



Japanese Economy Monthly Forecast

June 2017

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Headlines

●Review of data released in June

▶The basic data released up to June 30 covers two-thirds of the Q1 GDP estimates.

▶In May, **production indices** fell for the first time in two months, down 3.3% MoM. The April-May average still rose by 2.1% from the 2017Q1 average.

▶**Real consumption expenditure** (demand side) for May rose by 0.7% MoM for its second consecutive monthly increase. The April-May average was 0.3% higher than the Q1 average. On the supply-side, the **synthetic consumption index** and **consumption activity index** for April rose by 0.7% and 1.0% from the Q1 average. This suggests that the recovery in Private Final Consumption Expenditure (PFCE) will continue in Q2.

▶Incorporating May data into calculations, we forecast that private housing, capital expenditure and corporate inventory increases are contributing to real GDP growth in Q2.

▶Public works contract amounts, a leading indicator of public works, fell MoM in May for the first time in seven months, but the April-May average still rose by 5.4% from the Q1 average. Public works appears to be continuing its strong performance in Q2.

▶Average **net exports** over April-June fell from Q1 levels both in volume and real value terms.

●2017Q2 growth forecast update

▶Reflecting updated data, this week's Current Quarter Model **expenditure side forecast for real GDP** in 2017Q2 is for +0.9% QoQ and +3.5% annualized growth. The **production side principle component model forecast** is for real GDP to have +1.8% annualized growth in Q1. The average growth rate across both sides is thus +2.7%.

▶Private demand contributed 0.5%pts (QoQ) to real GDP growth, while public demand and net exports contributed 0.2%pts each.

●2017Q2 inflation forecast update

▶In May, the **Consumer Price Index** (excluding perishable foods and energy) was flat YoY for the second straight month. In seasonally adjusted terms, it rose 0.1% QoQ for its second consecutive gain. With the exception of energy, consumer prices lack upward momentum.

▶This week, the Current Quarter Model forecasts the **Private Final Consumption Expenditure deflator** to fall by 0.3% QoQ in 2017Q2. The **GDP deflator** in this period is also forecast to decrease by 0.2% (as shown in Figure 2).

Fig 1 CQM Forecast: Real GDP growth rate Apr-Jun 2017 (% , QoQ annualized growth)

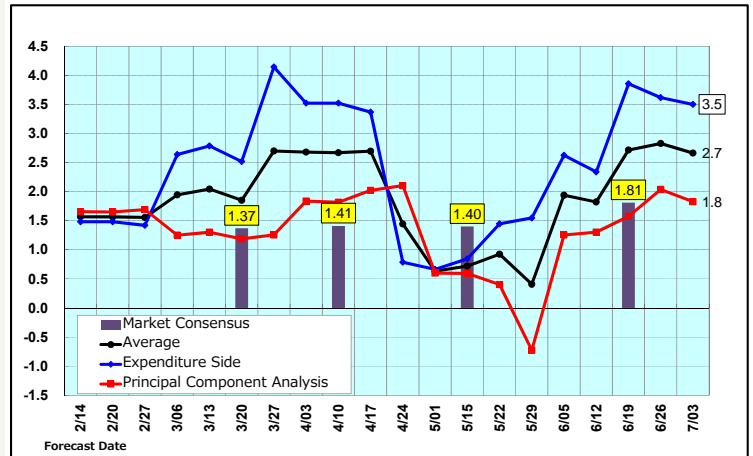
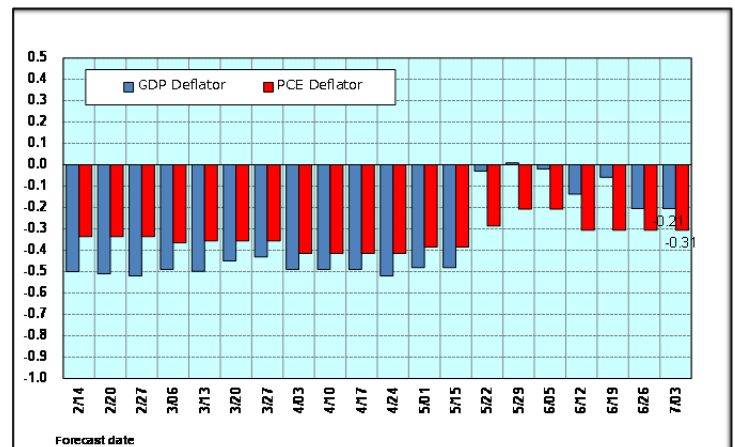


Fig 2 CQM Forecast: Inflation Apr-Jun 2017 (% , QoQ growth)



