	103.6	104.7	103.0	104.2
Q/q %; y/y %	0.3	0.6	0.4	0.2	0.2	0.3	0.3	0.3	1.0	1.1	0.5	1.2
Index of Industrial Production (2010=100)	96.3	97.6	98.6	98.9	99.4	99.9	100.4	101.0	98.2	100.6	97.1	99.6
Q/q %; y/y %	0.2	1.4	1.0	0.4	0.5	0.5	0.5	0.6	0.8	2.4	-0.7	2.6
Index of Tertiary Industry Activity (2010=100)	103.8	104.2	104.4	104.5	104.7	104.9	105.2	105.4	104.3	105.1	103.9	104.8
Q/q %; y/y %	0.2	0.4	0.2	0.1	0.2	0.2	0.3	0.2	0.8	0.8	0.7	0.8
Corporate Goods Price Index components (2010=100)												
Domestic Company Goods Price Index	99.1	98.9	99.0	99.2	99.3	99.4	99.5	99.7	99.1	99.5	99.2	99.3
Y/y %	-4.4	-3.6	-2.1	-0.5	0.2	0.5	0.5	0.5	-2.7	0.4	-3.4	0.2
CPI (excl. fresh food; 2015=100)	99.8	99.6	99.8	100.0	100.3	100.1	100.3	100.4	99.8	100.3	99.7	100.2
Y/y %	-0.4	-0.5	-0.2	0.5	0.5	0.5	0.5	0.4	-0.2	0.5	-0.3	0.5
Unemployment rate (%)	3.2	3.0	3.1	3.0	3.0	3.0	3.0	3.0	3.1	3.0	3.1	3.0
Government bond yield (10 year; %)	-0.15	-0.12	0.00	0.00	0.00	0.00	0.00	0.00	-0.07	0.00	-0.07	0.00
Money stock; M2 (y/y %)	3.4	3.4	4.2	4.1	4.1	4.1	4.1	4.1	3.8	4.1	3.6	4.1
Trade balance (SAAR; Y tril)	4.8	6.1	5.3	5.7	6.0	6.3	6.6	6.8	5.5	6.4	5.0	6.1
Current balance (SAAR; \$100 mil)	1,715	1,914	1,788	1,823	1,859	1,910	1,984	2,025	1,810	1,944	1,785	1,894
Current balance (SAAR; Y tril)	18.5	19.6	20.4	20.8	21.2	21.8	22.6	23.1	20.1	22.5	19.6	21.6
(% of nominal GDP)	3.5	3.6	3.8	3.8	3.9	4.0	4.1	4.2	3.7	4.1	3.6	4.0
Exchange rate (Y/\$)	108.1	102.4	114.0	114.0	114.0	114.0	114.0	114.0	109.6	114.0	110.0	114.0
(Y/Euro)	120.7	114.7	122.5	122.5	122.5	122.5	122.5	122.5	120.1	122.5	121.5	122.5

Source: Compiled by DIR.

Notes: 1) Quarterly figures (excl. y/y %) seasonally adjusted, other unadjusted.

2) Index of All-Industry Activity Index: excl. agriculture, forestry, and fisheries.

3) Due to rounding, figures may differ from those released by the government.

E: DIR estimate.

2.1 Real Gross Domestic Expenditure (chained [2011]; Y tril)

	2014			2015			2016			FY		CY	
	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	2014	2015	2014	2015	
Gross domestic expenditure	507.8	506.8	509.4	517.3	516.6	517.7	515.4	518.9	510.4	517.2	510.5	516.7	
Q/q %, SAAR	-7.1	-0.8	2.1	6.3	-0.5	0.8	-1.8	2.8					
Y/y %	-0.3	-1.1	-0.4	-0.1	1.8	2.1	1.1	0.4	-0.4	1.3	0.3	1.2	
Domestic demand	515.7	515.4	516.2	522.8	523.0	524.6	522.0	523.8	517.6	523.3	519.5	523.1	
Q/q %, SAAR	-10.5	-0.3	0.7	5.2	0.1	1.2	-2.0	1.4					
Y/y %	-0.2	-1.2	-1.4	-1.4	1.5	1.8	1.1	0.1	-1.1	1.1	0.3	0.7	
Private demand	387.4	385.9	386.5	392.7	392.6	393.9	391.2	391.7	388.2	392.4	390.1	392.7	
Q/q %, SAAR	-12.2	-1.5	0.6	6.6	-0.1	1.3	-2.7	0.5					
Y/y %	-0.2	-1.6	-1.7	-1.9	1.4	2.0	1.2	-0.3	-1.4	1.1	0.3	0.7	
Final consumption	291.7	292.7	294.2	295.9	294.7	296.2	294.0	295.2	293.6	295.2	296.4	295.2	
Q/q %, SAAR	-18.3	1.3	2.2	2.3	-1.6	2.1	-2.9	1.6					
Y/y %	-2.8	-2.6	-1.7	-3.6	1.0	1.2	-0.1	-0.1	-2.7	0.5	-0.9	-0.4	
Residential investment	15.4	14.3	14.3	14.7	14.9	15.2	15.0	15.2	14.7	15.1	15.2	15.0	
Q/q %, SAAR	-31.3	-25.2	-0.6	12.8	5.0	7.3	-4.9	5.2					
Y/y %	-0.9	-10.7	-14.0	-12.8	-3.1	6.1	4.7	3.0	-9.9	2.7	-4.3	-1.6	
Non-residential investment	77.9	78.6	79.2	80.2	79.1	79.6	79.9	79.7	79.1	79.6	78.8	79.7	
Q/q %, SAAR	-6.8	3.7	2.9	5.1	-5.2	2.4	1.6	-1.2					
Y/y %	3.9	2.8	2.1	1.4	1.4	1.0	1.0	-0.6	2.5	0.6	5.2	1.2	
Change in inventories	2.4	0.3	-1.2	2.0	3.9	2.9	2.3	1.6	0.8	2.6	-0.3	2.8	
Public demand	128.3	129.4	129.7	130.1	130.4	130.7	130.8	132.1	129.4	130.9	129.4	130.4	
Q/q %, SAAR	-5.1	3.6	0.9	1.3	1.0	1.0	0.2	4.0					
Y/y %	-0.0	0.0	-0.3	-0.0	1.7	1.1	0.6	1.4	-0.1	1.2	0.7	0.8	
Government final consumption	102.5	103.1	103.2	104.2	104.3	104.8	105.5	106.9	103.2	105.3	102.9	104.6	
Q/q %, SAAR	-2.3	2.2	0.7	3.7	0.4	1.8	2.9	5.4					
Y/y %	-0.2	0.2	0.3	1.2	1.7	1.6	2.2	2.7	0.4	2.0	0.5	1.6	
Fixed investment	25.7	26.2	26.4	25.9	26.1	26.0	25.3	25.1	26.1	25.5	26.4	25.8	
Q/q %, SAAR	-15.2	7.2	3.8	-7.6	3.9	-2.1	-10.8	-2.8					
Y/y %	0.7	-1.8	-2.0	-4.1	2.0	-0.2	-4.6	-3.4	-2.1	-2.0	0.7	-2.2	
Change in inventories	0.0	0.2	0.0	0.0	-0.0	-0.0	0.0	0.1	0.1	0.0	0.1	-0.0	
Net exports of goods and services	-7.9	-8.4	-6.8	-5.8	-6.6	-7.1	-6.8	-5.1	-7.2	-6.4	-8.9	-6.6	
Exports of goods and services	79.7	80.7	83.4	84.7	81.6	83.4	82.8	83.5	82.2	82.9	80.7	83.1	
Q/q %, SAAR	4.3	5.4	13.9	6.6	-14.0	8.9	-2.5	3.2					
Y/y %	6.7	8.2	12.6	7.6	2.1	3.1	-0.4	-1.3	8.7	0.8	9.3	3.0	
Imports of goods and services	87.6	89.2	90.2	90.5	88.3	90.4	89.6	88.5	89.4	89.2	89.6	89.7	
Q/q %, SAAR	-15.6	7.3	4.7	1.4	-9.6	10.3	-3.6	-4.7					
Y/y %	6.9	6.2	4.6	-0.7	0.6	1.2	-0.6	-2.0	4.1	-0.2	8.3	0.1	

