

Fiscal 2025 Economic Outlook

December 25, 2024
Approved by the Cabinet

Main Economic Indicators

	FY2023	FY2024	FY2025	Percentage changes over the previous fiscal year					
	(Actual)			FY2023		FY2024		FY2025	
	Trillion yen (Nominal)	Trillion yen (Approx.) (Nominal)	Trillion yen (Approx.) (Nominal)	% (Nominal)	% (Real)	% (Approx.) (Nominal)	% (Approx.) (Real)	% (Approx.) (Nominal)	% (Approx.) (Real)
Gross domestic product	595.2	612.7	629.3	4.9	0.7	2.9	0.4	2.7	1.2
Private consumption expenditure	323.1	333.0	343.6	2.4	-0.4	3.1	0.8	3.2	1.3
Private residential investment	22.2	22.6	22.8	0.9	0.8	1.5	-1.3	1.1	-0.3
Private non-residential investment	101.8	107.0	111.1	3.5	-0.1	5.1	2.3	3.8	3.0
Change in Private Inventories *	0.6	0.7	0.5	-0.4	-0.4	0.0	0.0	0.0	0.0
Exports of goods and services	132.2	140.0	146.5	7.1	2.8	5.9	1.7	4.7	3.6
Less: Imports of goods and services	137.7	148.0	154.5	-5.8	-3.3	7.4	4.3	4.4	3.6
Contribution of domestic demand				1.9	-0.7	3.4	1.1	2.7	1.3
Contribution of private demand				1.6	-0.6	2.6	0.8	2.4	1.3
Contribution of public demand				0.3	-0.2	0.7	0.3	0.3	0.0
Contribution of external demand				3.0	1.4	-0.4	-0.6	0.0	0.0
Gross national income	631.3	654.0	670.6	4.9	2.0	3.6	1.2	2.5	1.1
Labor and employment	Ten thousands	Ten thousands (Approx.)	Ten thousands (Approx.)		%		% (Approx.)		% (Approx.)
Total labor force	6,934	6,955	6,958		0.4		0.3		0.1
Total employment	6,756	6,779	6,788		0.4		0.3		0.1
Employees	6,089	6,121	6,130		0.7		0.5		0.1
Unemployment rate	%	% (Approx.)	% (Approx.)						
	2.6	2.5	2.4						
Production	%	% (Approx.)	% (Approx.)						
Industrial production	-1.9	-1.0	2.4						
Prices	%	% (Approx.)	% (Approx.)						
Domestic corporate goods price index	2.4	2.8	1.6						
Consumer price index (all items)	3.0	2.5	2.0						
GDP deflator	4.2	2.5	1.5						
Balance of payments	Trillion yen	Trillion yen (Approx.)	Trillion yen (Approx.)		%		% (Approx.)		% (Approx.)
Balance of goods and services	-6.3	-6.6	-6.4						
Trade balance	-3.7	-4.6	-4.1						
Exports	101.9	106.7	112.3		2.2		4.6		5.3
Imports	105.7	110.8	116.4		-10.1		4.8		5.0
Current balance	26.6	30.9	31.0						
Current balance as a percentage of GDP	%	% (Approx.)	% (Approx.)						
	4.5	5.0	4.9						

* Figures in parentheses represent contribution to GDP growth.

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

(Note2) This economic outlook is based on the following assumptions with regard to the real growth rate of world GDP (excluding Japan), the yen exchange rate, and the import price of crude oil. It should be noted that these assumptions are made only for the purpose of preparing the outlook and do not represent government forecasts or outlooks.

	FY2023(Actual)	FY2024	FY2025
Real growth rate of world GDP (excluding Japan) (%)	3.3	3.0	2.9
Exchange rate (yen/dollar)	144.6	152.8	153.6
Import price of crude oil (dollar/barrel)	87.9	81.8	76.2

(Remarks) 1. The real growth rate of the world GDP (excluding Japan) is calculated based on economic forecasts of international organizations.

