



Japanese Economy Monthly Forecast

January 2017

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Headlines

●Review of data released in December

► Core monthly data released up to the end of January covers about all of 2016Q4 GDP figures. This will be APIR's final forecast of the real GDP growth rate for this period.

► The **Industrial Production Index** increased for the third consecutive quarter in Q4, rising by 2.0% QoQ. This indicates that the pace of the recovery in production is increasing.

► **Real Household Expenditure** in Q4 fell by 1.1%, its third consecutive contraction. However, on the supply side, the **Consumer Durables Shipment Index** grew by 5.6% QoQ and the **Consumer Non-durables Shipment Index** by 0.8%. Demand side indices are lacklustre, but supply side indices are making strong gains.

► **Planned Construction Costs (residential)** fell by 2.1% QoQ for a second straight quarterly loss, while the **Capital Goods Index** rose by 2.0% QoQ for the third consecutive quarter. **Private housing** investment has stalled, but **private capital investment** is making a relatively large recovery.

► Average growth in **Public Works** for October-November declined from the Q3 average by 5.3%. It will take time for the effects of the supplementary budget to become apparent.

► Q4 **net exports** increased from Q3 both in volume and real value terms.

●2016Q4 growth forecast update

► This week's Current Quarter Model expenditure side forecast for real GDP in 2016Q4 is for +0.2% QoQ growth and +1.0% annual growth. This is an upward revision from last week's forecast. The contribution of domestic demand was negative (-0.5% QoQ), while net exports made a larger positive contribution (+0.7% QoQ).

► The production side principle component model forecast is for real GDP to have 1.3% QoQ annualized growth in Q4. As Figure 1 shows, the average of our Current Quarter Model expenditure and production side GDP forecasts is for 1.1% growth. This was a slightly higher forecast than that of market consensus.

●2016Q4 inflation forecast update

► In December, the **National Core Consumer Price Index** increased by 0.1% MoM (seasonally adjusted), its third consecutive monthly increase. However, the 2016 year average fell 0.3% lower than 2015 for the first decline in four years.

► This week, the Current Quarter Model forecasts the Private Final Consumption Expenditure deflator to rise by 0.6% QoQ in Q4. Since terms of trade will also decline in this quarter, the GDP deflator in this period is forecast to increase by 0.2% QoQ, as shown in Figure 2.

Fig 1 CQM Forecast: Real GDP growth rate Oct-Dec 2016 (% , QoQ annualized growth)

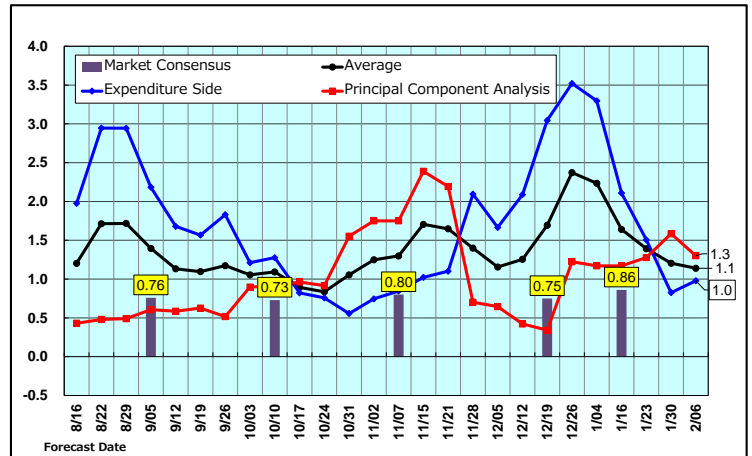
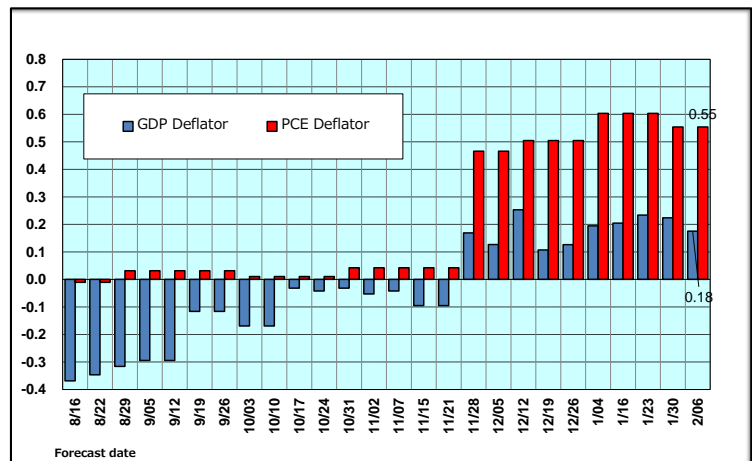


