

Handout No. 2

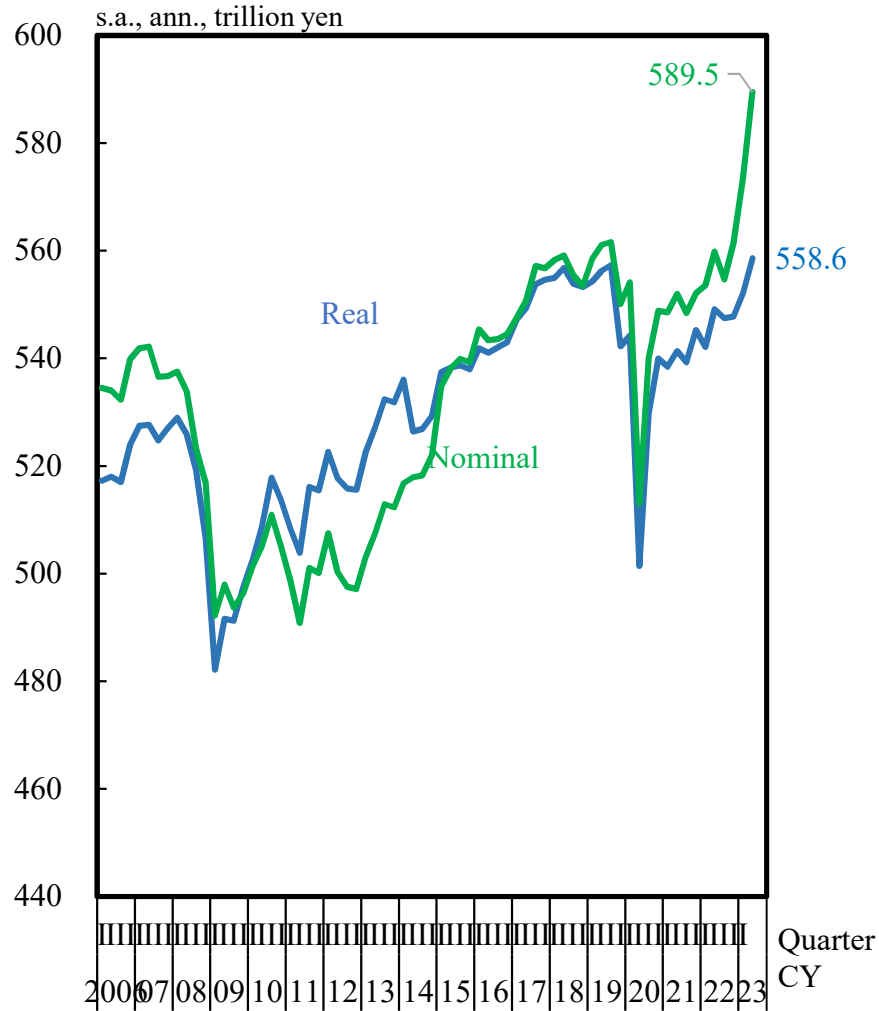
The Basic Facts of the Japanese Economy

September 14, 2023

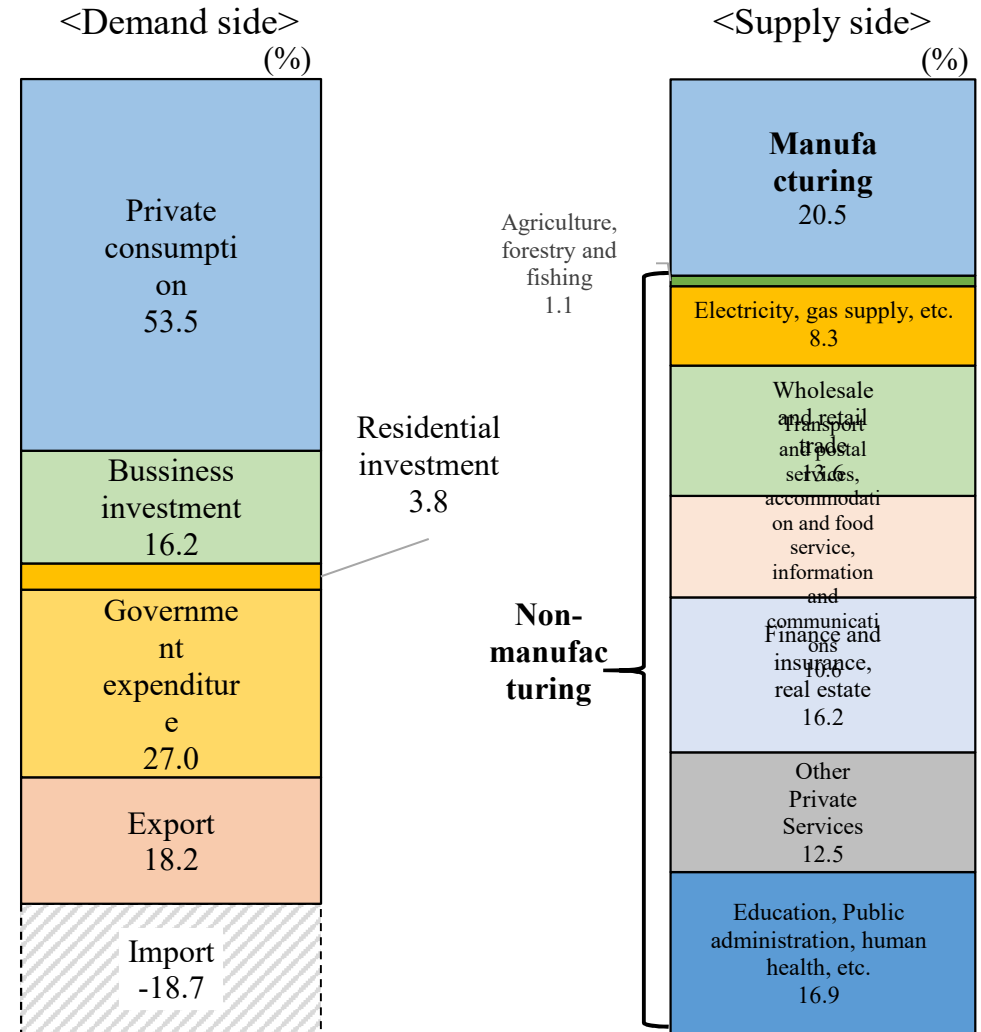
Cabinet Office

GDP

Nominal and real GDP



Components of Japan's GDP (CY2021)



GDP: Apr. – Jun. 2023 (2nd Preliminary Estimates)

Changes and contributions to changes in real GDP (seasonally adjusted)