Source: Compiled by DIR.

Notes: 1) Subtotals by demand (domestic demand, private demand, and public demand) are simple aggregates of respective components, which differ from figures released by the government.

2) Y/y growth rates and FY and CY figures unadjusted; other seasonally adjusted.

3) Due to rounding, figures may differ from those released by the government.

2.2 Real Gross Domestic Expenditure (chained [2011]; Y tril)

	2016			2017			2018			FY		CY	
	4-6	7-9	10-12 (E)	1-3 (E)	4-6 (E)	7-9 (E)	10-12 (E)	1-3 (E)	2016 (E)	2017 (E)	2016 (E)	2017 (E)	
Gross domestic expenditure	521.2	523.0	524.5	526.5	527.8	528.2	528.3	529.0	524.0	528.4	522.1	527.8	
Q/q %, SAAR	1.8	1.3	1.2	1.5	1.0	0.3	0.1	0.5					
Y/y %	0.9	1.1	1.8	1.4	1.2	1.0	0.7	0.5	1.3	0.9	1.0	1.1	
Domestic demand	526.5	526.4	528.0	530.0	531.4	531.6	531.3	532.0	528.0	531.4	526.2	531.0	
Q/q %, SAAR	2.1	-0.0	1.2	1.5	1.0	0.2	-0.2	0.5					
Y/y %	0.7	0.3	1.2	1.3	0.8	1.0	0.6	0.3	0.9	0.7	0.6	0.9	
Private demand	395.2	394.8	394.9	395.3	395.9	396.6	397.4	398.1	395.2	397.1	394.2	396.4	
Q/q %, SAAR	3.6	-0.4	0.1	0.3	0.6	0.7	0.8	0.7					
Y/y %	0.7	0.2	0.9	1.0	0.1	0.5	0.6	0.8	0.7	0.5	0.4	0.5	
Final consumption	295.9	296.9	297.1	297.4	298.0	298.5	299.0	299.5	296.9	298.9	296.4	298.3	
Q/q %, SAAR	0.9	1.3	0.3	0.5	0.8	0.7	0.7	0.6					
Y/y %	0.4	0.3	1.0	0.7	0.7	0.5	0.7	0.7	0.6	0.7	0.4	0.6	
Residential investment	15.7	16.1	15.9	15.7	15.6	15.6	15.6	15.7	15.9	15.6	15.7	15.6	
Q/q %, SAAR	14.8	10.9	-5.9	-4.7	-3.2	1.2	1.0	0.6					
Y/y %	5.4	6.5	6.0	3.4	-1.0	-3.3	-1.5	-0.1	5.3	-1.5	5.2	-0.7	
Non-residential investment	80.7	80.5	80.6	80.8	81.0	81.1	81.4	81.7	80.6	81.3	80.3	81.0	
Q/q %, SAAR	5.6	-1.4	0.8	0.8	0.9	0.9	1.2	1.3					
Y/y %	2.2	0.9	0.9	1.4	0.2	1.0	1.0	1.1	1.3	0.8	0.7	0.9	
Change in inventories	2.8	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.7	1.3	1.7	1.3	
Public demand	131.3	131.6	133.1	134.8	135.5	135.0	133.9	133.8	132.8	134.3	132.0	134.7	
Q/q %, SAAR	-2.4	1.0	4.4	5.2	2.2	-1.5	-3.2	-0.2					
Y/y %	0.9	0.7	1.9	2.2	2.8	2.5	0.5	-1.0	1.4	1.1	1.2	2.0	
Government final consumption	105.8	106.1	106.4	106.7	107.1	107.6	108.2	108.8	106.2	107.9	106.3	107.3	
Q/q %, SAAR	-4.2	1.2	1.2	1.1	1.4	1.8	2.3	2.2					
Y/y %	1.4	1.2	0.9	-0.2	1.2	1.4	1.7	2.0	0.8	1.6	1.6	1.0	
Fixed investment	25.5	25.5	26.6	28.0	28.4	27.4	25.7	25.0	26.6	26.4	25.7	27.3	
Q/q %, SAAR	6.7	0.3	18.7	22.6	5.5	-13.4	-22.8	-9.8					
Y/y %	-2.2	-1.8	5.5	11.9	11.2	7.3	-3.6	-10.8	4.0	-0.5	-0.3	6.1	
Change in inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Net exports of goods and services	-5.4	-3.8	-3.8	-3.9	-3.9	-3.7	-3.3	-3.3	-4.3	-3.6	-4.6	-3.7	
Exports of goods and services	82.4	83.7	84.5	85.4	86.3	87.2	88.2	89.2	83.9	87.7	83.5	86.7	
Q/q %, SAAR	-5.2	6.5	4.1	4.3	4.1	4.3	4.9	4.5					
Y/y %	0.5	0.4	1.9	2.2	4.9	4.1	4.4	4.5	1.3	4.5	0.4	3.9	
Imports of goods and services	87.8	87.5	88.3	89.3	90.2	90.9	91.5	92.5	88.2	91.3	88.0	90.4	
Q/q %, SAAR	-3.5	-1.4	4.1	4.3	4.2	3.0	3.0	4.1					
Y/y %	-0.7	-3.3	-1.5	0.7	2.8	3.9	3.6	3.6	-1.2	3.5	-1.9	2.8	