Fig 2 CQM Forecast: Inflation Oct-Dec 2016 (% , QoQ annualized growth)



発行日 Release Date	データ 該当月 Data Month	経済指標 Economic Indicator	数値・指標 値 Result/ Index Score	動態 Change	
				前月比 MoM	前年比 YoY
2/2	1月 January	消費者態度指数 (前月差) Consumer Confidence Index	43.2	+0.1	-
2/2	1月 January	食糧安定供給収支戻 (10 億円) Stable Food Supply Payments Balance (billion JPY)	1.72	-	-1
2/1	1月 January	新車販売台数 New Car Sales (vehicles)	343,423	-	+4.4%
1/31	12月 December	鉱工業指数 (2010年=100:速報値) Indices of Industrial Production (2010=100, preliminary figures)			
		生産 Production	100.4	+0.5%	-
		出荷 Shipments	99.0	-0.3%	-
		在庫 Inventory	107.1	+0.2%	-
1/31	12月 December	労働力調査 Labour Force Survey			
		就業者数 (100万人) Total employment (millions)	64.75	+0.31	-
		失業者数 (100万人) Total unemployment (millions)	2.09	+0.04	-
		失業率 Unemployment rate (%)	3.1	0.0%pt	-
1/31	12月 December	一般職業紹介状況 General Job Placement Situation			
		有効求人倍率 Job offer ratio	1.43	0.02%pt	-
1/31	12月 December	家計調査報告 (2人以上世帯:消費支出) Family Income and Expenditure Survey (households with 2 or more people)			
		名目 Nominal consumption expenditure (Yen)	318,488	-0.7%	+0.1%
		実質 Real consumption expenditure	-	-0.6%	-0.3%
1/31	12月 December	新設住宅着工 New Housing Starts			
		新設住宅着工戸数 New housing starts (unit)	76,933	-3.2%	+3.9%
		工事費予定額 (10億円) Planned construction costs (billion JPY)	1,233.8	-3.3%	+5.8%
1/31	11月 November	建設工事費デフレーター (2005年=100) Construction Costs Deflator (2005=100)			
		住宅建築 Housing construction	109.5	-	0.0%
		公共事業 Public works	111.4	-	-0.2%
1/30	12月 December	商業動態統計 (速報値) Current Survey of Commerce (preliminary figures)			
		小売業 (10億円) Retail trade (billion JPY)	13,433	-1.7%	+0.6%
1/30	12月 December	製造業部門別投入・産出物価指数 (2011年=100) Manufacturing Industry Input-Output Price Index (2011=100)			
		投入物価 Input price	92.4	-	-1.1%
		産出物価 Output price	97.0	-	-1.1%
1/27	12月 December	全国消費者物価指数 (2015年=100) National Consumer Price Index (2015=100)			
		コア Core	99.8	+0.1%	-0.2%
1/27	1月 January	東京都都区消費者物価指数 (2015年=100) Tokyo Region Consumer Price Index (2015=100)			
		コア Core	99.1	+0.2%	-0.3%
1/26	12月 December	企業向けサービス価格指数 (2010年=100) Corporate Service Price Index (2010=100)			
		総合指数 Overall index	103.4	+0.1%	+0.4%
1/25	12月 December	貿易統計 (通関ベース) Trade Statistics (customs clearance)			
		貿易収支 (10億円) Trade balance (billion JPY)	641.4	-23.5%	+361.6%
		輸出 (10億円) Exports	6,679.0	+1.8%	+5.4%
		輸入 (10億円) Imports	6,037.6	+3.9%	-2.6%
1/23	11月 November	産業活動指数 (2010年=100) Industrial Activity Indices (2010=100)			
		全産業 All industries	103.6	+0.3%	-

