

Japanese Economy: Analysis and Forecasts No.145

29 November, 2023

A Macroeconomic Analysis Project

▶This report is a summary of the economic analyses and forecasts made by APIR's macroeconomic analysis project team.

▶The project team consists of young professionals from member companies and APIR researchers, and is headed by Yoshihisa Inada, Director of the APIR Center for Quantitative Economic Analysis and Professor Emeritus of Konan University.

▶This report and the forecasts in it were co-authored by Yoshihisa Inada and Mitsuru Shimoda from the Japan Applied Research Institute.

▶This project is part of a 40-year research collaboration between young business professionals and academics, and its forecasts are used widely.

▶The project was originally established by Chikashi Moriguchi and Kanemi Ban, Professors Emeritus of Osaka University. In 2005, we incorporated Current Quarter Model (CQM) forecasts into our quarterly macroeconomic forecast model.

▶Aiming to provide a timely response to changes in the economy, this report has been published quarterly since 2004.

Index

Forecast Highlights	1
Summary of Forecast Results	2
Forecasts at a glance	3
Detailed Forecast Results	4-9

Forecast Highlights

Persistently high inflation and weak private demand

- Real GDP growth forecast: +1.5% in FY 2023, +1.2% in FY 2024, +1.0% in FY 2025 -

- ◆ According to the first official advance estimates released on September 15, Japan's real Q3 GDP (555.1 trillion yen, annualized) shrank by -2.1% QoQ, marking the first decline in three quarters. Q2 GDP had exceeded the pre-pandemic peak (557.4 trillion yen in Q3 2019) for the first time in 15 quarters, but Q3 GDP slid back to a level of -0.4% below the peak. Due to inflation, however, nominal GDP in Q3 (588.5 trillion yen) did exceed the pre-pandemic peak (561.6 trillion yen) for the third consecutive quarter.
- ◆ Q3 GDP growth was much lower than the final market consensus forecast (-0.42% QoQ). On the other hand, APIR's expenditure-side CQM final forecast was -1.8% QoQ, almost in the bull's eye.
- ◆ In terms of contributions to real GDP growth in Q3 (-0.5% QoQ), domestic demand made a negative contribution for the second consecutive quarter with -0.4 percentage points (pp). Therein, private-sector demand made a negative contribution for the second consecutive quarter at -0.4 pp, a result of declines in all of its components: private final consumption expenditures (-0.0 pp), private residential investment (-0.1 pp), private non-residential investment (-0.6 pp), and private inventory changes (-0.3 pp). On the other hand, public demand made a small positive contribution for the fourth consecutive quarter with +0.0 pp. Finally, net exports made a negative contribution for the first time in two quarters, with -0.1 pp.
- ◆ We have revised our outlook for the Japanese economy in FY2023-24 by incorporating the first official advance GDP estimate for 2023 Q3 as well as new exogenous variables. This report also features our first forecast for FY 2025. We now project real GDP growth of +1.5% in FY 2023, +1.2% in FY 2024, and +1.0% in FY 2025. The FY 2023 forecast was revised down by -0.5 pp from our last report, largely due to the large downward revision in private demand, which offset the higher contribution of net exports. On the other hand, the FY 2024 forecast was revised up by +0.1 pp due to a positive revision in net exports.
- ◆ Domestic demand made a negative contribution in the first two quarters of FY 2023. Since real wages are not expected to grow, the recovery in private consumption will be modest in the second half of the year, resulting in a small negative contribution to private demand in FY 2023. On the other hand, the trade deficit will narrow, partly due to improved terms of trade, and service exports will increase thanks to inbound tourism, resulting in a large positive contribution by net exports in FY 2023. Due to the persistently high inflation, real wages are not expected to start growing until the second half of 2024. As a result, the contribution of private demand in FY 2024-25 will be modest, and the contribution of net exports is expected to decline too.
- ◆ Consumer price inflation, which remained in the 3% range in the first half of FY 2023, will gradually decelerate. As a result, we forecast consumer price inflation to be +2.8% in FY 2023, +1.9% in FY 2024, and +1.4% in FY 2025. Compared to our previous forecast, the figures are up by 0.1 pp in FY 2023 and +0.4 pp in FY 2024, reflecting the current depreciation of the yen. The GDP deflator will rise by +3.1% in FY 2023 due to a significant improvement in the terms of trade from the previous year. The GDP deflator is projected to be +0.5% in FY 2024 and +1.2% in FY 2025, reflecting the improved terms of trade.

Forecast Summary

	Current forecast (2023/11/29)				Previous forecast (2023/8/29)			
	2022	2023	2024	2025	2021	2022	2023	2024
Real GDP (%)	1.3	1.5	1.2	1.0	2.7	1.4	1.9	1.1
Private demand (contribution)	1.9	-0.1	0.9	0.8	1.5	1.9	0.8	1.1
Private final consumption expenditure (%)	2.5	-0.2	1.0	0.7	1.5	2.5	0.5	1.2
Private residential investment (%)	-3.2	2.4	0.3	0.6	-0.6	-3.0	2.8	0.6
Private non-residential investment (%)	3.0	0.4	2.2	2.5	2.3	3.1	2.0	2.6
Private inventory changes (contribution)	0.2	-0.3	0.1	0.0	0.4	0.2	-0.2	0.0
Public demand (contribution)	0.0	0.3	0.1	0.1	0.4	0.0	0.4	0.1
Government final consumption expenditure (%)	0.7	0.5	0.2	0.2	3.4	0.7	0.4	0.3
Public investment expenditure (%)	-3.2	1.4	1.5	0.9	-6.5	-3.1	3.5	1.0
Public inventory changes (contribution)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0
External demand (contribution)	-0.6	1.3	0.2	0.1	0.8	-0.6	0.8	-0.1
Exports of goods and services (%)	4.5	3.2	2.5	2.2	12.4	4.5	1.8	1.5
Imports of goods and services (%)	7.2	-3.0	1.4	2.0	7.1	7.2	-2.4	1.9
Nominal GDP (%)	2.0	4.7	1.8	2.2	2.5	2.0	5.3	1.4
GDP deflator (%)	0.7	3.1	0.5	1.2	-0.1	0.7	3.3	0.3
Domestic corporate price index (%)	9.5	2.1	-0.5	-0.0	7.1	9.4	2.3	0.2
Core consumer price index (%)	3.1	2.8	1.9	1.4	0.0	3.1	2.7	1.5
Industrial production index (%)	-0.3	-0.8	0.9	1.6	5.5	-0.3	0.5	1.7
New housing starts (%)	-0.6	-5.2	0.1	0.1	6.6	-0.6	-3.1	0.7
Unemployment rate (%)	2.6	2.6	2.5	2.4	2.8	2.6	2.5	2.4
Current account balance (JPY trillion)	8.3	23.7	23.0	23.7	20.2	9.4	22.1	18.0
% of nominal GDP	1.5	4.0	3.8	3.9	3.7	1.7	3.7	3.0
Crude oil price (USD/barrel)	92.5	82.2	81.5	75.8	78.3	92.5	78.0	76.0
USD/JPY exchange rate	135.4	144.6	140.7	132.3	112.4	135.4	140.1	134.9
USA real GDP (% , calendar year)	1.9	2.5	1.5	1.5	5.9	2.1	2.2	1.5

Note: Figures on private consumption, government spending, changes in private and government inventories and external demand represent contribution ratios. The rest of the figures reflect YoY changes. The crude oil price is the average of the WTI, Dubai and Brent Blend benchmarks. Highlighted columns represent actual values.