Source: Compiled by DIR.

Notes: 1) Subtotals by demand (domestic demand, private demand, and public demand) are simple aggregates of respective components, which differ from figures released by the government.

2) Y/y growth rates and FY and CY figures unadjusted; other seasonally adjusted.

3) Due to rounding, figures may differ from those released by the government.

E: DIR estimate.

3.1 Nominal Gross Domestic Expenditure (¥ tril)

	2014			2015			2016			FY		CY	
	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	2014	2015	2014	2015	
Gross domestic expenditure	512.5	512.6	517.1	528.6	529.7	532.7	531.3	535.4	517.9	532.2	513.7	530.5	
Q/q %, SAAR	0.2	0.0	3.6	9.2	0.9	2.3	-1.0	3.1					
Y/y %	2.0	0.9	2.0	3.3	3.3	3.9	2.6	1.3	2.1	2.8	2.1	3.3	
Domestic demand	524.2	524.2	525.5	531.3	532.5	533.9	531.5	531.3	526.5	532.2	526.4	532.3	
Q/q %, SAAR	-4.9	-0.0	1.0	4.4	0.9	1.0	-1.8	-0.1					
Y/y %	2.3	1.0	0.7	0.1	1.6	1.8	1.0	-0.1	1.0	1.1	2.2	1.1	
Private demand	394.0	392.6	393.7	399.4	400.0	401.3	398.6	397.9	395.0	399.4	395.5	399.9	
Q/q %, SAAR	-7.0	-1.4	1.1	5.9	0.7	1.2	-2.6	-0.8					
Y/y %	2.4	0.6	0.2	-0.4	1.6	2.1	1.2	-0.5	0.7	1.1	2.2	1.1	
Final consumption	296.5	297.6	299.2	300.2	299.6	301.3	299.2	299.3	298.4	299.9	300.1	300.1	
Q/q %, SAAR	-12.7	1.5	2.1	1.4	-0.7	2.2	-2.7	0.1					
Y/y %	-0.1	-0.1	0.3	-2.2	1.1	1.2	-0.0	-0.3	-0.5	0.5	1.2	-0.0	
Residential investment	16.3	15.2	15.1	15.6	15.8	16.1	15.9	16.0	15.5	15.9	16.0	15.8	
Q/q %, SAAR	-23.4	-24.8	-1.2	13.7	4.8	8.2	-5.6	2.5					
Y/y %	3.9	-7.3	-11.5	-10.3	-3.0	6.4	4.9	2.3	-6.7	2.7	-0.9	-0.7	
Non-residential investment	78.7	79.7	80.5	81.9	80.9	81.3	81.5	81.1	80.3	81.2	79.7	81.4	
Q/q %, SAAR	-6.4	5.0	3.9	7.4	-4.9	2.0	0.9	-2.0					
Y/y %	5.2	4.2	3.4	2.7	2.6	1.8	1.4	-0.9	3.8	1.1	6.4	2.1	
Change in inventories	2.6	0.1	-1.1	1.7	3.7	2.6	2.1	1.5	0.8	2.4	-0.3	2.5	
Public demand	130.2	131.6	131.9	131.9	132.4	132.6	132.8	133.5	131.5	132.8	130.9	132.4	
Q/q %, SAAR	1.6	4.4	0.9	0.1	1.5	0.5	0.8	1.8					
Y/y %	2.1	2.3	2.1	1.8	1.6	0.8	0.5	1.2	2.1	1.0	2.4	1.1	
Government final consumption	103.5	104.2	104.4	104.8	104.9	105.4	106.4	107.3	104.3	106.0	103.6	105.3	
Q/q %, SAAR	4.8	2.7	0.8	1.5	0.4	1.7	4.0	3.5					
Y/y %	1.8	2.2	2.6	2.9	1.2	1.0	1.8	2.8	2.4	1.7	2.1	1.7	
Fixed investment	26.7	27.2	27.5	27.1	27.5	27.2	26.4	26.1	27.1	26.7	27.2	27.0	
Q/q %, SAAR	-9.2	8.5	3.8	-5.4	6.6	-4.1	-11.0	-5.1					
Y/y %	3.9	1.7	0.5	-1.6	3.7	0.6	-3.9	-4.0	0.8	-1.4	3.4	-0.8	
Change in inventories	0.0	0.2	0.0	0.0	-0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0	
Net exports of goods and services	-11.7	-11.6	-8.5	-2.7	-2.7	-1.1	-0.2	4.1	-8.6	0.0	-12.7	-1.7	
Exports of goods and services	87.4	90.4	95.7	95.5	92.9	94.8	91.0	87.9	92.3	91.7	90.1	93.6	
Q/q %, SAAR	3.0	14.7	25.6	-1.0	-10.2	8.1	-15.0	-12.7					
Y/y %	7.6	10.3	18.1	10.1	5.7	5.0	-4.6	-7.9	11.5	-0.7	12.6	3.8	
Imports of goods and services	99.1	102.0	104.2	98.2	95.7	95.9	91.2	83.9	100.9	91.6	102.8	95.3	
Q/q %, SAAR	-21.8	12.5	8.7	-21.1	-9.9	1.0	-18.4	-28.3					
Y/y %	9.2	9.5	7.8	-7.0	-3.8	-6.0	-12.1	-14.8	4.5	-9.2	12.1	-7.3	