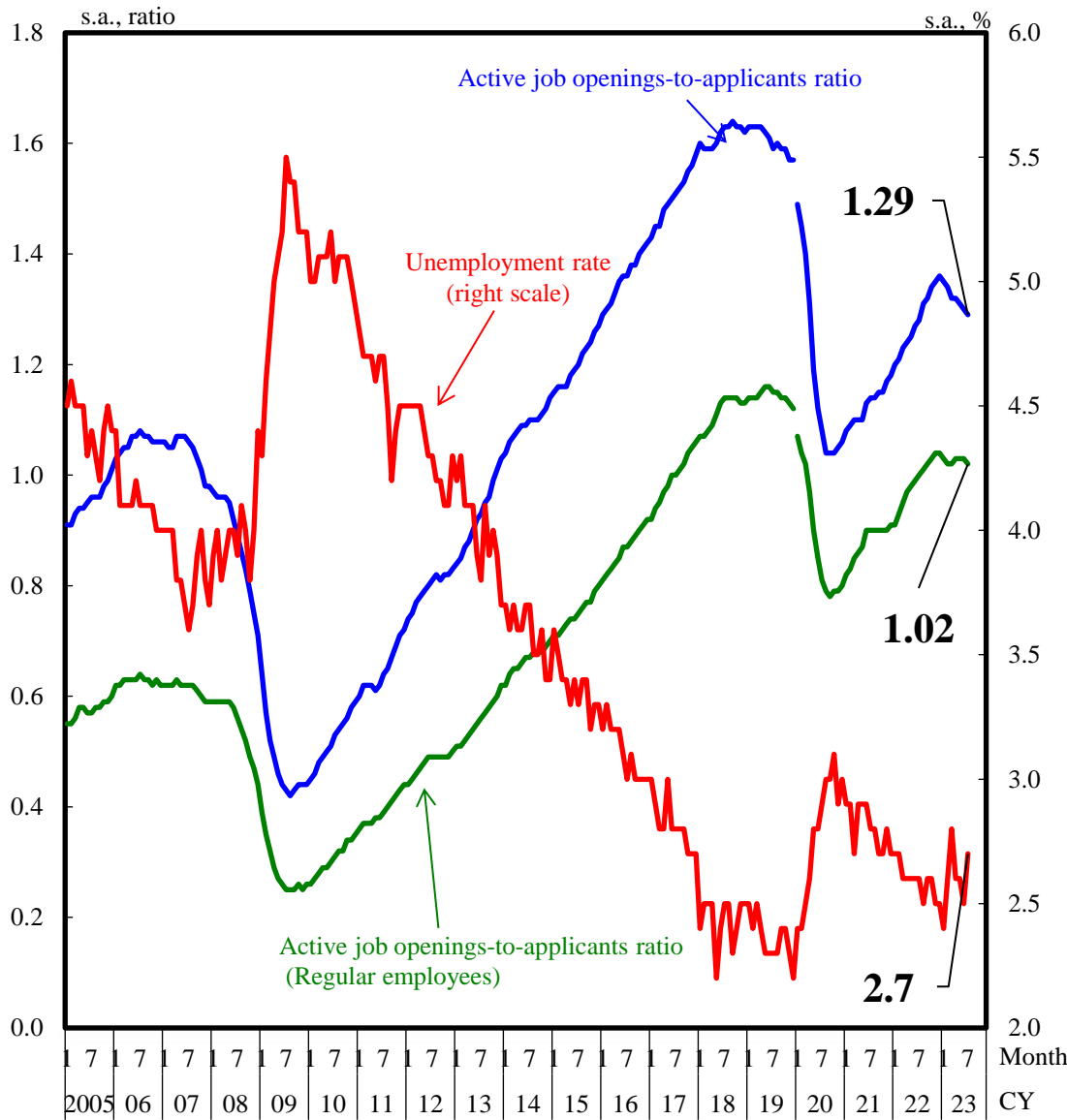
%

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	2021		2022				2023	
										III	IV	I	II	III	IV	I	II
										Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.
Real GDP growth rate [at annual rate]	-0.4	1.7	0.8	1.8	0.2	-0.8	-4.1	2.6	1.4	-0.4 [-1.5]	1.1 [4.5]	-0.6 [-2.3]	1.3 [5.3]	-0.3 [-1.2]	0.1 [0.2]	0.8 [3.2]	1.2 [4.8]
Domestic Demand (Contributions)	(-1.0)	(1.6)	(0.1)	(1.3)	(0.4)	(-0.3)	(-3.5)	(1.8)	(2.0)	(-0.6)	(1.1)	(-0.1)	(1.2)	(0.3)	(-0.3)	(1.1)	(-0.6)
Private Demand (Contributions)	(-1.1)	(1.3)	(-0.1)	(1.2)	(0.2)	(-0.8)	(-4.3)	(1.4)	(1.9)	(-0.7)	(1.6)	(-0.1)	(1.0)	(0.3)	(-0.3)	(1.0)	(-0.6)
Private Consumption	-2.6	0.7	-0.3	1.0	0.1	-0.9	-5.1	1.5	2.4	-1.2	3.0	-1.0	1.8	0.0	0.3	0.6	-0.6
Private Non-Residential Investment	2.7	3.4	0.8	2.8	1.6	-1.2	-5.7	2.1	3.1	-1.7	0.5	0.0	2.0	1.5	-0.7	1.6	-1.0
Private Residential Investment	-8.1	3.1	4.3	-1.8	-4.8	2.5	-7.6	-1.1	-4.4	-1.4	-1.0	-1.2	-1.8	-0.1	1.0	0.7	2.0