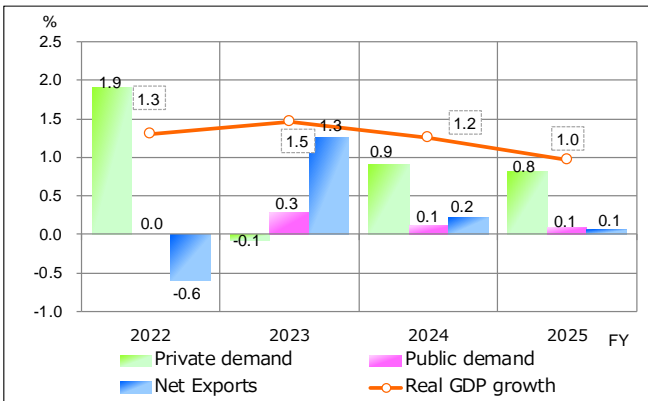
Forecasts at a glance

[Q3 GDP again falls below pre-Corona pandemic peak]

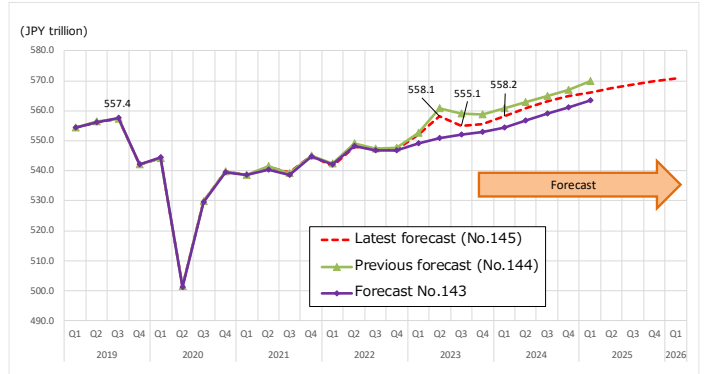
	GDP	Goods imports	Services import	Private final consumption expenditure	Private capital investment	Government spending	Goods exports	Services exports	Nominal GDP
19Q3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
19Q4	97.2	98.7	96.2	96.7	94.8	100.3	97.9	100.3	98.0
20Q1	97.6	93.9	94.7	97.3	95.1	100.3	95.6	88.7	98.7
20Q2	89.9	94.8	89.5	89.1	91.8	101.2	78.1	76.7	91.3
20Q3	95.0	87.1	84.8	94.0	88.8	103.1	88.9	73.3	96.2
20Q4	96.8	94.3	84.3	95.8	89.6	103.9	98.3	75.1	97.8
21Q1	96.6	96.3	85.4	94.1	92.4	103.8	100.8	79.1	97.7
21Q2	97.1	99.3	94.7	94.3	93.6	105.1	104.8	79.7	98.2
21Q3	96.8	98.2	90.8	93.3	93.6	105.5	103.9	80.6	97.7
21Q4	97.8	99.0	90.0	96.1	93.3	103.9	103.9	80.3	98.4
22Q1	97.2	103.0	92.4	95.0	95.6	103.7	106.4	78.3	98.5
22Q2	98.3	104.7	91.8	96.6	96.6	104.1	107.8	82.0	99.4
22Q3	98.2	106.6	107.8	96.8	97.5	104.1	109.3	86.9	98.7
22Q4	98.1	108.5	102.6	97.0	95.1	104.4	109.3	94.3	100.0
23Q1	99.0	104.3	108.0	97.6	98.2	104.8	102.9	100.1	102.2
23Q2	100.1	99.2	108.2	96.7	97.1	104.9	106.3	106.2	104.8
23Q3	99.6	99.1	113.6	96.7	95.3	105.0	107.1	106.0	104.8

Note: 2019Q3=100

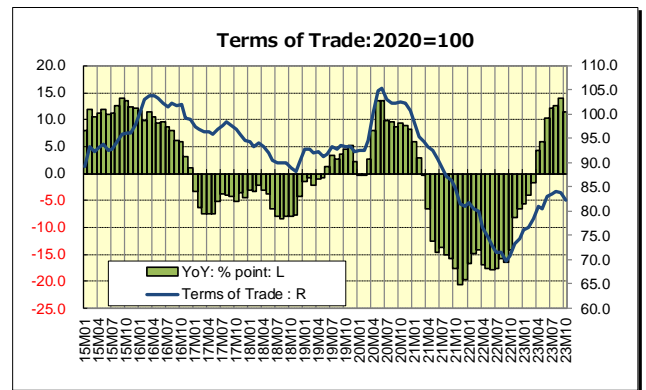
[Contributions to real GDP growth (% pt)]



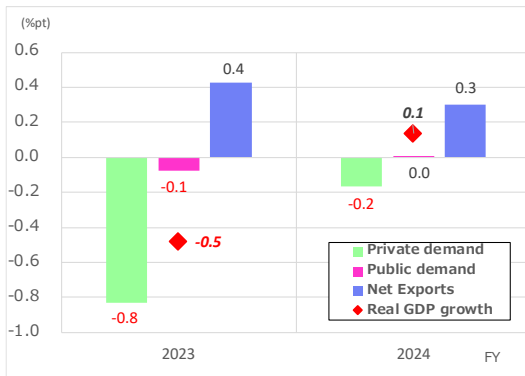
[Negative growth in 2023Q3, forecast path revised downward]



[Terms of Trade Significantly Improved in 2023]

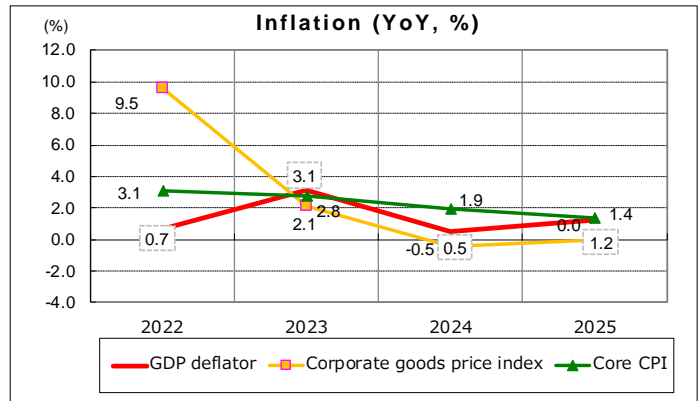


[Large downward correction in FY2023, small upward correction in FY24]



Note: Due to rounding, the total contribution of demand components does not necessarily match the real GDP growth rate.

[FY2023/24 inflation rate revised upward from the previous rate.]