Source: Compiled by DIR.

Notes: 1) Y/y growth rates and FY and CY figures unadjusted; other seasonally adjusted.

2) Due to rounding, figures may differ from those released by the government.

3.2 Nominal Gross Domestic Expenditure (¥ tril)

	2016			2017			2018			FY		CY	
	4-6	7-9	10-12 (E)	1-3 (E)	4-6 (E)	7-9 (E)	10-12 (E)	1-3 (E)	2016 (E)	2017 (E)	2016 (E)	2017 (E)	
Gross domestic expenditure	536.7	537.3	539.8	542.9	545.2	546.2	546.9	548.4	539.3	546.7	537.4	545.3	
Q/q %, SAAR	1.0	0.5	1.9	2.3	1.7	0.7	0.5	1.1					
Y/y %	1.3	0.9	1.7	1.4	1.6	1.6	1.3	1.0	1.3	1.4	1.3	1.5	
Domestic demand	532.1	531.7	534.1	536.9	539.0	539.6	539.7	540.9	533.8	539.6	532.3	538.7	
Q/q %, SAAR	0.6	-0.3	1.8	2.2	1.5	0.4	0.1	0.9					
Y/y %	-0.0	-0.5	0.5	1.2	1.2	1.5	1.0	0.7	0.3	1.1	0.0	1.2	
Private demand	399.9	399.2	400.0	400.9	402.1	403.1	404.3	405.5	400.0	403.8	399.2	402.6	
Q/q %, SAAR	2.0	-0.6	0.7	1.0	1.2	1.0	1.2	1.2					
Y/y %	-0.0	-0.6	0.3	0.8	0.5	1.0	1.1	1.2	0.1	0.9	-0.2	0.9	
Final consumption	299.5	300.0	300.5	301.2	302.0	302.7	303.4	304.0	300.3	303.0	299.8	302.3	
Q/q %, SAAR	0.3	0.7	0.7	0.9	1.2	0.9	0.9	0.8					
Y/y %	-0.1	-0.4	0.5	0.6	0.9	0.9	1.0	0.9	0.1	0.9	-0.1	0.8	
Residential investment	16.4	16.9	16.7	16.5	16.5	16.5	16.5	16.6	16.7	16.5	16.5	16.5	
Q/q %, SAAR	12.6	11.8	-4.8	-3.7	-2.2	1.3	0.8	1.4					
Y/y %	4.2	5.3	5.3	3.7	0.0	-2.5	-1.0	0.3	4.6	-0.8	4.3	-0.0	
Non-residential investment	81.7	81.0	81.4	81.9	82.2	82.6	83.0	83.6	81.5	82.9	81.2	82.4	
Q/q %, SAAR	3.0	-3.2	2.0	2.3	1.8	1.6	2.2	2.7					
Y/y %	1.0	-0.5	-0.1	0.9	0.7	2.0	2.0	2.1	0.3	1.7	-0.2	1.4	
Change in inventories	2.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.6	1.3	1.6	1.3	
Public demand	132.3	132.4	134.1	136.0	136.9	136.5	135.4	135.4	133.8	135.8	133.1	136.1	
Q/q %, SAAR	-3.4	0.5	5.1	5.8	2.7	-1.3	-3.1	0.1					
Y/y %	0.0	-0.1	1.1	2.2	3.1	3.1	0.9	-0.8	0.8	1.5	0.6	2.3	
Government final consumption	105.8	106.1	106.5	106.9	107.4	108.0	108.7	109.4	106.3	108.3	106.4	107.7	
Q/q %, SAAR	-5.4	0.9	1.6	1.5	1.8	2.2	2.7	2.6					
Y/y %	0.7	0.6	0.1	-0.6	1.6	1.8	2.0	2.4	0.2	2.0	1.0	1.2	
Fixed investment	26.4	26.4	27.6	29.1	29.5	28.5	26.7	26.0	27.6	27.5	26.7	28.4	
Q/q %, SAAR	5.2	-1.0	20.1	23.6	5.9	-13.4	-22.7	-9.8					
Y/y %	-3.6	-3.0	4.5	11.7	11.5	8.0	-3.3	-10.7	3.1	-0.2	-1.3	6.4	
Change in inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Net exports of goods and services	4.5	5.6	5.8	6.0	6.2	6.6	7.2	7.4	5.5	6.9	5.0	6.5	
Exports of goods and services	84.5	83.8	84.9	86.1	87.4	88.6	89.9	91.3	84.8	89.3	85.3	88.0	
Q/q %, SAAR	-14.6	-3.4	5.1	6.0	5.9	5.6	6.4	6.0					
Y/y %	-9.4	-11.2	-6.9	-2.1	3.6	5.5	6.1	6.0	-7.5	5.3	-8.9	3.2	
Imports of goods and services	80.0	78.2	79.1	80.1	81.2	82.0	82.8	83.8	79.3	82.4	80.2	81.5	
Q/q %, SAAR	-17.2	-8.7	4.7	5.3	5.2	4.0	4.1	5.2					
Y/y %	-16.5	-18.4	-13.4	-4.4	1.5	4.8	4.8	4.6	-13.5	3.9	-15.8	1.6	

Source: Compiled by DIR.