Changes in Private Inventories (Contributions)	(0.3)	(0.2)	(-0.2)	(0.3)	(0.1)	(-0.2)	(-0.3)	(0.4)	(0.2)	(0.3)	(-0.1)	(0.6)	(-0.2)	(0.1)	(-0.4)	(0.3)	(-0.2)
Public Demand (Contributions)	(0.1)	(0.3)	(0.2)	(0.2)	(0.2)	(0.5)	(0.8)	(0.4)	(0.1)	(0.1)	(-0.4)	(-0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.0)
Public Investment	-2.3	-1.3	0.5	0.6	0.8	1.6	4.9	-6.4	-3.0	-3.3	-3.1	-3.9	0.6	1.0	0.1	1.4	0.2
Net Exports (Contributions)	(0.7)	(0.1)	(0.7)	(0.4)	(-0.2)	(-0.5)	(-0.6)	(0.8)	(-0.6)	(0.2)	(0.0)	(-0.4)	(0.1)	(-0.6)	(0.3)	(-0.3)	(1.8)
Exports	8.9	1.1	3.4	6.3	2.0	-2.3	-9.9	12.4	4.4	-0.4	0.1	1.4	1.9	2.4	1.5	-3.8	3.1
Imports	3.9	0.4	-0.5	3.8	3.0	0.2	-6.3	7.1	7.2	-1.6	0.3	3.7	1.1	5.5	-0.1	-2.3	-4.4
Nominal GDP growth rate [at annual rate]	2.1	3.3	0.8	2.0	0.2	0.0	-3.5	2.4	2.0	-0.6	0.7	0.3	1.1	-0.9	1.2	2.2	2.7
										[-2.6]	[2.7]	[1.0]	[4.7]	[-3.6]	[5.0]	[9.0]	[11.4]

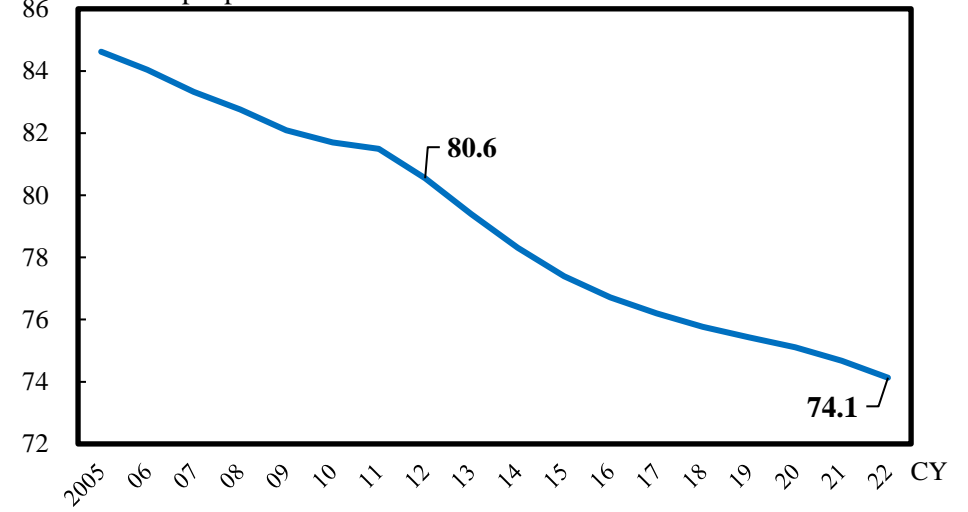
Note: Quarterly data is quarter-to-quarter change.
Source: Cabinet Office.