Detailed Forecasts

Table 1. Main economic indicators

	Quarter												Fiscal year			
	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	2022	2023	2024	2025
Real GDP (JPY trillion)	558.1	555.1	555.6	558.2	560.7	563.1	564.8	566.1	567.5	568.6	569.7	570.8	548.7	556.7	563.7	569.2
	1.1	-0.5	0.1	0.5	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	1.3	1.5	1.2	1.0
	1.9	1.4	1.6	1.1	0.5	1.4	1.7	1.4	1.2	1.0	0.9	0.8				
Nominal GDP (JPY trillion)	588.7	588.5	588.8	588.0	591.9	596.7	601.4	605.8	609.5	611.0	613.2	615.1	562.3	588.5	599.0	612.2
	2.5	0.0	0.1	-0.1	0.7	0.8	0.8	0.7	0.6	0.3	0.4	0.3	2.0	4.7	1.8	2.2
	5.4	6.2	4.9	2.4	0.6	1.4	2.1	3.0	3.0	2.4	2.0	1.5				
GDP deflator (2015=100)	105.5	106.0	106.0	105.3	105.6	106.0	106.5	107.0	107.4	107.5	107.6	107.8	102.5	105.7	106.3	107.6
	1.4	0.5	0.0	-0.6	0.2	0.4	0.5	0.5	0.4	0.1	0.2	0.1	0.7	3.1	0.5	1.2
	3.5	4.7	3.3	1.3	0.1	0.0	0.5	1.6	1.7	1.4	1.1	0.7				
Index of industrial production (2020=100)	104.8	103.5	104.2	103.9	104.4	104.8	105.2	105.6	106.1	106.5	106.9	107.3	104.9	104.1	105.0	106.7
	1.4	-1.2	0.7	-0.3	0.5	0.4	0.4	0.5	0.4	0.4	0.4	0.3	-0.3	-0.8	0.9	1.6
	0.9	-3.4	-1.0	0.5	-0.4	1.2	0.9	1.7	1.6	1.6	1.6	1.5				
New housing starts (thousands)	203.6	199.1	203.0	210.0	204.7	204.3	204.0	203.8	199.8	201.8	205.9	210.1	860.8	815.8	816.8	817.7
	-7.0	-2.2	1.9	3.4	-2.5	-0.2	-0.1	-0.1	-2.0	1.0	2.0	2.0	-0.6	-5.2	0.1	0.1
	-4.5	-7.7	-4.6	-4.1	0.5	2.6	0.5	-2.9	-2.4	-1.2	0.9	3.1				
Domestic corporate goods price index (2020=100)	119.5	119.6	119.8	119.8	119.3	119.5	118.9	118.9	119.0	119.3	119.1	119.2	117.2	119.7	119.1	119.1
	-0.17	0.08	0.14	0.00	-0.42	0.13	-0.43	-0.02	0.09	0.24	-0.20	0.08	9.54	2.13	-0.45	-0.01
	5.0	3.0	0.6	0.1	-0.2	-0.2	-0.7	-0.7	-0.2	-0.1	0.1	0.2				
Core consumer price index (2020=100)	104.9	105.6	106.4	106.5	107.2	107.8	108.2	108.3	109.0	109.2	109.7	109.6	103.0	105.8	107.9	109.3
	0.8	0.7	0.8	0.1	0.7	0.6	0.4	0.0	0.6	0.2	0.4	-0.1	3.1	2.8	1.9	1.4
	3.2	3.0	2.5	2.4	2.2	2.1	1.7	1.7	1.6	1.3	1.3	1.2				
Wage earnings per worker (JPY thousand)	4166.8	4157.9	4197.0	4212.0	4231.8	4236.6	4270.4	4287.8	4305.3	4306.6	4342.2	4362.0	4121.0	4183.5	4256.6	4329.0
	0.4	-0.2	0.9	0.4	0.5	0.1	0.8	0.4	0.4	0.0	0.8	0.5	1.4	1.5	1.7	1.7
	1.9	1.1	1.6	1.4	1.6	1.9	1.7	1.8	1.7	1.7	1.7	1.7				
Unemployment rate (%)	2.6	2.7	2.6	2.6	2.6	2.6	2.5	2.5	2.4	2.4	2.4	2.4	2.6	2.6	2.5	2.4
CD interest rate (%)	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10-year government bond yields (%)	0.4	0.7	0.8	0.8	0.7	0.9	0.9	0.9	1.0	1.0	1.0	1.1	0.3	0.7	0.9	1.0
Current account balance (JPY trillion)	5.9	6.2	6.1	5.6	5.2	5.6	6.0	6.2	7.0	5.9	5.6	5.2	8.3	23.7	23.0	23.7
% of nominal GDP	4.0	4.2	4.1	3.8	3.5	3.8	4.0	4.1	4.6	3.9	3.7	3.4	1.5	4.0	3.8	3.9
Crude oil price (USD/barrel)	76.5	84.7	86.8	80.6	82.2	87.8	82.9	73.1	71.4	76.0	77.3	78.3	92.5	82.2	81.5	75.8
USD/JPY exchange rate	137.3	144.6	150.3	146.3	145.3	141.9	139.4	136.0	134.5	133.0	131.5	130.0	135.4	144.6	140.7	132.3
Government debt (JPY trillion)	1262.8	1268.5	1277.7	1287.1	1295.6	1304.2	1313.1	1321.7	1330.3	1339.2	1348.3	1357.6	1257.0	1262.8	1321.7	1330.3
	0.5	0.5	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	4.1	0.5	4.7	0.7
	3.5	2.9	2.7	2.4	2.6	2.8	2.8	2.7	2.7	2.7	2.7	2.7				
% of GDP	214.5	215.6	215.3	215.0	215.0	215.5	216.4	217.2	218.0	219.1	220.5	221.9	223.5	214.6	220.7	217.3
Fiscal balance (JPY trillion)	-56.2	-59.6	-62.4	-64.7	-65.0	-64.2	-64.0	-63.6	-64.0	-64.6	-65.7	-66.5	-66.7	-60.7	-64.2	-65.2

Notes: In the quarterly statistics, the figures in the first and second rows below the main series represent QoQ changes (%) and YoY changes (%) respectively. In the annual statistics, the figures under the main series represent YoY changes (%). In the GDP statistics (real, nominal, deflator), the first and second rows represent QoQ and YoY growth rates (%) respectively. The YoY values were calculated using seasonally adjusted data, so they might differ from the official figures, which are not seasonally adjusted. Highlighted columns represent actual values.

Table 2. Gross domestic expenditure (real)

