



Japanese Economy Monthly Forecast

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Headlines

●Review of data released in February

▶According to official GDP Quick Estimates, the **real GDP growth rate** in Q4 2016 was 1.0% (QoQ annualized). This was the fourth consecutive quarter of positive economic growth, and was higher than the potential growth rate. The market consensus was higher than the official rate, but APIR's final expenditure side Current Quarter Model (CQM) forecast predicted exactly 1.0% growth.

▶Consumption indices were weak both on the supply and demand sides in January. **Real consumption expenditure** fell by 0.1% (seasonally adjusted) in January compared to the 2016Q4 average. On the supply side, the **consumer durables index** fell by 5.0% from the Q4 average, while the **consumer non-durables index** fell by 1.5%.

▶There were extraordinary factors (such as the construction of the athletes' village for the Tokyo Olympics) in January that pushed **planned construction costs (residential)** up 30.3% from the Q4 average. The **capital goods index** fell by 2.5% from the Q4 average. **Private housing investment** is strong, but **private capital investment** has stalled.

▶The **export volume index** fell by 4.0% from the Q4 average in January, while the **real export index** fell by 1.2%. However, both the **import volume index** and the **real import index** increased from the Q4 average, by 2.1% and 4.2% respectively. **Net exports** decreased from the Q4 average both in volume and real value terms.

●2017Q1 growth forecast update

▶This week's Current Quarter Model **expenditure side forecast for real GDP** in 2017Q1 is for +0.5% QoQ growth and +2.0% annual growth. This is a large upward revision from last week's forecast. The contribution of domestic demand was +0.3%pts (QoQ), while net exports made a contribution of +0.2%pts (QoQ).

▶The **production side principle component model forecast** is for real GDP to have +1.6% QoQ annualized growth in Q1. As Figure 1 shows, the average of our Current Quarter Model expenditure and production side GDP forecasts is for +1.8% growth. This was again a slightly higher forecast than that of market consensus (ESP February forecast).

●2017Q1 inflation forecast update

▶In January, the **National Core Consumer Price Index** increased by 0.1% YoY, its first increase in 13 months. The index rose 0.3% MoM in seasonally adjusted terms for a fourth consecutive monthly increase.

▶This week, the Current Quarter Model forecasts the **Private Final Consumption Expenditure deflator** to fall by 0.1% QoQ in 2017Q1. **Terms of trade** are also expected to decline in this quarter. As a result, the **GDP deflator** in this period is forecast to decrease by 0.8% QoQ, as shown in Figure 2.

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

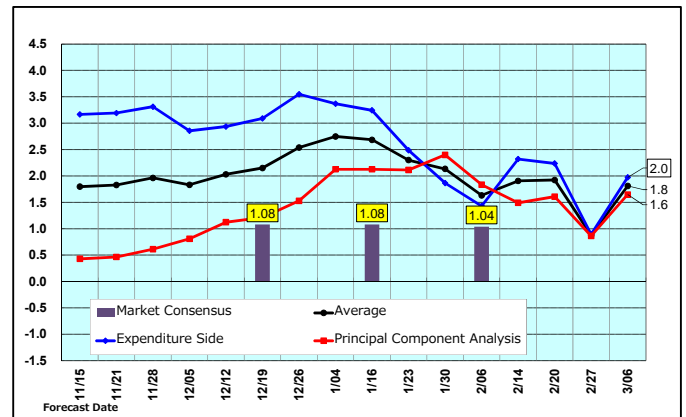
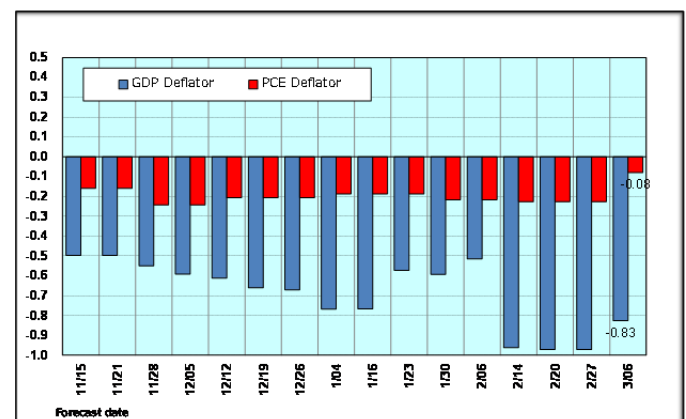


Fig 2 CQM Forecast: Inflation Jan-Mar 2017 (% , QoQ annualized growth)