Labor Market

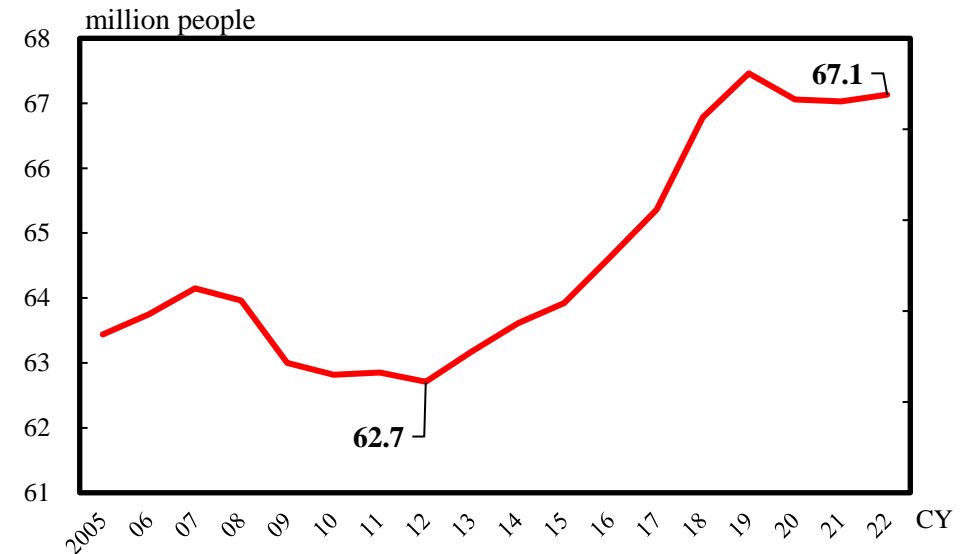
Unemployment rate and active job openings-to-applicants ratio



Working age population (from 15 to 64 years old)
million people



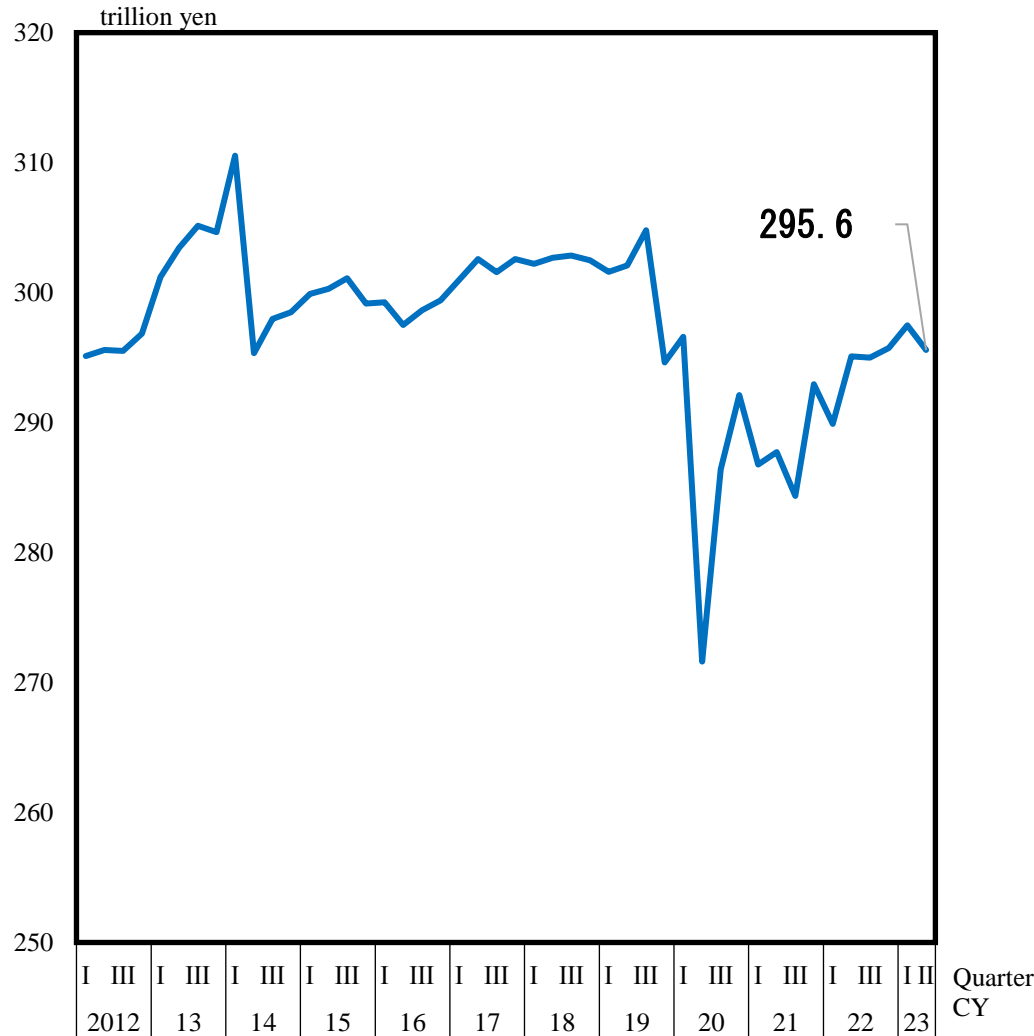
Employed person



Sources: Ministry of Internal Affairs and Communications; Ministry of Health, Labour and Welfare.