JPY trillion (2015 chain prices), %

	Quarter												Fiscal year			
	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	2022	2023	2024	2025
Private final consumption expenditure	294.8	294.7	295.5	296.1	296.7	298.0	298.7	299.3	299.7	300.1	300.5	300.8	295.7	295.3	298.2	300.3
	-0.9	0.0	0.3	0.2	0.2	0.4	0.2	0.2	0.2	0.1	0.1	0.1	2.5	-0.2	1.0	0.7
	0.1	-0.1	0.0	-0.5	0.6	1.1	1.1	1.1	1.0	0.7	0.6	0.5				
Private residential investment	18.7	18.7	18.6	18.5	18.5	18.7	18.8	18.8	18.8	18.8	18.8	18.8	18.2	18.6	18.7	18.8
	1.8	-0.1	-0.1	-0.7	-0.1	0.8	0.9	-0.4	0.0	0.1	0.2	0.1	-3.2	2.4	0.3	0.6
	3.4	3.2	2.1	0.9	-0.9	-0.1	1.0	1.3	1.3	0.7	-0.1	0.5				
Private non-residential investment	90.5	89.9	90.9	91.3	91.8	92.3	92.7	93.7	94.2	94.7	95.2	95.8	90.3	90.7	92.6	95.0
	-1.0	-0.6	1.1	0.5	0.5	0.6	0.5	1.0	0.6	0.5	0.5	0.6	3.0	0.4	2.2	2.5
	1.6	-0.9	1.1	-0.1	1.4	2.7	2.0	2.6	2.6	2.6	2.7	2.2				
Change in private inventories	2.0	0.5	-1.2	0.1	0.5	0.6	0.7	0.8	0.7	0.7	0.7	0.7	2.3	0.3	0.6	0.7
Government final consumption expenditure	118.8	119.2	119.3	119.8	120.3	119.8	119.2	118.7	119.1	119.5	120.0	120.4	118.6	119.3	119.5	119.7
	0.0	0.3	0.1	0.4	0.4	-0.4	-0.4	-0.5	0.3	0.4	0.4	0.3	0.7	0.5	0.2	0.2
	0.2	0.5	0.5	0.9	1.3	0.5	-0.1	-0.9	-1.0	-0.2	0.6	1.4				
Government investment expenditure	27.1	27.0	27.0	27.2	26.9	27.3	27.6	28.0	27.9	27.8	27.7	27.5	26.7	27.1	27.5	27.7
	0.3	-0.5	0.1	0.7	-0.9	1.3	1.3	1.3	-0.4	-0.4	-0.4	-0.4	-3.2	1.4	1.5	0.9
	2.8	1.2	1.3	0.5	-0.7	1.1	2.4	3.0	3.5	1.8	0.1	-1.6				
Change in government inventories	-0.4	-0.2	0.0	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.10	-0.02	-0.02	-0.02
Net exports of goods and services	4.9	4.3	4.6	4.4	5.2	5.7	6.1	6.1	6.3	6.1	6.1	6.0	-2.4	4.5	5.8	6.1
Exports of goods and services	111.2	111.8	112.4	112.7	113.5	114.4	115.3	115.9	116.5	117.0	117.6	118.1	108.5	112.0	114.8	117.3
	3.9	0.5	0.5	0.3	0.7	0.8	0.8	0.5	0.5	0.5	0.5	0.4	4.5	3.2	2.5	2.2
	4.0	2.3	1.3	5.3	2.1	2.3	2.6	2.8	2.6	2.3	1.9	1.9				
Imports of goods and services	106.4	107.5	107.8	108.3	108.3	108.8	109.2	109.8	110.2	110.9	111.4	112.1	110.9	107.5	109.0	111.2
	-3.8	1.0	0.3	0.5	0.0	0.4	0.4	0.5	0.4	0.6	0.5	0.6	7.2	-3.0	1.4	2.0
	-0.8	-4.7	-4.5	-2.1	1.8	1.2	1.3	1.3	1.8	2.0	2.1	2.1				
GDP	558.1	555.1	555.6	558.2	560.7	563.1	564.8	566.1	567.5	568.6	569.7	570.8	548.7	556.7	563.7	569.2
	4.5	-2.1	0.4	1.9	1.8	1.7	1.2	0.9	1.0	0.7	0.8	0.7	1.3	1.5	1.2	1.0
	1.1	-0.5	0.1	0.5	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2				
	1.9	1.4	1.6	1.1	0.5	1.4	1.7	1.4	1.2	1.0	0.9	0.8				
Contribution of domestic demand	-0.4	-0.4	0.1	0.5	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	1.9	0.2	1.0	0.9
of which, private demand	-0.5	-0.5	0.0	0.4	0.3	0.4	0.3	0.3	0.2	0.2	0.2	0.2	1.9	-0.1	0.9	0.8
of which, public demand	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.0	0.3	0.1	0.1
Contribution of net exports	1.5	-0.1	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	-0.6	1.3	0.2	0.1

Notes: In the quarterly statistics, the figures in the first and second rows below the main series represent QoQ changes (%) and YoY changes (%) respectively. In the GDP quarterly series, the first row below the main series represents annualized QoQ changes (%), the second and third rows are QoQ and YoY changes (%), respectively. In the annual statistics, the figures under the main series represent YoY changes (%). Highlighted columns represent actual values.

Table 3. Gross domestic expenditure (nominal)

JPY trillion, %

	Quarter												Fiscal year			
	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	2022	2023	2024	2025
Private final consumption expenditure	317.5	318.9	320.9	322.2	323.4	325.6	327.9	329.8	331.4	332.0	333.2	334.4	312.7	319.9	326.7	332.8
	-0.5	0.4	0.6	0.4	0.4	0.7	0.7	0.6	0.5	0.2	0.4	0.3	5.6	2.3	2.1	1.9
	3.0	2.9	2.4	1.0	1.9	2.1	2.2	2.4	2.5	2.0	1.6	1.4				
Private residential investment	22.1	22.1	21.9	21.7	21.7	21.8	21.9	21.9	21.9	21.9	22.0	22.0	21.7	22.0	21.8	21.9
	1.4	-0.2	-0.7	-0.9	-0.1	0.5	0.5	-0.4	0.0	0.2	0.2	0.2	1.7	1.3	-0.6	0.5
	2.9	2.1	0.6	-0.4	-1.9	-1.2	0.1	0.6	0.7	0.4	0.1	0.7				
Private non-residential investment	99.2	99.4	101.2	102.5	103.6	104.8	105.9	107.6	108.7	109.8	111.0	112.3	97.3	100.6	105.5	110.4
	-0.1	0.2	1.8	1.2	1.1	1.2	1.0	1.6	1.1	1.0	1.1	1.1	7.4	3.4	4.9	4.7
	4.9	2.1	3.9	3.2	4.4	5.4	4.7	5.0	5.0	4.7	4.8	4.4				
Change in private inventories	3.1	0.2	-1.8	-0.8	-0.3	-0.1	0.0	0.1	0.0	0.0	0.0	0.0	2.6	0.2	-0.1	0.0
Government final consumption expenditure	122.1	122.9	123.3	123.8	124.3	123.8	123.4	123.0	123.7	124.1	124.7	125.3	121.5	123.0	123.6	124.4
	-0.1	0.7	0.3	0.4	0.4	-0.4	-0.3	-0.3	0.5	0.4	0.5	0.5	2.1	1.3	0.5	0.7
	1.7	1.2	1.0	1.2	1.8	0.7	0.1	-0.6	-0.5	0.3	1.1	1.8				
Government investment expenditure	31.1	31.2	31.3	31.1	31.1	31.4	31.6	32.0	31.9	31.8	31.6	31.5	30.2	31.2	31.5	31.7
	1.2	0.1	0.2	-0.3	-0.3	1.0	0.8	1.3	-0.4	-0.4	-0.5	-0.4	1.2	3.4	1.1	0.5
	5.8	3.8	3.2	1.2	-0.3	0.6	1.2	2.8	2.6	1.3	0.0	-1.7				
Change in government inventories	-0.04	-0.06	-0.01	-0.03	-0.03	-0.03	-0.02	-0.03	-0.03	-0.03	-0.03	-0.03	-0.24	-0.04	-0.03	-0.03
Net exports of goods and services	-6.5	-6.2	-7.9	-12.5	-11.8	-10.6	-9.3	-8.5	-8.1	-8.6	-9.3	-10.2	-23.4	-8.3	-10.1	-9.0
Exports of goods and services	125.3	129.5	133.2	133.8	135.4	136.6	137.6	138.0	138.2	138.3	138.1	137.8	122.8	130.4	136.9	138.1
	4.5	3.3	2.9	0.4	1.2	0.9	0.8	0.3	0.1	0.1	-0.1	-0.2	18.3	6.2	5.0	0.9
	5.5	3.4	4.6	11.6	8.1	5.5	3.3	3.2	2.0	1.3	0.3	-0.1				
Imports of goods and services	131.8	135.7	141.1	146.3	147.2	147.2	147.0	146.5	146.3	146.9	147.4	148.0	146.2	138.7	147.0	147.2
	-6.5	2.9	4.0	3.6	0.6	0.0	-0.1	-0.3	-0.2	0.4	0.4	0.4	32.3	-5.1	6.0	0.1
	-4.3	-12.0	-7.0	3.7	11.7	8.5	4.1	0.2	-0.6	-0.2	0.3	1.0				
GDP	588.7	588.5	588.8	588.0	591.9	596.7	601.4	605.8	609.5	611.0	613.2	615.1	562.3	588.5	599.0	612.2
	10.5	-0.2	0.3	-0.6	2.7	3.3	3.2	2.9	2.5	1.0	1.4	1.3	2.0	4.7	1.8	2.2
	2.5	0.0	0.1	-0.1	0.7	0.8	0.8	0.7	0.6	0.3	0.4	0.3				
	5.4	6.2	4.9	2.4	0.6	1.4	2.1	3.0	3.0	2.4	2.0	1.5				
Contribution of domestic demand	0.0	-0.1	0.4	0.6	0.6	0.6	0.6	0.6	0.5	0.3	0.5	0.5	3.6	4.9	2.1	2.0
of which, private demand	-0.1	-0.2	0.3	0.6	0.5	0.6	0.6	0.6	0.5	0.3	0.4	0.4	2.8	4.3	1.9	1.9
of which, public demand	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.8	0.6	0.2	0.2
Contribution of net exports	2.5	0.1	-0.3	-0.8	0.1	0.2	0.2	0.1	0.1	-0.1	-0.1	-0.2	-1.2	-3.0	-0.3	0.2