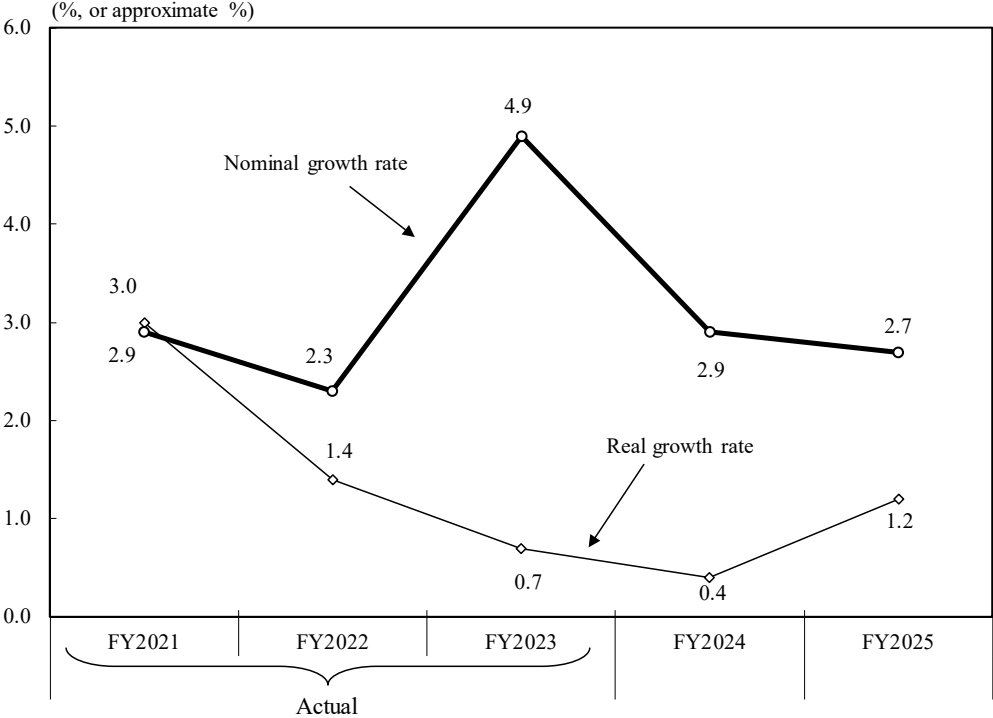
2. The exchange rate from December 2024 onward is assumed to stay constant at 153.6 yen/dollar, which is the average exchange rate from November 1 to November 30.

3. The import price of crude oil from December 2024 onward is assumed to stay constant at 76.2 dollars/barrel, which is the average Dubai spot price from November 1 to November 30, 2024, plus freight and insurance.

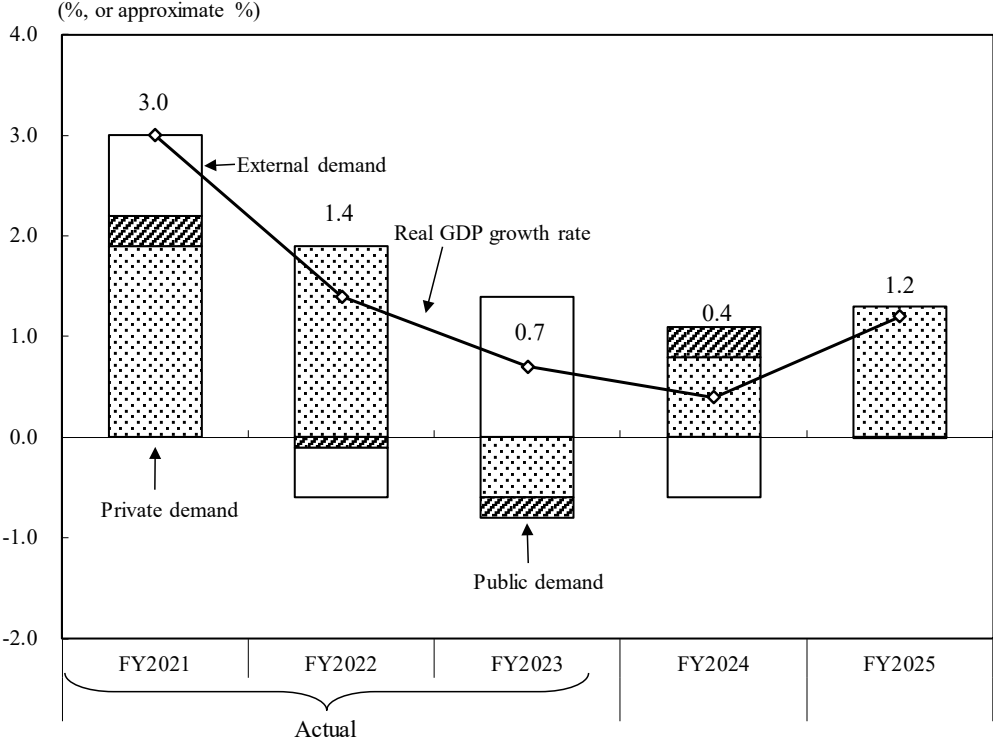
(Reference)

Main Economic Indicators

1. Gross domestic product (GDP)



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



(Note) Bars represent each demand component's contribution to the real GDP growth rate.