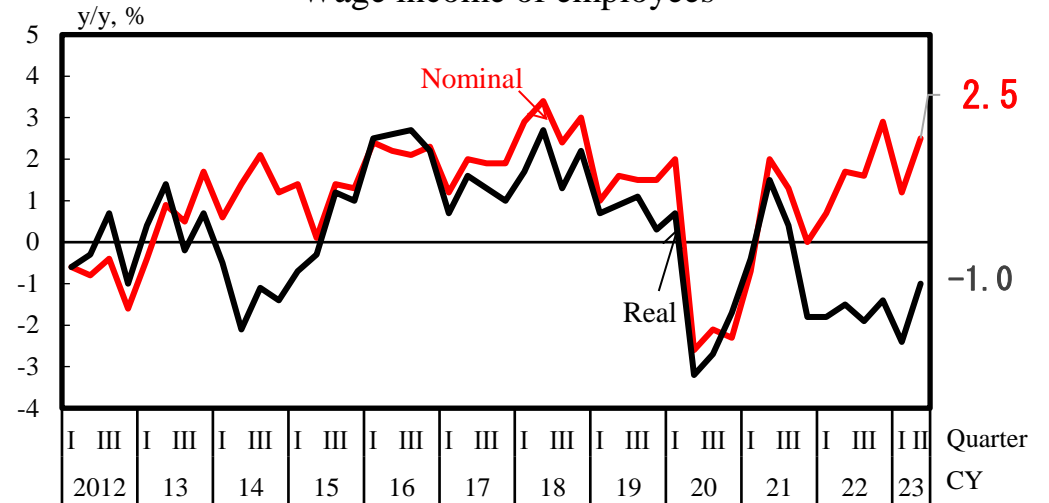
Consumption and Household Income

Private consumption (real)



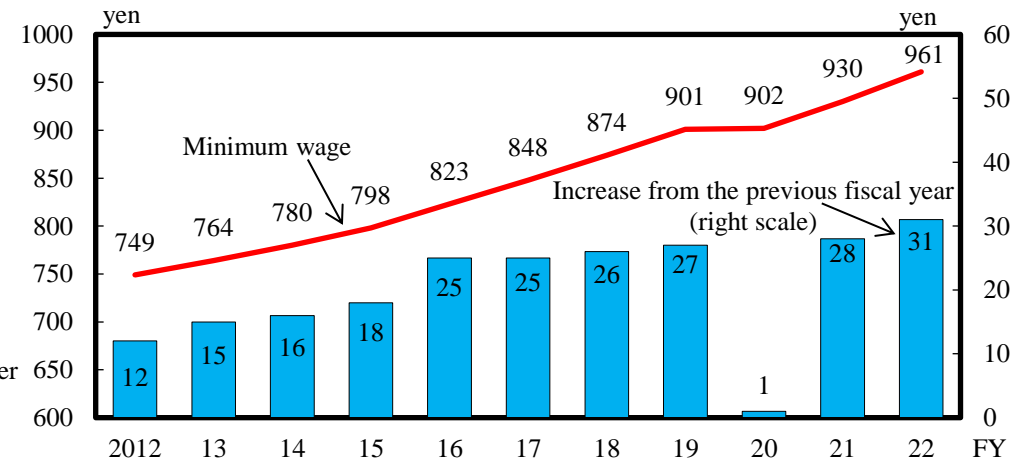
Source: Cabinet Office.

Wage income of employees



Sources: Cabinet Office.