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	
6/30	5月 May	鉱工業指数 (2010年=100:速報値) Indices of Industrial Production (official, 2010=100)				
		生産 Production	100.4	-3.3%	-	
		出荷 Shipments	98.3	-2.8%	-	
		在庫 Inventory	111.4	+0.1%	-	
	5月 May	労働力調査 Labour Force Survey				
		就業者数 (100万人) Total employment (millions)	65.19	-0.03	-	
		失業者数 (100万人) Total unemployment (millions)	2.05	+0.19	-	
		失業率 Unemployment rate (%)	3.1	+0.3%pt	-	
	5月 May	一般職業紹介状況 General Job Placement Situation				
		有効求人倍率 Job offer ratio	1.49	+0.01pt	-	
	5月 May	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	283,056	+0.4%	+0.4%	
		実質 Real consumption expenditure	-	+0.7%	-0.1%	
	5月 May	新設住宅着工 New Housing Starts				
		新設住宅着工戸数 New housing starts (SA, Unit)	78,481	-0.6%	-0.3%	
		工事費予定額 Planned dwelling construction cost (JPY Billion)	1,300.5	-4.2%	-3.9%	
	4月 April	建設工事費デフレーター (2011年=100) Construction Costs Deflator (2011=100)				
		住宅建築 Housing construction	105.2		+1.3%	
		公共事業 Public works	105.9		+1.6%	
	5月 May	全国消費者物価指数 (2015年=100) National Consumer Price Index (2015=100)				
		コア Core	100.3	0.0%	+0.4%	
	5月 May	東京都部消費者物価指数 (2015年=100) Tokyo Region Consumer Price Index (2015=100)				
		コア Core	99.8	-0.1%	0.0%	
6/29	5月 May	商業動態統計 (速報値) Current Survey of Commerce (preliminary figures)				
		小売業 Retail trade (billion JPY)	11,759.0	-1.6%	+2.0%	
6/28	5月 May	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	95.3	-	+6.1%	
		産出物価 Output price	97.9	-	+2.7%	
6/26	5月 May	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	103.7	-0.1%	+0.7%	
	4月 April	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	104.2	-1.5	-	
		一致 Consensus	117.1	+2.7	-	
		遅行 Lagging indicator	117.1	+0.4	-	
6/23	4月 April	毎月勤労統計 (確報値) Monthly Labour Statistics (official)				
		現金給与総額 Total cash salaries (thousand JPY)	275,224	-	+0.5%	
		総実労働時間 Total working hours	148.0	-	-0.7%	
6/21	4月 April	産業活動指数 (2010年=100) Industrial Activity Indices (2010=100)				
		全産業 All industries	105.4	+2.1%	-	
		建設業 Construction industry	118.9	+7.3%	-	
6/19	5月 May	貿易統計 (通関ベース) Trade Statistics (customs clearance)				
		貿易収支 (10億円) Trade balance (billion JPY)	-203.4	-15.1%	-40.6%	

			輸出 Exports (billion JPY)	5,851.4	-0.0%	+14.9%
			輸入 Imports (billion JPY)	6,054.7	+0.3%	+17.8%
6/16	4月 April	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)	771.0	-	+16.5%
			公共工事（10億円） Public works (billion JPY)	1,450.6	-	+6.4%
6/15	5月 May	公共工事前払金保証統計 Public Works Advanced Securities Statistics				
			請負金額（10億円） Contract amount (billion JPY)	1,242.1	-	+8.5%
			請負件数 Number of contracts	15,156	-	+4.8%
	4月 April	消費総合指数 Synthetic Consumption Index				
				105.5	+0.8%	
6/14	4月 April	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	94.0	-	-0.6%
			稼働率指数 Operation ratio index	104.1	+4.3%	-
			生産 Production	103.8	+4.0%	-
			出荷 Shipments	101.1	+2.7%	-
			在庫 Inventory	111.3	+1.5%	-
6/12	4月 April	民間コア機械受注（10億円） Private Core Machinery Orders (billion JPY)				
				835.9	-3.1%	-
	5月 May	国内企業物価指数（2015年=100） Domestic Corporate Price Index (2010=100)				
			企業物価 Corporate Price	98.4	0.0%	+2.1%
			輸出物価 Export Price	94.6	+1.0%	+4.4%
			輸入物価 Import Price	93.5	+2.2%	+13.5%
6/9	4月 April	第3次産業活動指数（2010年=100） Tertiary Industry Activity Index (2010=100)				
				104.8	+1.2%	-
6/8	4月 April	情報サービス業売上高（10億円） Information Services Industry Sales (billion JPY)				
				700.4	-	+4.4%
	5月 May	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	48.6	+0.5	-
			先行き判断 DI Future Conditions Diffusion Index	49.6	+0.8	-
	4月 April	国際収支 Balance of Payments				
			経常収支（10億円） Current account (billion JPY)	1,951.9	+4.4%	-2.2%
			輸出 Exports (billion JPY)	6,178.6	-1.1%	+10.0%
			輸入 Imports (billion JPY)	5,625.0	+0.2%	+14.0%
6/7	4月 April	消費活動指数（2010年=100） Consumption Activity Index				
				104.3	+1.1%	-
	4月 April	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	104.5	-1.2	-
			一致 Consensus	117.7	+3.3	-
			遅行 Lagging indicator	116.2	-0.5	-
6/6	4月 April	毎月勤労統計（速報値） Monthly Labour Statistics (preliminary figures)				
			現金給与総額 Total cash salaries (JPY)	275,321	-	+0.5%
			総実労働時間 Total working hours	148.3	-	-0.5%
6/2	5月 May	消費者態度指数（前月差） Consumer Confidence Index (SA)				
				43.6	+0.4	-
	5月 May	食糧安定供給収支戻（10億円） Stable Food Supply Payments Balance (billion JPY)				
				-5.3	-	+2.2
6/1	5月 May	新車販売台数 New Car Sales (vehicles)				
				312,391	-	+13.4%