

# Fiscal 2018 Economic Outlook

December 19, 2017

Approved by the Cabinet

## Main Economic Indicators

	FY2016 (Actual)	FY2017 (Estimate)	FY2018 (Forecast)	Percentage changes over the previous fiscal year					
				FY2016		FY2017		FY2018	
				% (Current prices)	% (Constant prices)	% (Approx.) (Current prices)	% (Approx.) (Constant prices)	% (Approx.) (Current prices)	% (Approx.) (Constant prices)
Gross domestic product	539.3	550.3	564.3	1.0	1.2	2.0	1.9	2.5	1.8
Private consumption expenditure	300.5	305.2	311.5	-0.2	0.3	1.6	1.2	2.1	1.4
Private residential investment	17.0	17.5	17.9	5.9	6.2	3.0	1.1	2.2	0.6
Private non-residential investment	83.6	87.6	92.3	0.4	1.2	4.8	3.4	5.3	3.9
Change in Private Inventories *1	-0.3	-0.2	0.7	(-0.3)	(-0.3)	(0.0)	(0.0)	(0.2)	(0.1)
Exports of goods and services	88.6	96.5	102.5	-3.4	3.4	9.0	4.8	6.2	4.0
Less: Imports of goods and services	83.3	92.3	97.9	-9.5	-1.1	10.8	3.3	6.1	3.4
Contribution of domestic demand				-0.1	0.4	2.2	1.6	2.5	1.6
Contribution of private demand				-0.1	0.3	1.7	1.3	2.2	1.5
Contribution of public demand				0.1	0.1	0.5	0.3	0.2	0.1
Contribution of external demand				1.1	0.8	-0.2	0.3	0.1	0.1
Gross national income	556.3	570.5	585.7	0.4	0.9	2.6	1.8	2.7	1.8
Labor and employment	Ten thousands	Ten thousands (Approx.)	Ten thousands (Approx.)	% (Approx.)		% (Approx.)		% (Approx.)	
Total labor force	6,681	6,735	6,759	0.7		0.8		0.4	
Total employment	6,479	6,546	6,580	1.0		1.0		0.5	
Employees	5,764	5,835	5,877	1.4		1.2		0.7	
Unemployment rate	%	% (Approx.)	% (Approx.)	3.0		2.8		2.7	
Production	%	% (Approx.)	% (Approx.)	1.1		4.7		2.7	
Industrial production	1.1	4.7	2.7						
Prices	%	% (Approx.)	% (Approx.)	-2.3		2.6		2.3	
Domestic corporate goods price index	-2.3	2.6	2.3	-0.1		0.7		1.1	
Consumer price index (all items)	-0.1	0.7	1.1	-0.2		0.2		0.8	
GDP deflator	-0.2	0.2	0.8						
Balance of payments	Trillion yen	Trillion yen (Approx.)	Trillion yen (Approx.)	% (Approx.)		% (Approx.)		% (Approx.)	
Balance of goods and services	4.4	2.8	3.3						
Trade balance	5.8	3.7	3.1						
Exports	70.7	77.4	82.8	-3.4		9.5		7.0	
Imports	64.9	73.7	79.7	-10.9		13.6		8.2	
Current balance	20.4	21.4	22.8						
Current balance as a percentage of GDP	%	% (Approx.)	% (Approx.)	3.8		3.9		4.0	

\*1 Figures in parentheses represent contribution to GDP growth.

(Note1) The figures for consumer price index include all items.

(Note2) We have assumed the real growth rate of the world GDP (excluding Japan), the yen's exchange rate, and the crude oil import price as below. These assumptions are neither projections nor outlook of the government but are solely for the sake of this preparation work.

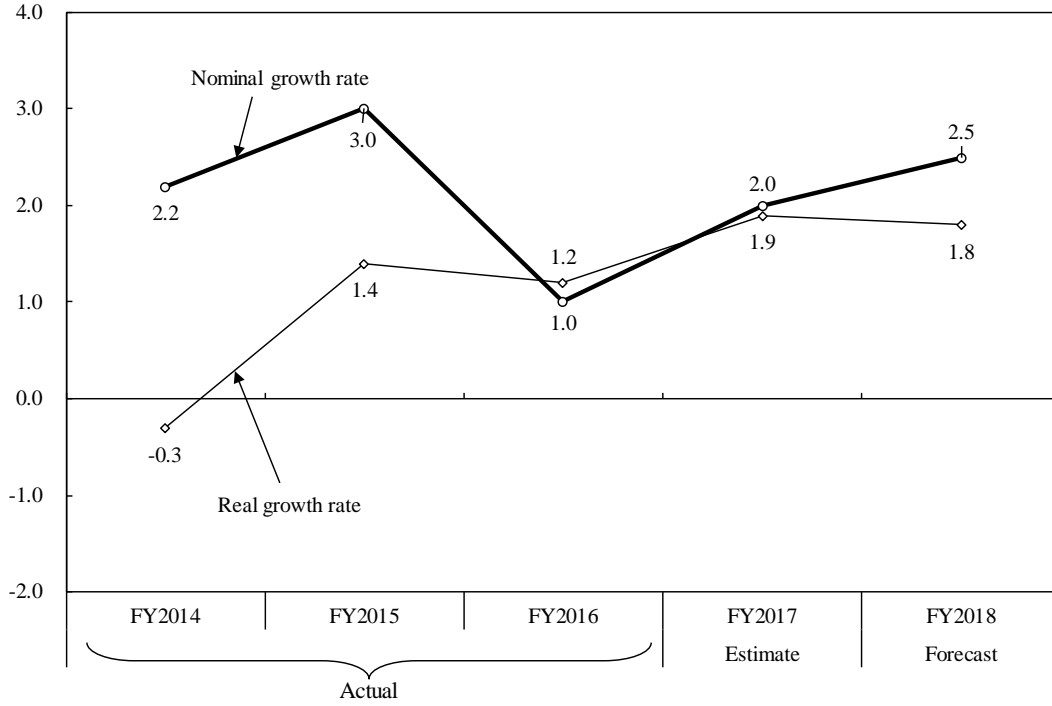
	FY2016(Actual)	FY2017	FY2018
Real growth rate of world GDP (excluding Japan) (%)	2.9	3.4	3.4
Exchange rate (yen/dollar)	108.4	111.9	112.6
Crude oil import price (dollar/barrel)	47.3	55.5	61.6