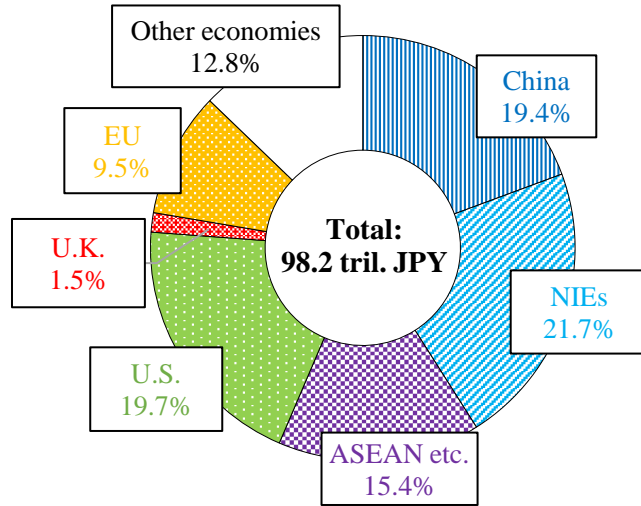
Minimum wage per hour



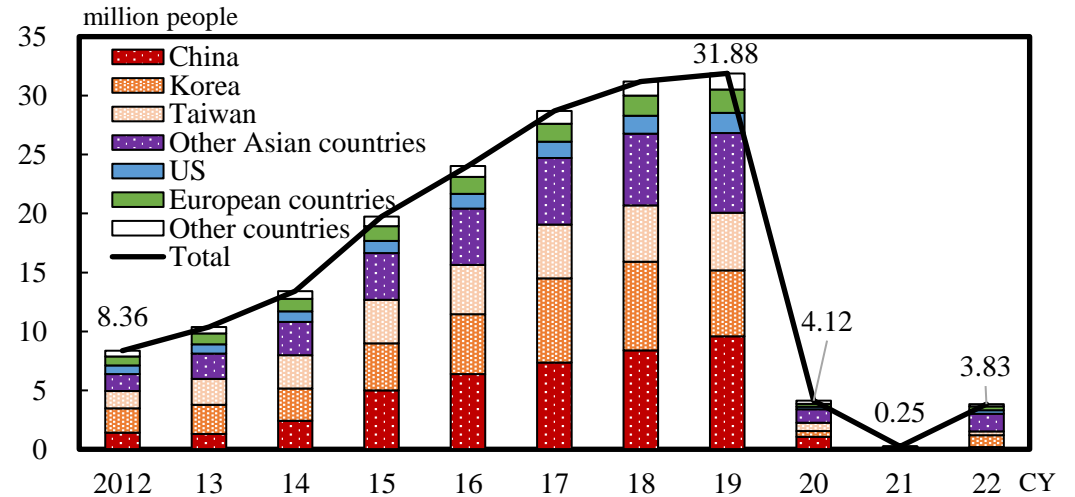
Source: Ministry of Health, Labour and Welfare.

Japan's Trade and Investment

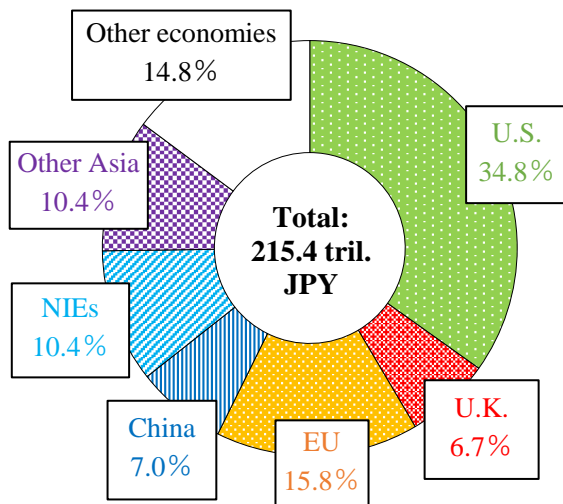
Japan's export values
(Share by destination, in CY 2022)



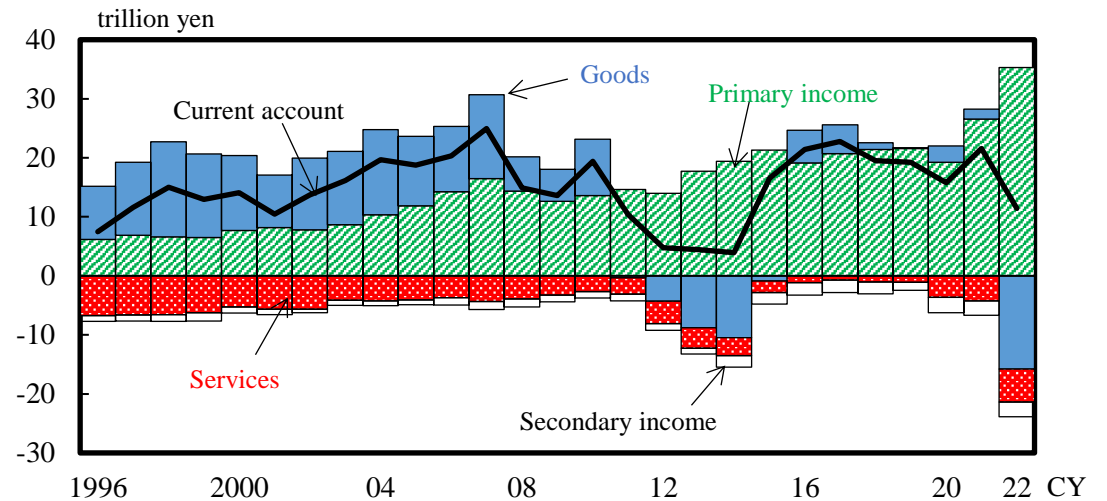
The number of foreign tourists



Japan's foreign direct investment
(Outstanding, share by destination, as of end-Dec. 2022)