Notes: In the quarterly statistics, the figures in the first and second rows below the main series represent QoQ changes (%) and YoY changes (%) respectively. In the GDP quarterly series, the first row below the main series represents annualized QoQ changes (%), the second and third rows are QoQ and YoY changes (%), respectively. In the annual statistics, the figures under the main series represent YoY changes (%). Highlighted columns represent actual values.

Table 4. Gross domestic expenditure (deflator)

2015 = 100, %

	Quarter												Fiscal year			
	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	2022	2023	2024	2025
Private final consumption expenditure	107.7	108.2	108.6	108.8	109.0	109.3	109.8	110.2	110.6	110.6	110.9	111.2	105.7	108.3	109.6	110.8
	0.4	0.5	0.3	0.2	0.2	0.2	0.4	0.4	0.3	0.0	0.3	0.2	3.0	2.4	1.1	1.1
	2.9	3.0	2.4	1.5	1.2	1.0	1.1	1.3	1.4	1.2	1.0	0.9				
Private residential investment	118.4	118.2	117.5	117.3	117.3	116.9	116.4	116.5	116.5	116.6	116.6	116.7	119.1	117.9	116.8	116.6
	-0.3	-0.2	-0.6	-0.2	-0.1	-0.3	-0.4	0.0	0.0	0.1	0.0	0.1	5.1	-1.0	-0.9	-0.1
	-0.5	-1.0	-1.5	-1.3	-1.0	-1.1	-0.9	-0.7	-0.6	-0.2	0.2	0.2				
Private non-residential investment	109.7	110.6	111.4	112.2	112.8	113.6	114.2	114.8	115.4	115.9	116.6	117.2	107.7	111.0	113.9	116.3
	0.9	0.9	0.7	0.7	0.6	0.7	0.6	0.5	0.5	0.5	0.6	0.5	4.2	3.0	2.6	2.1
	3.2	3.0	2.8	3.2	2.9	2.7	2.6	2.4	2.3	2.1	2.1	2.1				
Government final consumption expenditure	102.8	103.2	103.3	103.3	103.3	103.4	103.5	103.6	103.8	103.8	104.0	104.1	102.4	103.1	103.4	103.9
	-0.1	0.4	0.1	0.0	0.0	0.1	0.1	0.2	0.2	0.0	0.1	0.1	1.4	0.7	0.3	0.5
	1.5	0.6	0.5	0.4	0.5	0.2	0.2	0.4	0.5	0.5	0.5	0.4				
Government investment expenditure	114.9	115.6	115.8	114.6	115.4	115.0	114.5	114.4	114.4	114.4	114.3	114.3	113.1	115.2	114.8	114.4
	0.9	0.6	0.1	-1.0	0.7	-0.3	-0.5	0.0	0.0	0.0	-0.1	0.0	4.6	1.9	-0.4	-0.4
	2.9	2.5	1.9	0.6	0.4	-0.5	-1.2	-0.2	-0.9	-0.5	-0.1	-0.1				
Exports of goods and services	112.6	115.8	118.5	118.7	119.3	119.3	119.4	119.1	118.6	118.2	117.5	116.8	113.2	116.4	119.3	117.8
	0.6	2.8	2.4	0.1	0.5	0.1	0.0	-0.3	-0.4	-0.4	-0.6	-0.6	13.2	2.9	2.4	-1.3
	1.4	1.0	3.3	5.9	5.9	3.1	0.7	0.3	-0.6	-1.0	-1.6	-1.9				
Imports of goods and services	123.9	126.3	130.9	135.0	135.9	135.3	134.6	133.5	132.7	132.5	132.3	132.1	131.9	129.1	134.8	132.4
	-2.8	1.9	3.7	3.2	0.6	-0.4	-0.5	-0.8	-0.6	-0.2	-0.1	-0.1	23.4	-2.1	4.5	-1.8
	-3.4	-7.7	-2.5	5.9	9.7	7.2	2.8	-1.1	-2.4	-2.1	-1.7	-1.1				
GDP	105.5	106.0	106.0	105.3	105.6	106.0	106.5	107.0	107.4	107.5	107.6	107.8	102.5	105.7	106.3	107.6
	1.4	0.5	0.0	-0.6	0.2	0.4	0.5	0.5	0.4	0.1	0.2	0.1	0.7	3.1	0.5	1.2
	3.5	4.7	3.3	1.3	0.1	0.0	0.5	1.6	1.7	1.4	1.1	0.7				

Notes: In the quarterly statistics, the figures in the first and second rows below the main series represent QoQ changes (%) and YoY changes (%) respectively. In the annual statistics, the figures under the main series represent YoY changes (%). Highlighted columns represent actual values.