Notes: 1) Y/y growth rates and FY and CY figures unadjusted; other seasonally adjusted.

2) Due to rounding, figures may differ from those released by the government.

E: DIR estimate.

4.1 Gross Domestic Expenditure, Implicit Deflators (2011=100)

	2014			2015			2016		FY		CY	
	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	2014	2015	2014	2015
Gross domestic expenditure	100.9	101.1	101.5	102.2	102.5	102.9	103.1	103.2	101.5	102.9	100.6	102.7
Q/q %, SAAR	1.9	0.2	0.4	0.7	0.4	0.3	0.2	0.1				
Y/y %	2.2	2.1	2.4	3.3	1.6	1.8	1.5	0.9	2.5	1.4	1.7	2.0
Private final consumption	101.6	101.7	101.7	101.5	101.7	101.7	101.8	101.4	101.6	101.6	101.2	101.6
Q/q %, SAAR	1.7	0.1	-0.0	-0.2	0.2	0.0	0.0	-0.4				
Y/y %	2.8	2.5	2.1	1.5	0.1	-0.1	0.0	-0.2	2.2	-0.0	2.0	0.4
Private residential investment	105.7	105.9	105.7	105.9	105.9	106.1	105.9	105.2	105.8	105.8	105.0	106.0
Q/q %, SAAR	2.8	0.1	-0.1	0.2	-0.1	0.2	-0.2	-0.7				
Y/y %	4.8	3.9	3.0	2.9	0.1	0.2	0.2	-0.7	3.6	-0.0	3.5	0.9
Private non-residential investment	101.1	101.4	101.6	102.2	102.3	102.2	102.0	101.8	101.6	102.0	101.2	102.2
Q/q %, SAAR	0.1	0.3	0.2	0.5	0.1	-0.1	-0.2	-0.2				
Y/y %	1.2	1.4	1.3	1.2	1.1	0.9	0.4	-0.4	1.3	0.4	1.2	0.9
Government final consumption	100.9	101.1	101.1	100.6	100.6	100.6	100.8	100.4	101.0	100.7	100.6	100.7
Q/q %, SAAR	1.8	0.1	0.0	-0.5	-0.0	-0.0	0.2	-0.4				
Y/y %	2.0	1.9	2.3	1.7	-0.5	-0.6	-0.4	0.1	2.0	-0.3	1.5	0.1
Public fixed investment	103.7	104.0	104.0	104.6	105.3	104.7	104.7	104.1	104.1	104.6	103.3	104.8
Q/q %, SAAR	1.7	0.3	-0.0	0.6	0.6	-0.5	-0.0	-0.6				
Y/y %	3.3	3.6	2.6	2.6	1.6	0.7	0.7	-0.6	2.9	0.5	2.7	1.4
Exports of goods and services	109.6	112.0	114.8	112.7	113.9	113.7	109.9	105.4	112.3	110.6	111.7	112.5
Q/q %, SAAR	-0.3	2.1	2.5	-1.8	1.1	-0.2	-3.4	-4.1				
Y/y %	0.9	2.0	4.9	2.3	3.5	1.9	-4.2	-6.7	2.6	-1.5	3.0	0.8
Imports of goods and services	113.1	114.4	115.5	108.5	108.4	106.0	101.7	94.7	112.9	102.7	114.8	106.2
Q/q %, SAAR	-1.9	1.2	1.0	-6.1	-0.1	-2.2	-4.1	-6.9				
Y/y %	2.1	3.1	3.0	-6.4	-4.4	-7.2	-11.6	-13.1	0.3	-9.0	3.5	-7.4

Source: Compiled by DIR.

Notes: 1) Y/y growth rates and FY and CY figures unadjusted; other seasonally adjusted.

2) Due to rounding, figures may differ from those released by the government.

4.2 Gross Domestic Expenditure, Implicit Deflators (2011=100)

	2016			2017			2018		FY		CY	
	4-6	7-9	10-12 (E)	1-3 (E)	4-6 (E)	7-9 (E)	10-12 (E)	1-3 (E)	2016 (E)	2017 (E)	2016 (E)	2017 (E)
Gross domestic expenditure	103.0	102.7	102.9	103.1	103.3	103.4	103.5	103.7	102.9	103.4	102.9	103.3
Q/q %, SAAR	-0.2	-0.2	0.2	0.2	0.2	0.1	0.1	0.1				
Y/y %	0.4	-0.2	-0.1	-0.0	0.3	0.6	0.5	0.5	0.0	0.5	0.2	0.4
Private final consumption	101.2	101.1	101.2	101.3	101.4	101.4	101.5	101.5	101.1	101.4	101.1	101.3
Q/q %, SAAR	-0.2	-0.2	0.1	0.1	0.1	0.0	0.1	0.1				
Y/y %	-0.5	-0.7	-0.6	-0.1	0.2	0.4	0.3	0.2	-0.5	0.3	-0.5	0.2
Private residential investment	104.7	104.9	105.2	105.5	105.7	105.8	105.7	105.9	105.1	105.8	105.0	105.7
Q/q %, SAAR	-0.5	0.2	0.3	0.3	0.2	0.0	-0.0	0.2				
Y/y %	-1.2	-1.1	-0.7	0.2	1.0	0.8	0.5	0.4	-0.7	0.7	-0.9	0.6
Private non-residential investment	101.1	100.7	101.0	101.4	101.6	101.8	102.0	102.4	101.1	102.0	101.2	101.7
Q/q %, SAAR	-0.6	-0.5	0.3	0.4	0.2	0.2	0.2	0.3				
Y/y %	-1.2	-1.4	-1.0	-0.4	0.5	1.0	1.0	1.0	-1.0	0.9	-1.0	0.5
Government final consumption	100.0	100.0	100.1	100.2	100.3	100.4	100.5	100.6	100.1	100.4	100.1	100.4
Q/q %, SAAR	-0.3	-0.1	0.1	0.1	0.1	0.1	0.1	0.1				
Y/y %	-0.7	-0.6	-0.7	-0.3	0.3	0.4	0.4	0.5	-0.6	0.4	-0.5	0.2
Public fixed investment	103.7	103.4	103.7	103.9	104.0	104.0	104.0	104.0	103.7	104.0	103.7	104.0
Q/q %, SAAR	-0.3	-0.3	0.3	0.2	0.1	0.0	0.0	0.0				
Y/y %	-1.5	-1.3	-1.0	-0.1	0.3	0.6	0.3	0.1	-0.9	0.3	-1.0	0.2
Exports of goods and services	102.6	100.2	100.4	100.8	101.3	101.6	102.0	102.3	101.1	101.8	102.2	101.5
Q/q %, SAAR	-2.6	-2.4	0.2	0.4	0.4	0.3	0.4	0.4				
Y/y %	-9.9	-11.6	-8.6	-4.2	-1.3	1.3	1.6	1.4	-8.6	0.8	-9.2	-0.7
Imports of goods and services	91.2	89.4	89.6	89.8	90.0	90.2	90.4	90.7	90.0	90.3	91.2	90.1
Q/q %, SAAR	-3.8	-1.9	0.2	0.2	0.2	0.2	0.2	0.3				
Y/y %	-16.0	-15.6	-12.2	-5.0	-1.2	0.8	1.1	0.9	-12.4	0.4	-14.2	-1.1