Current account

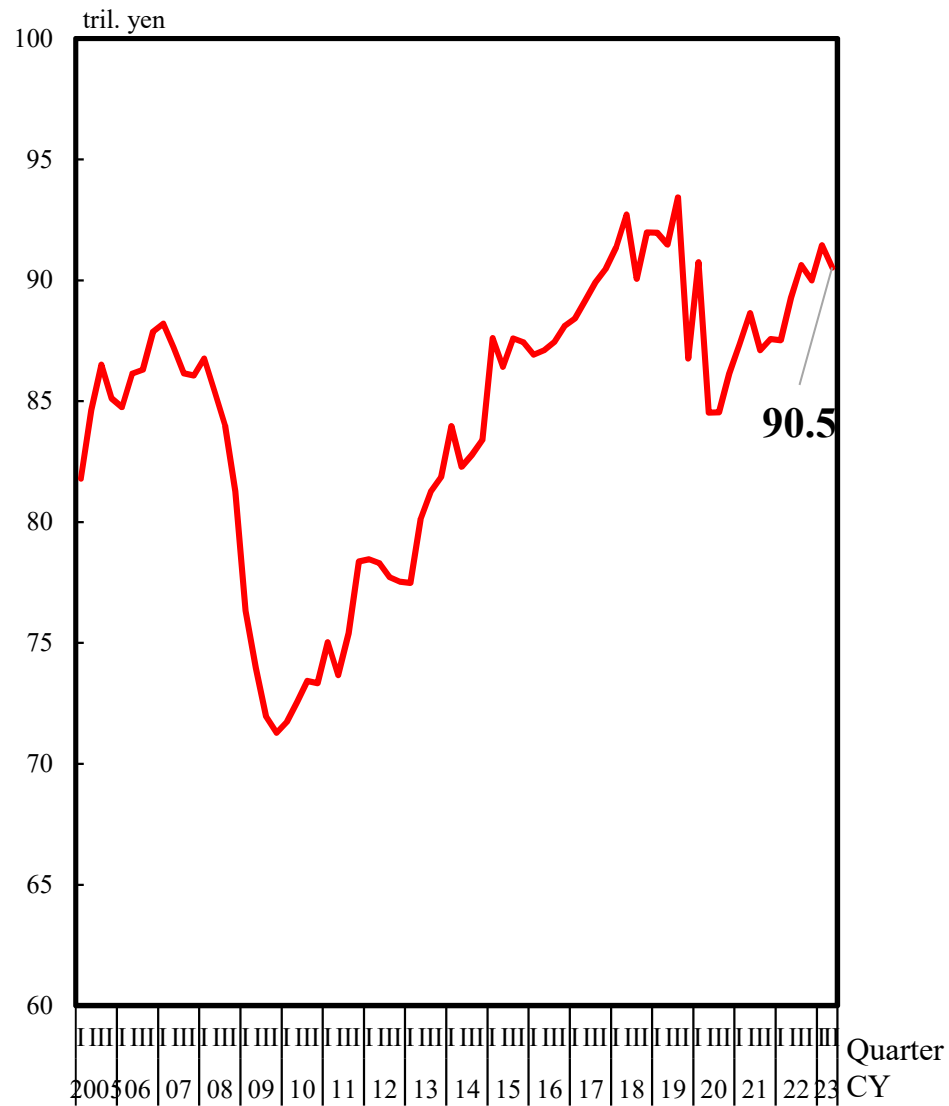


Sources: Ministry of Finance; Bank of Japan; BIS; Japan National Tourism Organization.

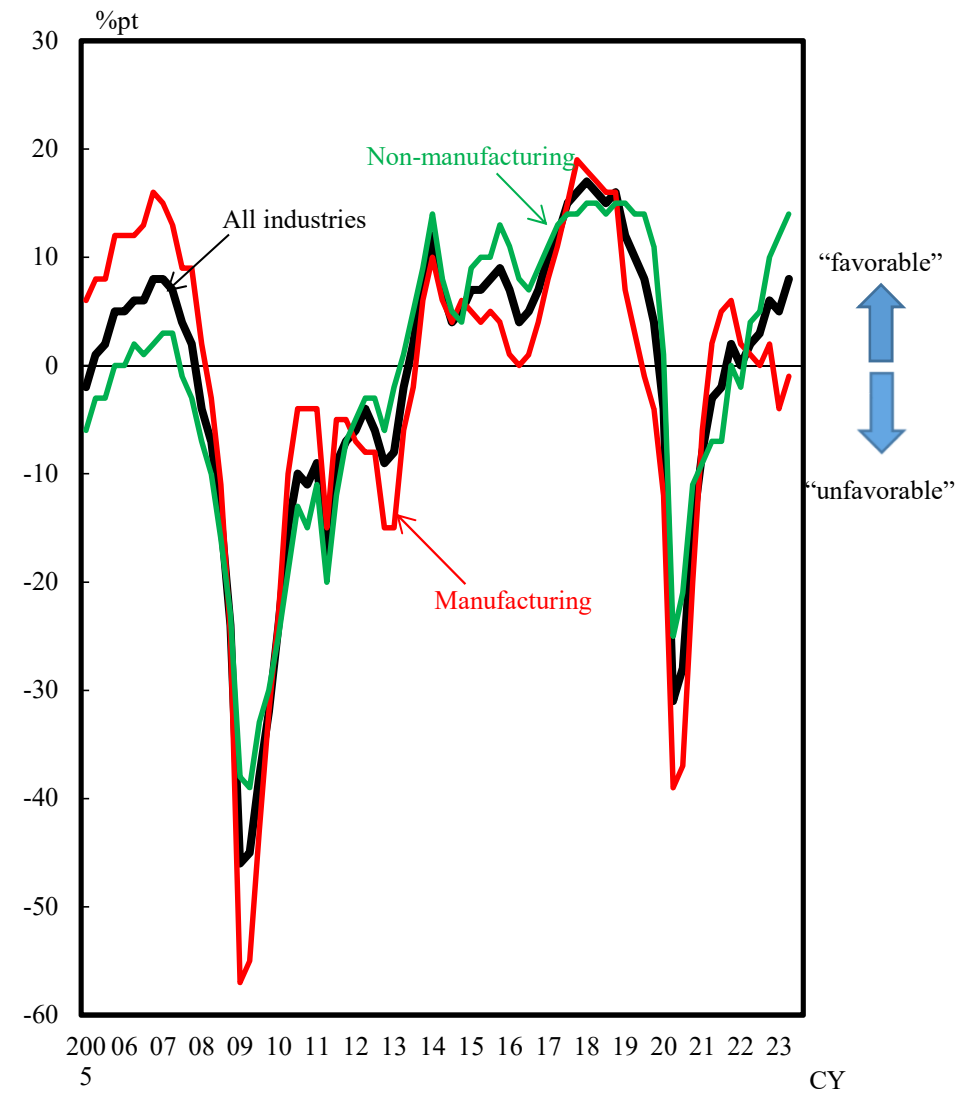
Notes: "NIEs" are composed of Korea, Taiwan, Hong Kong, and Singapore; while "ASEAN etc." are rest of Asian economies.

