

8 June 2022 (No. of pages:2)

Japanese report: 08 Jun 2022

Jan-Mar 2022 2nd Preliminary GDP Estimate

GDP revised upwards due to growth in private inventories and other factors. Growth is seen on the high side in the Apr-Jun period.

Economic Research Dept.
Keiji Kanda
Wakaba Kobayashi

Summary

- The real GDP growth rate for Jan-Mar 2022 (2nd preliminary est) was revised upwards to -0.5% q/q annualized (-0.1% q/q), a reduction in the extent of decline in comparison to the 1st preliminary results which were at -1.0% q/q annualized. Looking at performance by major component, contribution from change in private inventories was 0.3%pt higher than the first preliminary estimate, while private non-residential investment shifted into the negative range. The findings of this estimate confirm once again that the economy has deteriorated due to sluggish consumer spending following the rapid worsening of the COVID-19 infection situation, and supply constraints have brought unavoidable production cuts in motor vehicles.
- The 2022 Apr-Jun period real GDP growth rate is expected to be at +3.5% q/q annualized. If this outlook is realized, real GDP will have recovered to the level seen before the spread of COVID-19 (the Oct-Dec period of 2019). While highs in the price of resources and a weak yen have brought rising prices in a wide range of commodities, a major accumulation of household savings should disperse some of the negative effects on personal consumption. For the time being, attention should be paid especially to trends in exports of goods, which may swing downward depending on trends in overseas economies.

Jan-Mar 2022 GDP (2nd Preliminary Estimate) Chart 1

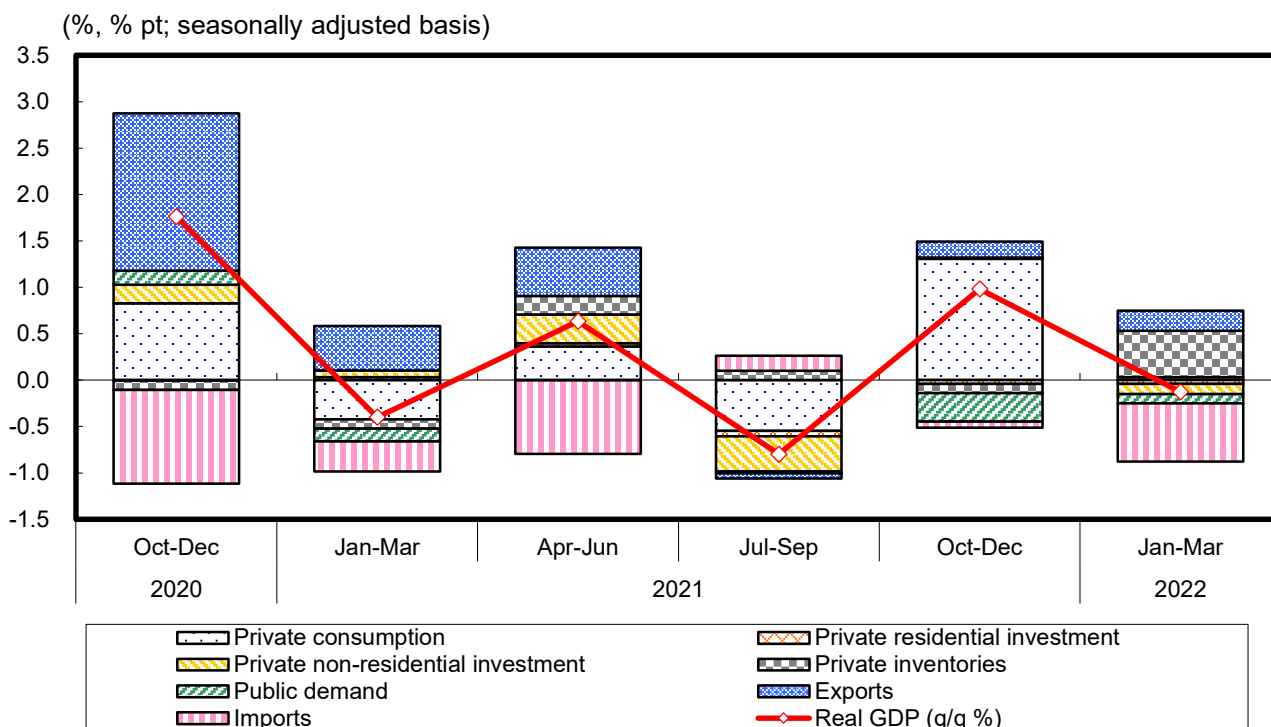
		2021				2022	
		Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	
						First	Second
Real GDP	Q/q %	-0.4	0.6	-0.8	1.0	-0.2	-0.1
	Annualized Q/q %	-1.6	2.6	-3.2	4.0	-1.0	-0.5
Private consumption	Q/q %	-0.8	0.7	-1.0	2.4	-0.0	0.1
Private residential investment	Q/q %	1.0	1.0	-1.7	-1.1	-1.1	-1.2
Private non-residential investment	Q/q %	0.5	2.0	-2.4	0.1	0.5	-0.7
Change in private inventories (contribution to real GDP growth)	Q/q % pts	-0.1	0.2	0.1	-0.1	0.2	0.5
Government consumption	Q/q %	-0.7	0.8	1.1	-0.3	0.6	0.5
Public investment	Q/q %	-0.0	-3.7	-3.9	-4.7	-3.6	-3.9
Exports of goods and services	Q/q %	2.6	2.8	-0.3	0.9	1.1	1.1
Imports of goods and services	Q/q %	1.8	4.3	-0.8	0.3	3.4	3.3
Domestic demand (contribution to real GDP growth)	Q/q % pts	-0.5	0.9	-0.9	0.9	0.2	0.3
Foreign demand (contribution to real GDP growth)	Q/q % pts	0.1	-0.2	0.1	0.1	-0.4	-0.4
Nominal GDP	Q/q %	-0.7	0.4	-1.1	0.3	0.1	0.2
	Annualized Q/q %	-2.7	1.8	-4.1	1.3	0.4	0.6
GDP deflator	Q/q %	-0.3	-0.2	-0.3	-0.6	0.4	0.3
	Y/y %	-0.1	-1.1	-1.2	-1.3	-0.4	-0.5

Source: Cabinet Office; compiled by DIR.

Notes: 1) Due to rounding, contributions do not necessarily conform to calculations based on figures shown.

2) Q/q figures seasonally adjusted basis.

Contribution to Real GDP Chart 2



Source: Cabinet Office; compiled by DIR.