Table 5. Production, employment, wages and prices

	Quarter												Fiscal year			
	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	2022	2023	2024	2025
Index of industrial production (2020=100)	104.8	103.5	104.2	103.9	104.4	104.8	105.2	105.6	106.1	106.5	106.9	107.3	104.9	104.1	105.0	106.7
	1.4	-1.2	0.7	-0.3	0.5	0.4	0.4	0.5	0.4	0.4	0.4	0.3	-0.3	-0.8	0.9	1.6
	0.9	-3.4	-1.0	0.5	-0.4	1.2	0.9	1.7	1.6	1.6	1.6	1.5				
Labor force (ten thousand persons)	6922	6931	6932	6933	6934	6935	6936	6938	6939	6940	6942	6944	6907	6930	6936	6941
	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.3	0.1	0.1
	0.2	0.3	0.5	0.3	0.2	0.0	0.1	0.1	0.1	0.1	0.1	0.1				
Engaged labor force (ten thousand persons)	6744	6746	6752	6753	6754	6755	6764	6766	6775	6776	6777	6777	6727	6749	6760	6776
	0.2	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.3	0.3	0.2	0.2
	0.2	0.2	0.4	0.3	0.1	0.1	0.2	0.2	0.3	0.3	0.2	0.2				
Employed (ten thousand persons)	6080	6090	6095	6095	6096	6098	6106	6107	6115	6116	6117	6117	6047	6090	6102	6116
	0.6	0.2	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.6	0.7	0.2	0.2
	0.5	0.7	0.8	0.8	0.3	0.1	0.2	0.2	0.3	0.3	0.2	0.2				
Unemployment rate (%)	2.6	2.7	2.6	2.6	2.6	2.6	2.5	2.5	2.4	2.4	2.4	2.4	2.6	2.6	2.5	2.4
Domestic corporate goods price index (2020 = 100)	119.5	119.6	119.8	119.8	119.3	119.5	118.9	118.9	119.0	119.3	119.1	119.2	117.2	119.7	119.1	119.1
	-0.2	0.1	0.1	0.0	-0.4	0.1	-0.4	0.0	0.1	0.2	-0.2	0.1	9.5	2.1	-0.5	0.0
	5.0	3.0	0.6	0.1	-0.2	-0.2	-0.7	-0.7	-0.2	-0.1	0.1	0.2				
Core consumer price index (2020 = 100)	104.9	105.6	106.4	106.5	107.2	107.8	108.2	108.3	109.0	109.2	109.7	109.6	103.0	105.8	107.9	109.3
	0.8	0.7	0.8	0.1	0.7	0.6	0.4	0.0	0.6	0.2	0.4	-0.1	3.1	2.8	1.9	1.4
	3.2	3.0	2.5	2.4	2.2	2.1	1.7	1.7	1.6	1.3	1.3	1.2				

Notes: In the quarterly statistics, the figures in the first and second rows below the main series represent QoQ changes (%) and YoY changes (%) respectively. In the annual statistics, the figures under the main series represent YoY changes (%). Highlighted columns represent actual values. The "engaged labor force" category includes both self-employed and employed workers. The "employed" category excludes self-employed workers.

Table 6. Financial markets

	Quarter												Fiscal year			
	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	2022	2023	2024	2025
CD rates (%)	0.002	0.003	0.003	0.050	0.005	0.005	0.005	0.010	0.010	0.010	0.010	0.010	0.002	0.002	0.006	0.010
Government bond yields (%)	0.407	0.670	0.823	0.773	0.718	0.911	0.887	0.942	0.997	1.034	1.008	1.067	0.296	0.668	0.864	1.026
Money stock (M2+CD, JPY trillion)	1229.0	1235.7	1240.8	1246.3	1253.9	1261.0	1267.5	1272.4	1280.5	1287.2	1292.5	1297.4	1218.8	1246.3	1272.4	1297.4
	0.8	0.5	0.4	0.4	0.6	0.6	0.5	0.4	0.6	0.5	0.4	0.4	2.6	2.3	2.1	2.0
	2.6	2.4	2.3	2.3	2.0	2.0	2.2	2.1	2.1	2.1	2.0	2.0				
Nikkei stock average (JPY)	30,393	32,529	32,000	32,000	32,250	32,500	32,750	33,000	33,250	33,500	33,750	34,000	27,277	31,730	32,625	33,625
	11.5	7.0	-1.6	0.0	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	-3.9	16.3	2.8	3.1
	13.0	17.9	16.9	17.3	6.1	-0.1	2.3	3.1	3.1	3.1	3.1	3.0				
USD/JPY exchange rate	137.3	144.6	150.3	146.3	145.3	141.9	139.4	136.0	134.5	133.0	131.5	130.0	135.4	144.6	140.7	132.3
	3.8	5.3	4.0	-2.7	-0.7	-2.4	-1.7	-2.5	-1.1	-1.1	-1.1	-1.1	20.5	6.8	-2.7	-6.0
	6.0	4.5	6.2	10.6	5.8	-1.9	-7.2	-7.0	-7.4	-6.3	-5.7	-4.4				

Notes: In the quarterly statistics, the figures in the first and second rows below the main series represent QoQ changes (%) and YoY changes (%) respectively. In the annual statistics, the figures under the main series represent YoY changes (%). Highlighted columns represent actual values.