Source: Compiled by DIR.

Notes: 1) Y/y growth rates and FY and CY figures unadjusted; other seasonally adjusted.

2) Due to rounding, figures may differ from those released by the government.

E: DIR estimate.

5.1 Contribution to Real GDP Growth by Component

	2014			2015			2016			FY		CY	
	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	2014	2015	2014	2015	
1) Q/q %													
GDP growth rate	-1.8	-0.2	0.5	1.5	-0.1	0.2	-0.4	0.7	-0.4	1.3	0.3	1.2	
Domestic demand	-2.8	-0.1	0.2	1.3	0.0	0.3	-0.5	0.3	-1.1	1.1	0.4	0.7	
Private demand	-2.5	-0.3	0.1	1.2	-0.0	0.3	-0.5	0.1	-1.0	0.8	0.2	0.5	
Private consumption	-2.9	0.2	0.3	0.3	-0.2	0.3	-0.4	0.2	-1.6	0.3	-0.5	-0.2	
Residential investment	-0.3	-0.2	-0.0	0.1	0.0	0.1	-0.0	0.0	-0.3	0.1	-0.1	-0.1	
Private fixed investment	-0.3	0.1	0.1	0.2	-0.2	0.1	0.1	-0.0	0.4	0.1	0.8	0.2	
Change in private inventories	1.0	-0.4	-0.3	0.6	0.4	-0.2	-0.1	-0.1	0.5	0.4	0.1	0.6	
Public demand	-0.3	0.2	0.1	0.1	0.1	0.1	0.0	0.2	-0.0	0.3	0.2	0.2	
Government final consumption	-0.1	0.1	0.0	0.2	0.0	0.1	0.1	0.3	0.1	0.4	0.1	0.3	
Public fixed investment	-0.2	0.1	0.0	-0.1	0.0	-0.0	-0.1	-0.0	-0.1	-0.1	0.0	-0.1	
Change in public inventories	-0.0	0.0	-0.0	-0.0	-0.0	-0.0	0.0	0.0	0.0	-0.0	0.0	-0.0	
Net exports of goods and services	1.0	-0.1	0.4	0.2	-0.2	-0.1	0.1	0.4	0.6	0.2	-0.0	0.5	
Exports of goods and services	0.2	0.2	0.6	0.3	-0.7	0.4	-0.1	0.1	1.4	0.1	1.5	0.5	
Imports of goods and services	0.8	-0.3	-0.2	-0.1	0.5	-0.5	0.2	0.2	-0.8	0.0	-1.5	-0.0	
2) Y/y %													
GDP growth rate	-0.3	-1.1	-0.4	-0.1	1.8	2.1	1.1	0.4	-0.4	1.3	0.3	1.2	
Domestic demand	-0.1	-1.3	-1.4	-1.4	1.5	1.8	1.1	0.2	-1.1	1.1	0.4	0.7	
Private demand	-0.1	-1.3	-1.3	-1.4	1.1	1.5	0.9	-0.1	-1.0	0.8	0.2	0.5	
Private consumption	-1.6	-1.5	-1.0	-2.2	0.6	0.7	-0.0	-0.0	-1.6	0.3	-0.5	-0.2	
Residential investment	-0.0	-0.4	-0.5	-0.4	-0.1	0.2	0.1	0.1	-0.3	0.1	-0.1	-0.1	
Private fixed investment	0.5	0.4	0.3	0.3	0.2	0.2	0.1	-0.1	0.4	0.1	0.8	0.2	
Change in private inventories	1.0	0.2	-0.2	0.9	0.4	0.5	0.7	-0.1	0.5	0.4	0.1	0.6	
Public demand	-0.0	0.0	-0.1	-0.0	0.4	0.3	0.2	0.3	-0.0	0.3	0.2	0.2	
Government final consumption	-0.0	0.0	0.1	0.2	0.3	0.3	0.4	0.6	0.1	0.4	0.1	0.3	
Public fixed investment	0.0	-0.1	-0.1	-0.3	0.1	-0.0	-0.3	-0.2	-0.1	-0.1	0.0	-0.1	
Change in public inventories	-0.0	0.1	-0.0	-0.0	-0.0	-0.0	-0.0	0.0	0.0	-0.0	0.0	-0.0	
Net exports of goods and services	-0.2	0.2	1.1	1.4	0.2	0.3	0.0	0.1	0.6	0.2	-0.0	0.5	
Exports of goods and services	1.1	1.3	2.0	1.3	0.4	0.6	-0.1	-0.2	1.4	0.1	1.5	0.5	
Imports of goods and services	-1.3	-1.1	-0.9	0.1	-0.1	-0.2	0.1	0.4	-0.8	0.0	-1.5	-0.0	

Source: Compiled by DIR.