		建設業 Construction industry	110.6	-2.5%	-
1/23	12月 December	景気動向指数 (2010年=100、改訂値、前月差) Index of Business Conditions (revised, 2010=100)			
		先行 Leading indicator	102.8	+2.0	-
		一致 Consensus	115.0	+1.5	-
		遅行 Lagging indicator	113.4	+0.2	-
1/20	11月 November	毎月勤労統計 (確報値) Monthly Labour Statistics (official)			
		現金給与総額 Total cash salaries	275,497	-	+0.5%
		総実労働時間 Total working hours	145.3	-	-0.1%
1/19	11月 November	建設総合統計 Overall Construction Statistics			
		民間建築：非居住 (10億円) Private construction: Non-residential (billion JPY)	825.2	-	+4.6%
		公共工事 (10億円) Public works (billion JPY)	1,999.2	-	-6.3%
1/17	11月 November	鉱工業指数 (2010年=100: 確報値) Indices of Industrial Production (official, 2010=100)			
		生産能力指数 Production capacity index	94.5	-	-0.6%
		稼働率指数 Operation ratio index	101.0	+3.0%	-
1/16	11月 November	第3次産業活動指数 (2010年=100) Tertiary Industry Activity Index (2010=100)	104.1	+0.2%	-
1/16	11月 November	民間コア機械受注 (10億円) Private Core Machinery Orders (billion JPY)	833.7	-5.1%	-
1/16	12月 December	国内企業物価指数 (2010年=100) Domestic Corporate Price Index (2010=100)			
		企業物価 Corporate Price	99.7	+0.6%	-2.2%
		輸出物価 Export Price	106.4	+5.3%	-1.8%
		輸入物価 Import Price	102.3	+4.9%	-2.8%
1/13	11月 November	消費総合指数 Synthetic Consumption Index	104.1	-0.8%	
1/13	12月 December	公共工事前払金保証統計 Public Works Advanced Securities Statistics			
		請負金額 Contract amount	851.4	-	+5.3%
		請負件数 Number of contracts	20,816	-	-1.3%
1/12	11月 November	情報サービス業売上高 (10億円) Information Services Industry Sales (billion JPY)	809.5	-	+6.6%
1/12	12月 December	景気ウォッチャー調査 (前月差) Economy Watchers Survey			
		現状判断 DI Current Conditions Diffusion Index	51.4	0.0	-
		先行き判断 DI Future Conditions Diffusion Index	50.9	-0.4	-
1/12	11月 November	国際収支 Balance of Payments			
		経常収支 (10億円) Current account (billion JPY)	1,415.5	-6.7%	+28.0%
		輸出 Exports	5,890.4	+4.2%	-0.8%
		輸入 Imports	5,577.0	+3.4%	-10.7%
1/11	11月 November	景気動向指数 (2010年=100: 速報値、前月差) Index of Business Conditions (preliminary, 2010=100)			
		先行 Leading indicator	102.7	+1.9	-
		一致 Consensus	115.1	+1.6	-
		遅行 Lagging indicator	112.9	-0.3	-
1/10	12月 December	消費者態度指数 (前月差) Consumer Confidence Index	43.1	+2.2	-
1/6	11月 November	毎月勤労統計 (速報値) Monthly Labour Statistics (preliminary figures)			
		現金給与総額 Total cash salaries	274,778	-	+0.2%
		総実労働時間 Total working hours	145.7	-	+0.2%
1/5	12月 December	食糧安定供給収支戻 (10億円) Stable Food Supply Payments Balance (billion JPY)	43.5	-	-17.2
1/5	12月 December	新車販売台数 New Car Sales (vehicles)	332,825	-	+8.1%