Business Investment

Business investment (real)

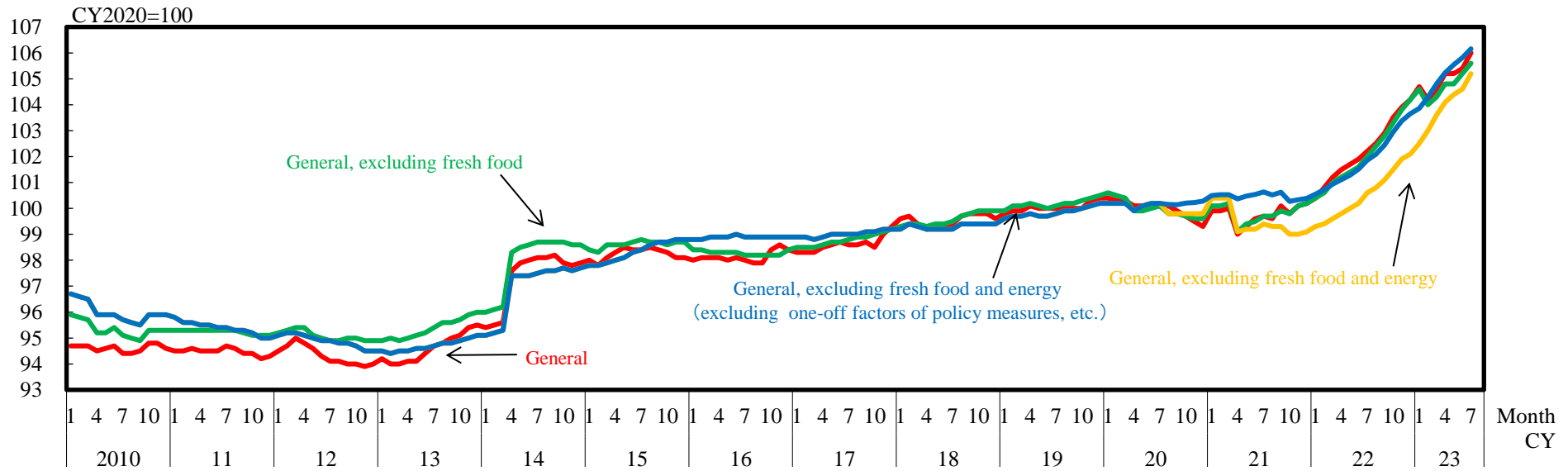


Business sentiment of firms



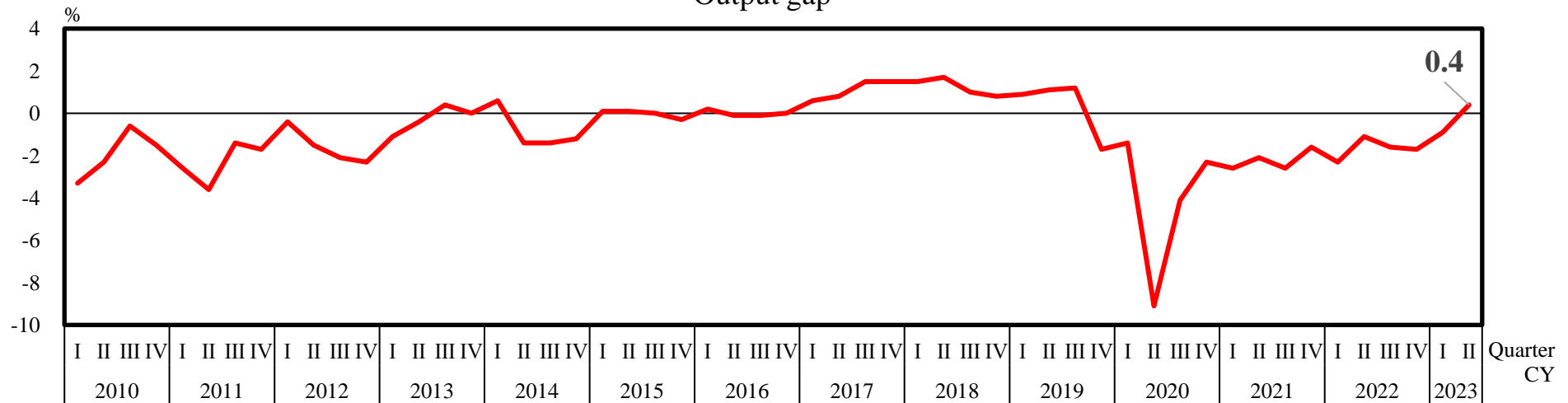
Prices and Output Gap

CPI



Source: Ministry of Internal Affairs and Communications.

Output gap



Source: Cabinet Office.