発表日 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		
3/3	1月 January	労働力調査 Labour Force Survey					
		就業者数 (100万人) Total employment (millions)	65.05	+0.05	-		
		失業者数 (100万人) Total unemployment (millions)	1.98	-0.09	-		
		失業率 Unemployment rate (%)	3.0	-0.1%pt	-		
3/3	1月 January	一般職業紹介状況 General Job Placement Situation					
		有効求人倍率 Job offer ratio	1.43	0.00%pt	-		
3/3	1月 January	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 (JPY)	279,249	+0.4%	-0.6%		
		実質 Real consumption expenditure	-	+0.5%	-1.2%		
3/3	2月 February	消費者態度指数 (前月差) Consumer Confidence Index	43.1	-0.1	-		
3/3	1月 January	全国消費者物価指数 (2015年=100) National Consumer Price Index (2015=100)					
		コア Core	99.6	+0.3%	+0.1%		
3/3	2月 February	東京都区部消費者物価指数 (2015年=100) Tokyo Region Consumer Price Index (2015=100)					
		コア Core	99.2	+0.0%	-0.3%		
3/2	2月 February	食糧安定供給収支戻 (10億円) Stable Food Supply Payments Balance (billion JPY)	24.7	-	-1.9		
3/1	2月 February	新車販売台数 New Car Sales (vehicles)	413,315	-	+8.2%		
2/28	1月 January	鉱工業指数 (2010年=100:速報値) Indices of Industrial Production (2010=100, preliminary figures)					
		生産 Production	99.8	-0.8%	-		
		出荷 Shipments	98.5	-0.4%	-		
		在庫 Inventory	107.5	0.0%	-		
2/28	1月 January	小売業販売額 (10億円、速報値) Retail Sales (billion JPY, preliminary figures)	11,582	+0.5%	+1.0%		
2/28	1月 January	新設住宅着工 New Housing Starts					
		新設住宅着工戸数 New housing starts (Unit)	83,427	+8.4%	+12.8%		
		工事費予定額 Planned dwelling construction cost (billion JPY)	1,496.9	+30.3%	+35.2%		
2/28	12月 December r	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	109.4	-	+1.3%		
		公共事業 Public works	111.7	-	+1.5%		
2/27	1月 January	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	94.1	-	+3.1%		
		産出物価 Output price	97.8	-	+1.1%		
2/23	1月 January	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	103.0	-0.5%	+0.5%		
2/23	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	104.8	+2.2	-		
		一致 Consensus	114.8	-0.3	-		
		遅行 Lagging indicator	114.3	+1.0	-		
2/22	12月 December	毎月労働統計 (確報値) Monthly Labour Statistics (official)					
		現金給与総額 Total cash salaries (JPY)	547,387	-	+0.5%		
		総実労働時間 Total working hours (Hour/Month)	143.5	-	-0.2%		
2/21	12月 December	産業活動指数 (2010年=100) Industrial Activity Indices (2010=100)					

			全産業 All industries	103.4	-0.3%	-
			建設業 Construction industry	108.6	-1.5%	-
2/20	1月 January	貿易統計 (通関ベース) Trade Statistics (customs clearance)				
			貿易収支 (10 億円) Trade balance (billion JPY)	-1,086.9	-52.5%	+67.8%
			輸出 Exports (billion JPY)	5,421.9	+0.7%	+1.3%
			輸入 Imports (billion JPY)	6,508.8	+3.7%	+8.5%
2/17	12月 December	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)	831.8	-	+8.8%
			公共工事 (10 億円) Public works (billion JPY)	2,021.9	-	-6.4%
2/15	1月 January	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)	699.7	-	+7.1%
			請負件数 Number of contracts	1,705	-	+7.6%
2/14	12月 December	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	-	-0.5%
			稼働率指数 Operation ratio index	101.6	+0.6%	-
2/10	12月 December	第3次産業活動指数 (2010年=100) Tertiary Industry Activity Index (2010=100)				
				103.8	-0.4%	-
2/10	12月 December	消費総合指数 Synthetic Consumption Index				
				104.0	-0.1%	
2/10	1月 January	国内企業物価指数 (2010年=100) Domestic Corporate Price Index (2010=100)				
			企業物価 Corporate Price	97.7	+0.6%	+0.5%
			輸出物価 Export Price	95.5	0.0%	+0.8%
			輸入物価 Import Price	92.3	+1.5%	+4.5%
2/9	12月 December	民間コア機械受注 (10 億円) Private Core Machinery Orders (billion JPY)				
				889.8	+6.7%	-
2/8	12月 December	情報サービス業売上高 (10 億円) Information Services Industry Sales (billion JPY)				
				1,114.1	-	+1.2%
2/8	1月 January	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	49.8	-1.6	-
			先行き判断 DI Future Conditions Diffusion Index	49.4	-1.5	-
2/8	12月 December	国際収支 Balance of Payments				
			経常収支 (10 億円) Current account (billion JPY)	1,112.2	-7.2%	+18.3%
			輸出 Exports (billion JPY)	6,669.2	+4.4%	+6.6%
			輸入 Imports (billion JPY)	5,862.4	+6.6%	-3.3%
2/7	12月 December	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	105.2	+2.6	-
			一致 Consensus	115.2	+0.1	-
			遅行 Lagging indicator	114.2	+0.8	-
2/6	12月 December	毎月勤労統計 (速報値) Monthly Labour Statistics (preliminary figures)				
			現金給与総額 Total cash salaries (JPY)	544,823	-	+0.1%
			総実労働時間 Total working hours (Hour/Month)	143.6	-	-0.1%
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)				
				17.2	-	-0.1