Notes: 1) Q/q growth rates seasonally adjusted; y/y growth rates and FY and CY figures unadjusted.

2) Due to rounding, figures may differ from those released by the government.

5.2 Contribution to Real GDP Growth by Component

	2016		2017		2018		FY		CY			
	4-6	7-9	10-12 (E)	1-3 (E)	4-6 (E)	7-9 (E)	10-12 (E)	1-3 (E)	2016 (E)	2017 (E)	2016 (E)	2017 (E)
1) Q/q %												
GDP growth rate	0.5	0.3	0.3	0.4	0.2	0.1	0.0	0.1	1.3	0.9	1.0	1.1
Domestic demand	0.5	-0.0	0.3	0.4	0.3	0.0	-0.1	0.1	0.9	0.7	0.6	0.9
Private demand	0.7	-0.1	0.0	0.1	0.1	0.1	0.2	0.1	0.5	0.4	0.3	0.4
Private consumption	0.1	0.2	0.0	0.1	0.1	0.1	0.1	0.1	0.3	0.4	0.2	0.4
Residential investment	0.1	0.1	-0.0	-0.0	-0.0	0.0	0.0	0.0	0.2	-0.0	0.2	-0.0
Private fixed investment	0.2	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	0.1	0.1
Change in private inventories	0.2	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	-0.1	-0.2	-0.1
Public demand	-0.1	0.1	0.3	0.3	0.1	-0.1	-0.2	-0.0	0.4	0.3	0.3	0.5
Government final consumption	-0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.2
Public fixed investment	0.1	0.0	0.2	0.3	0.1	-0.2	-0.3	-0.1	0.2	-0.0	-0.0	0.3
Change in public inventories	-0.0	-0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	0.0	0.0
Net exports of goods and services	-0.1	0.3	-0.0	-0.0	-0.0	0.0	0.1	0.0	0.4	0.1	0.4	0.2
Exports of goods and services	-0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.7	0.1	0.6
Imports of goods and services	0.2	0.1	-0.2	-0.2	-0.2	-0.1	-0.1	-0.2	0.2	-0.6	0.3	-0.4
2) Y/y %												
GDP growth rate	0.9	1.1	1.8	1.4	1.2	1.0	0.7	0.5	1.3	0.9	1.0	1.1
Domestic demand	0.7	0.3	1.2	1.3	0.8	1.0	0.6	0.3	0.9	0.7	0.6	0.9
Private demand	0.5	0.2	0.7	0.7	0.1	0.4	0.5	0.6	0.5	0.4	0.3	0.4
Private consumption	0.2	0.2	0.6	0.4	0.4	0.3	0.4	0.4	0.3	0.4	0.2	0.4
Residential investment	0.2	0.2	0.2	0.1	-0.0	-0.1	-0.0	-0.0	0.2	-0.0	0.2	-0.0
Private fixed investment	0.3	0.1	0.1	0.2	0.0	0.1	0.1	0.2	0.2	0.1	0.1	0.1
Change in private inventories	-0.1	-0.3	-0.2	-0.0	-0.3	0.0	0.0	-0.0	-0.2	-0.1	-0.2	-0.1
Public demand	0.2	0.2	0.5	0.6	0.7	0.6	0.1	-0.3	0.4	0.3	0.3	0.5
Government final consumption	0.3	0.2	0.2	-0.0	0.3	0.3	0.3	0.4	0.2	0.3	0.3	0.2
Public fixed investment	-0.1	-0.1	0.3	0.7	0.4	0.3	-0.2	-0.7	0.2	-0.0	-0.0	0.3
Change in public inventories	0.0	0.0	0.0	-0.0	-0.0	0.0	-0.0	0.0	0.0	-0.0	0.0	0.0
Net exports of goods and services	0.2	0.7	0.6	0.2	0.3	0.0	0.1	0.1	0.4	0.1	0.4	0.2
Exports of goods and services	0.1	0.1	0.3	0.4	0.8	0.7	0.7	0.7	0.2	0.7	0.1	0.6
Imports of goods and services	0.1	0.6	0.3	-0.1	-0.5	-0.7	-0.6	-0.6	0.2	-0.6	0.3	-0.4

Source: Compiled by DIR.

Notes: 1) Q/q growth rates seasonally adjusted; y/y growth rates and FY and CY figures unadjusted.

2) Due to rounding, figures may differ from those released by the government.

E: DIR estimate.