Table 7. External sector

JPY trillion, %

	Quarter												Fiscal year			
	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	2022	2023	2024	2025
Goods exports (real)	87.8	88.5	89.0	89.2	89.6	90.0	90.5	90.7	91.0	91.3	91.6	91.9	88.7	88.6	90.2	91.4
(SNA basis)	3.3	0.7	0.6	0.2	0.5	0.5	0.5	0.3	0.3	0.3	0.3	0.3	2.5	-0.1	1.8	1.4
	-1.4	-2.0	-1.4	4.9	2.0	1.8	1.7	1.8	1.6	1.4	1.2	1.3				
Goods imports (real)	80.5	80.5	80.0	80.4	80.4	80.7	81.0	81.4	81.6	82.0	82.3	82.6	86.1	80.3	80.9	82.1
(SNA basis)	-4.9	-0.1	-0.6	0.5	0.0	0.4	0.4	0.4	0.3	0.5	0.3	0.4	6.2	-6.7	0.7	1.6
	-5.3	-7.0	-9.1	-5.1	-0.1	0.3	1.3	1.3	1.5	1.6	1.6	1.6				
Services exports (real)	23.5	23.4	23.4	23.5	23.9	24.4	24.8	25.2	25.5	25.8	26.0	26.2	20.0	23.4	24.6	25.8
(SNA basis)	6.1	-0.2	-0.2	0.8	1.6	1.9	1.8	1.4	1.2	1.0	0.9	0.7	13.8	17.1	4.8	5.1
	29.5	22.0	12.2	6.5	2.0	4.2	6.2	6.9	6.5	5.6	4.6	3.9				
Services imports (real)	26.4	27.7	27.8	27.9	27.9	28.0	28.2	28.4	28.6	28.9	29.2	29.4	25.0	27.5	28.1	29.0
(SNA basis)	0.2	5.0	0.4	0.5	-0.1	0.4	0.5	0.8	0.7	1.0	0.9	1.0	11.2	9.9	2.4	3.2
	17.9	5.4	11.1	6.0	5.8	1.1	1.3	1.6	2.4	3.0	3.4	3.7				
Goods exports (nominal)	98.3	102.3	105.2	105.2	105.8	106.1	106.3	106.1	105.6	105.3	104.8	104.4	99.7	102.8	106.1	105.0
(SNA basis)	3.7	4.0	2.8	0.1	0.5	0.3	0.2	-0.2	-0.5	-0.2	-0.5	-0.4	16.4	3.1	3.2	-1.0
	0.4	-0.3	2.1	11.0	7.6	3.8	1.1	0.8	-0.2	-0.7	-1.4	-1.6				
Goods imports (nominal)	102.0	103.4	107.2	110.8	111.2	110.7	110.2	109.5	109.1	109.3	109.3	109.5	117.7	105.8	110.4	109.3
(SNA basis)	-8.3	1.4	3.8	3.3	0.4	-0.4	-0.5	-0.6	-0.4	0.1	0.1	0.2	35.0	-10.1	4.3	-1.0
	-9.3	-16.6	-12.8	-0.4	9.1	7.1	2.7	-1.1	-1.9	-1.3	-0.8	0.0				
Services exports (nominal)	26.9	27.2	28.0	28.5	29.6	30.4	31.4	31.9	32.6	33.0	33.3	33.4	23.1	27.7	30.8	33.1
(SNA basis)	7.4	1.0	3.1	1.7	3.8	2.8	3.1	1.8	2.1	1.1	1.2	0.3	27.2	19.7	11.4	7.3
	29.7	20.2	15.5	13.8	10.0	11.9	11.9	11.9	10.1	8.3	6.3	4.8				
Services imports (nominal)	29.8	32.3	33.9	35.5	36.0	36.5	36.8	37.0	37.2	37.6	38.0	38.5	28.5	32.9	36.6	37.8
(SNA basis)	0.0	8.3	4.9	4.7	1.5	1.2	0.9	0.5	0.5	1.2	1.2	1.2	22.1	15.5	11.2	3.5
	18.1	6.8	17.8	18.9	20.7	12.8	8.5	4.2	3.2	3.2	3.4	4.1				
Trade balance (BOP basis)	-1.0	-0.7	-0.5	-1.4	-1.4	-1.2	-1.0	-0.9	-0.9	-1.0	-1.1	-1.3	-18.0	-3.6	-4.3	-4.3
Balance on services (BOP basis)	-0.7	-1.3	-1.5	-1.7	-1.6	-1.5	-1.4	-1.3	-1.2	-1.2	-1.2	-1.3	-5.4	-5.3	-5.9	-5.0
Primary income balance (BOP basis)	8.6	9.2	9.1	9.0	9.2	9.4	9.4	9.4	9.3	9.2	9.0	8.8	34.7	35.9	37.5	36.3
Current account balance	5.9	6.2	6.1	5.6	5.2	5.6	6.0	6.2	7.0	5.9	5.6	5.2	8.3	23.7	23.0	23.7
(BOP basis)	142.9	4.9	-1.2	-7.9	-7.1	7.9	7.0	3.1	13.1	-15.3	-5.6	-7.5	-58.9	186.7	-2.9	3.1
	99.1	716.6	178.5	131.8	-11.3	-8.8	-1.1	10.6	34.7	5.7	-6.8	-16.3				
USD/JPY exchange rate	137.3	144.6	150.3	146.3	145.3	141.9	139.4	136.0	134.5	133.0	131.5	130.0	135.4	144.6	140.7	132.3
	3.8	5.3	4.0	-2.7	-0.7	-2.4	-1.7	-2.5	-1.1	-1.1	-1.1	-1.1	20.5	6.8	-2.7	-6.0
	6.0	4.5	6.2	10.6	5.8	-1.9	-7.2	-7.0	-7.4	-6.3	-5.7	-4.4				

Notes: SNA = System of National Accounts. BOP = Balance of Payments. In the quarterly statistics, the figures in the first and second rows below the main series represent QoQ changes (%) and YoY changes (%) respectively. In the annual statistics, the figures under the main series represent YoY changes (%). Highlighted columns represent actual values.

Table 8. Household sector and corporate sector

JPY trillion, %

	Quarter													Fiscal year			
	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	2022	2023	2024	2025	
Employee income	300.4	300.4	302.8	303.7	304.9	305.2	307.6	308.7	310.1	310.2	312.4	313.7	295.5	301.8	306.6	311.6	
	0.9	0.0	0.8	0.3	0.4	0.1	0.8	0.4	0.4	0.0	0.7	0.4	2.0	2.1	1.6	1.6	
	2.4	1.9	2.2	2.1	1.5	1.6	1.6	1.6	1.7	1.6	1.6	1.6					
Income of self-employed	27.8	27.8	27.9	28.0	28.1	28.2	28.3	28.4	28.5	28.7	28.8	28.9	27.5	27.9	28.3	28.7	
	0.7	0.0	0.2	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	1.6	1.5	1.3	1.6	
	1.9	1.5	1.3	1.2	0.8	1.2	1.5	1.6	1.6	1.7	1.6	1.6					
Household net capital income	27.9	27.9	29.8	30.5	30.9	31.1	31.3	31.2	31.4	31.5	31.6	31.7	27.5	29.1	31.1	31.6	
	1.1	0.0	6.7	2.4	1.3	0.7	0.5	-0.3	0.6	0.4	0.3	0.2	2.7	5.7	7.1	1.3	
	2.3	1.3	8.5	10.5	10.7	11.4	4.9	2.1	1.5	1.3	1.1	1.5					
Social security disbursements	82.3	81.4	81.9	82.3	82.7	83.1	83.5	83.9	84.2	84.6	85.0	85.4	82.2	82.0	83.3	84.8	
	0.3	-1.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	-2.2	-0.2	1.6	1.9	
	0.2	-0.8	-0.6	0.3	0.5	2.0	2.0	1.9	1.9	1.9	1.9	1.9					
Individual income tax	35.7	34.1	33.5	33.0	32.6	32.3	32.1	31.9	31.8	31.8	31.7	31.7	34.2	34.1	32.2	31.8	
	3.7	-4.4	-1.9	-1.5	-1.2	-0.9	-0.7	-0.5	-0.3	-0.2	-0.1	0.0	4.4	-0.4	-5.3	-1.5	
	3.3	0.0	-1.0	-4.1	-8.6	-5.3	-4.1	-3.2	-2.4	-1.7	-1.1	-0.6					
Social security contributions	89.3	88.2	87.8	87.4	87.2	87.0	87.0	87.0	87.0	87.1	87.3	87.4	87.3	88.2	87.0	87.2	
	1.2	-1.2	-0.5	-0.4	-0.3	-0.2	-0.1	0.0	0.1	0.1	0.2	0.2	2.3	0.9	-1.3	0.2	
	3.6	1.3	-0.1	-0.9	-2.4	-1.4	-0.9	-0.5	-0.2	0.1	0.3	0.5					
Disposable income	316.1	322.9	329.0	331.8	334.4	335.9	339.2	340.9	343.0	343.7	346.5	348.1	313.5	324.9	337.6	345.3	
	0.0	2.1	1.9	0.9	0.8	0.4	1.0	0.5	0.6	0.2	0.8	0.5	0.6	3.7	3.9	2.3	
	1.3	3.3	5.1	5.0	5.8	4.0	3.1	2.7	2.6	2.3	2.1	2.1					
Real disposable income	293.5	298.4	302.9	304.9	306.7	307.3	309.0	309.4	310.2	310.7	312.4	313.2	296.4	300.0	308.1	311.6	
	-0.4	1.6	1.5	0.7	0.6	0.2	0.6	0.1	0.3	0.2	0.5	0.2	-2.3	1.2	2.7	1.1	
	-1.6	0.3	2.6	3.5	4.5	3.0	2.0	1.5	1.1	1.1	1.1	1.2					
Corporate income	87.7	86.4	83.9	80.3	83.3	87.6	89.6	92.4	93.8	94.1	92.9	92.4	66.7	84.6	88.2	93.3	
of private enterprises	19.6	-1.5	-2.9	-4.3	3.7	5.1	2.3	3.2	1.4	0.3	-1.2	-0.6	12.3	26.8	4.3	5.8	
	37.9	43.8	20.3	9.5	-5.1	1.3	6.7	15.1	12.6	7.4	3.7	-0.1					
Corporate tax	25.8	25.4	24.7	23.6	24.5	25.7	26.3	27.2	27.6	27.6	27.3	27.2	19.6	24.9	25.9	27.4	
	19.6	-1.5	-2.9	-4.3	3.7	5.1	2.3	3.2	1.4	0.3	-1.2	-0.6	12.3	26.8	4.3	5.8	
	37.9	43.8	20.3	9.5	-5.1	1.3	6.7	15.1	12.6	7.4	3.7	-0.1					