(Reference)

## Main Economic Indicators

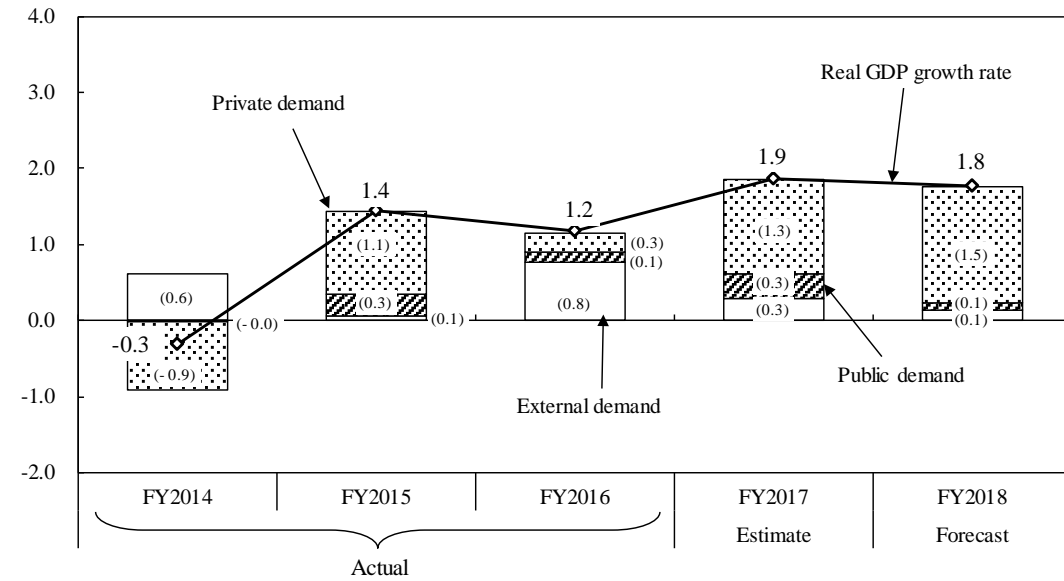
(%, or approximate %)

### 1. Gross domestic product (GDP)



(%, or approximate %)

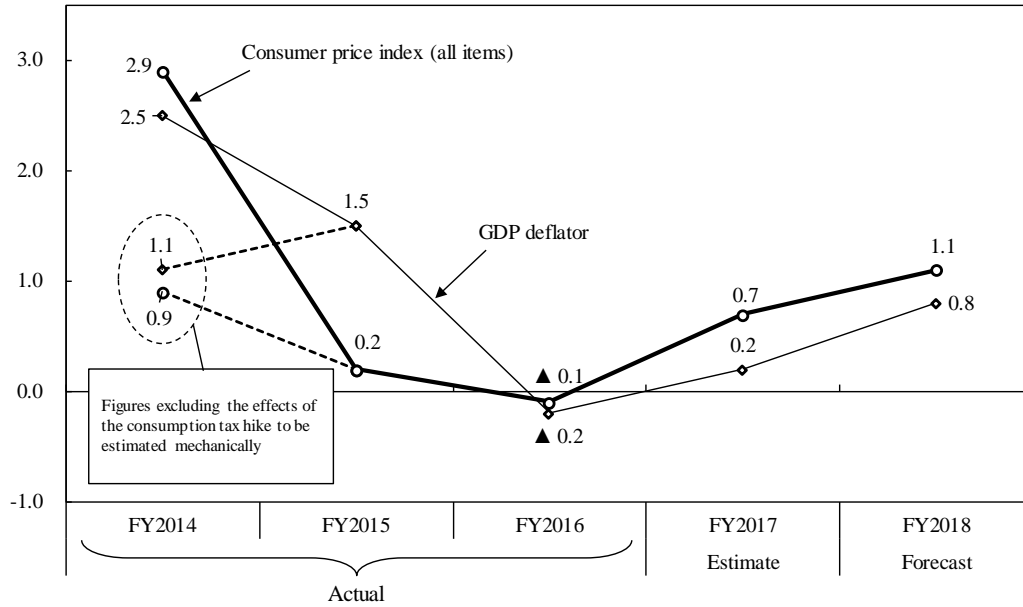
### 2. Real GDP growth rate and contributions to the real GDP growth rate



※Note: Contributions of private demand, public demand and external demand show their contributions to the real growth rate.

(%, or approximate %)

**3. Percentage change in price related indices**



(%, or approximate %)

**4. Unemployment rate and the number of employees**

(Ten thousands, or approximate Ten thousands)