6.1 Major Assumptions

	2014			2015			2016			FY		CY	
	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	2014	2015	2014	2015	
1) World economy													
Economic growth of major trading partners													
Y/y %	3.8	3.9	3.9	4.0	3.6	3.4	3.3	3.2	4.0	3.4	4.0	3.6	
Crude oil price (WTI futures; \$/bbl)	103.0	97.2	73.2	48.6	57.8	46.5	42.2	33.6	80.5	45.0	92.9	48.8	
Y/y %	9.4	-8.1	-25.0	-50.7	-43.9	-52.2	-42.4	-30.8	-18.7	-44.1	-5.2	-47.5	
2) US economy													
Real GDP (chained [2009]; \$ bil; SAAR)	15,901	16,095	16,187	16,269	16,374	16,455	16,491	16,525	16,113	16,461	15,982	16,397	
Q/q %, SAAR	4.0	5.0	2.3	2.0	2.6	2.0	0.9	0.8					
Y/y %	2.4	2.9	2.5	3.3	3.0	2.2	1.9	1.6	2.8	2.2	2.4	2.6	
Consumer Price Index													
(1982-84 avg=100)	236.8	237.3	237.1	235.4	236.8	237.6	238.1	237.9	236.7	237.7	236.7	237.0	
Q/q %, SAAR	1.9	0.9	-0.3	-2.9	2.4	1.4	0.8	-0.3					
Y/y %	2.1	1.8	1.2	-0.1	-0.0	0.1	0.5	1.1	1.3	0.4	1.6	0.1	
Producer Price Index													
(Final demand; 2009.Nov=100)	110.9	111.3	111.1	109.8	110.0	110.2	109.6	109.7	110.8	109.9	110.9	109.9	
Q/q %, SAAR	2.2	1.2	-0.7	-4.6	1.0	0.6	-2.0	0.4					
Y/y %	1.9	1.8	1.2	-0.5	-0.8	-0.9	-1.3	0.0	1.1	-0.8	1.6	-0.9	
FF rate (%)	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.25	0.50	0.25	0.50	
(Target rate for the forecast period, end-period)													
Government bond yield (10 year; %)	2.62	2.50	2.28	1.97	2.17	2.22	2.19	1.92	2.34	2.12	2.54	2.14	
3) Japanese economy													
Nominal government final consumption													
Y tril; SAAR	103.5	104.2	104.4	104.8	104.9	105.4	106.4	107.3	104.3	106.0	103.6	105.3	
Q/q %, SAAR	4.8	2.7	0.8	1.5	0.4	1.7	4.0	3.5					
Y/y %	1.8	2.2	2.6	2.9	1.2	1.0	1.8	2.8	2.4	1.7	2.1	1.7	
Nominal public fixed investment													
Y tril; SAAR	26.7	27.2	27.5	27.1	27.5	27.2	26.4	26.1	27.1	26.7	27.2	27.0	
Q/q %, SAAR	-9.2	8.5	3.8	-5.4	6.6	-4.1	-11.0	-5.1					
Y/y %	3.9	1.7	0.5	-1.6	3.7	0.6	-3.9	-4.0	0.8	-1.4	3.4	-0.8	
Exchange rate (Y/\$)	102.1	103.9	114.5	119.1	121.4	122.2	121.5	115.4	109.9	120.1	105.8	121.0	
(Y/€)	139.5	137.8	143.8	132.6	135.0	135.6	131.5	128.0	138.4	132.5	140.3	133.7	

Source: Compiled by DIR.

Notes: Due to rounding, figures may differ from those released by the government.

6.2 Major Assumptions

	2016		2017			2018			FY		CY	
	4-6	7-9	10-12 (E)	1-3 (E)	4-6 (E)	7-9 (E)	10-12 (E)	1-3 (E)	2016 (E)	2017 (E)	2016 (E)	2017 (E)
1) World economy												
Economic growth of major trading partners												
Y/y %	3.4	3.4	3.3	3.6	3.5	3.3	3.3	3.4	3.4	3.4	3.3	3.5
Crude oil price (WTI futures; \$/bbl)	45.6	44.9	50.0	50.0	50.0	50.0	50.0	50.0	47.6	50.0	43.6	50.0
Y/y %	-21.1	-3.4	18.6	48.7	9.5	11.3	0.0	0.0	5.8	4.9	-10.7	14.8
2) US economy												
Real GDP (chained [2009]; \$ bil; SAAR)	16,583	16,713	16,800	16,889	16,977	17,062	17,150	17,245	16,746	17,108	16,655	17,020
Q/q %, SAAR	1.4	3.2	2.1	2.1	2.1	2.0	2.1	2.2				
Y/y %	1.3	1.6	1.9	2.2	2.4	2.1	2.1	2.1	1.7	2.2	1.6	2.2
Consumer Price Index (1982-84 avg=100)	239.4	240.4	242.4	243.5	244.9	246.3	247.6	248.9	241.4	246.9	240.0	245.6
Q/q %, SAAR	2.5	1.6	3.4	1.9	2.3	2.3	2.1	2.2				
Y/y %	1.0	1.1	1.8	2.4	2.3	2.5	2.1	2.2	1.6	2.3	1.3	2.3
Producer Price Index (Final demand; 2009.Nov=100)	110.2	110.4	110.8	111.3	111.8	112.4	112.9	113.4	110.7	112.6	110.3	112.1
Q/q %, SAAR	1.7	0.7	1.4	1.7	2.0	2.0	1.8	1.9				
Y/y %	0.1	0.2	1.1	1.4	1.4	1.8	1.9	1.9	0.7	1.8	0.3	1.6
FF rate (%)	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	0.75	1.25	0.75	1.25
(Target rate for the forecast period, end-period)												
Government bond yield (10 year; %)	1.75	1.56	2.11	2.41	2.42	2.48	2.52	2.66	1.96	2.52	1.84	2.46
3) Japanese economy												
Nominal government final consumption												
Y tril; SAAR	105.8	106.1	106.5	106.9	107.4	108.0	108.7	109.4	106.3	108.3	106.4	107.7
Q/q %, SAAR	-5.4	0.9	1.6	1.5	1.8	2.2	2.7	2.6				
Y/y %	0.7	0.6	0.1	-0.6	1.6	1.8	2.0	2.4	0.2	2.0	1.0	1.2
Nominal public fixed investment												
Y tril; SAAR	26.4	26.4	27.6	29.1	29.5	28.5	26.7	26.0	27.6	27.5	26.7	28.4
Q/q %, SAAR	5.2	-1.0	20.1	23.6	5.9	-13.4	-22.7	-9.8				
Y/y %	-3.6	-3.0	4.5	11.7	11.5	8.0	-3.3	-10.7	3.1	-0.2	-1.3	6.4
Exchange rate (Y/\$)	108.1	102.4	114.0	114.0	114.0	114.0	114.0	114.0	109.6	114.0	110.0	114.0
(Y/€)	120.7	114.7	122.5	122.5	122.5	122.5	122.5	122.5	120.1	122.5	121.5	122.5

Source: Compiled by DIR.

Notes: Due to rounding, figures may differ from those released by the government.

E: DIR estimate.