Notes: In the quarterly statistics, the figures in the first and second rows below the main series represent QoQ changes (%) and YoY changes (%) respectively. In the annual statistics, the figures under the main series represent YoY changes (%). Highlighted columns represent actual values.

Table 9. Government sector

JPY trillion, %

	Quarter												Fiscal year			
	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	2022	2023	2024	2025
Indirect taxes	49.6	49.9	50.4	50.9	51.2	51.5	51.9	52.1	52.4	52.6	52.8	53.0	49.0	50.2	51.7	52.7
	-0.5	0.6	1.1	0.9	0.6	0.7	0.6	0.5	0.5	0.3	0.4	0.4	5.9	2.5	2.9	1.9
	3.1	2.5	2.6	2.0	3.2	3.3	2.8	2.4	2.3	2.0	1.8	1.6				
Individual income tax	35.7	34.1	33.5	33.0	32.6	32.3	32.1	31.9	31.8	31.8	31.7	31.7	34.2	34.1	32.2	31.8
	3.7	-4.4	-1.9	-1.5	-1.2	-0.9	-0.7	-0.5	-0.3	-0.2	-0.1	0.0	4.4	-0.4	-5.3	-1.5
	3.3	0.0	-1.0	-4.1	-8.6	-5.3	-4.1	-3.2	-2.4	-1.7	-1.1	-0.6				
Corporate tax	25.8	25.4	24.7	23.6	24.5	25.7	26.3	27.2	27.6	27.6	27.3	27.2	19.6	24.9	25.9	27.4
	19.6	-1.5	-2.9	-4.3	3.7	5.1	2.3	3.2	1.4	0.3	-1.2	-0.6	12.3	26.8	4.3	5.8
	37.9	43.8	20.3	9.5	-5.1	1.3	6.7	15.1	12.6	7.4	3.7	-0.1				
Social security contributions	89.3	88.2	87.8	87.4	87.2	87.0	87.0	87.0	87.0	87.1	87.3	87.4	87.3	88.2	87.0	87.2
	1.2	-1.2	-0.5	-0.4	-0.3	-0.2	-0.1	0.0	0.1	0.1	0.2	0.2	2.3	0.9	-1.3	0.2
	3.6	1.3	-0.1	-0.9	-2.4	-1.4	-0.9	-0.5	-0.2	0.1	0.3	0.5				
Public final consumption expenditure	122.1	122.9	123.3	123.8	124.3	123.8	123.4	123.0	123.7	124.1	124.7	125.3	121.5	123.0	123.6	124.4
	-0.1	0.7	0.3	0.4	0.4	-0.4	-0.3	-0.3	0.5	0.4	0.5	0.5	2.1	1.3	0.5	0.7
	1.7	1.2	1.0	1.2	1.8	0.7	0.1	-0.6	-0.5	0.3	1.1	1.8				
Social security disbursements	82.3	81.4	81.9	82.3	82.7	83.1	83.5	83.9	84.2	84.6	85.0	85.4	82.2	82.0	83.3	84.8
	0.3	-1.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	-2.2	-0.2	1.6	1.9
	0.2	-0.8	-0.6	0.3	0.5	2.0	2.0	1.9	1.9	1.9	1.9	1.9				
Public capital formation	31.1	31.2	31.3	31.1	31.1	31.4	31.6	32.0	31.9	31.8	31.6	31.5	30.2	31.2	31.5	31.7
	1.2	0.1	0.2	-0.3	-0.3	1.0	0.8	1.3	-0.4	-0.4	-0.5	-0.4	1.2	3.4	1.1	0.5
	5.8	3.8	3.2	1.2	-0.3	0.6	1.2	2.8	2.6	1.3	0.0	-1.7				
Fiscal balance	-56.2	-59.6	-62.4	-64.7	-65.0	-64.2	-64.0	-63.6	-64.0	-64.6	-65.7	-66.5	-66.7	-60.7	-64.2	-65.2
Cumulative government debt	1262.8	1268.5	1277.7	1287.1	1295.6	1304.2	1313.1	1321.7	1330.3	1339.2	1348.3	1357.6	1257.0	1262.8	1321.7	1330.3
	0.5	0.5	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	4.1	0.5	4.7	0.7
	3.5	2.9	2.7	2.4	2.6	2.8	2.8	2.7	2.7	2.7	2.7	2.7				
% of GDP	214.5	215.6	215.3	215.0	215.0	215.5	216.4	217.2	218.0	219.1	220.5	221.9	223.5	214.6	220.7	217.3
Primary balance (SNA, general government)	-30.1	-33.7	-33.6	-34.2	-34.1	-34.4	-34.9	-35.3	-36.3	-37.5	-38.9	-40.3	-41.3	-32.9	-34.7	-38.3
	-20.3	11.9	-0.6	2.0	-0.3	0.7	1.5	1.2	2.8	3.4	3.8	3.7	40.2	-20.4	5.3	10.3
	-27.5	-24.3	-18.9	-9.5	13.2	1.8	3.9	3.1	6.3	9.1	11.5	14.3				
% of GDP	-5.1	-5.7	-5.7	-5.8	-5.8	-5.8	-5.8	-5.8	-6.0	-6.1	-6.3	-6.6	-7.4	-5.6	-5.8	-6.2
Primary balance (SNA, central+local government)	-26.5	-29.3	-28.7	-29.2	-29.1	-29.3	-29.7	-30.0	-30.8	-31.7	-32.9	-34.0	-35.1	-28.4	-29.5	-32.3
	-18.2	10.4	-2.0	1.8	-0.3	0.7	1.4	1.1	2.5	3.1	3.5	3.4	15.4	-19.0	4.0	9.5
	-24.9	-22.1	-18.4	-9.8	9.9	0.2	3.6	2.9	5.8	8.3	10.6	13.2				
% of GDP	-4.5	-5.0	-4.9	-5.0	-4.9	-4.9	-4.9	-5.0	-5.1	-5.2	-5.4	-5.5	-6.2	-4.8	-4.9	-5.3

Notes: SNA = System of National Accounts. In the quarterly statistics, the figures in the first and second rows below the main series represent QoQ changes (%) and YoY changes (%) respectively. In the annual statistics, the figures under the main series represent YoY changes (%). Highlighted columns represent actual values.