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Forecast Calendar

May 6, 2011

Japan

Economic Indicators—Schedule and Forecasts

Ellis/Wroblewski

May 9 – May 20, 2011 (Local Times)

9	10	11	12	13
BOJ Monetary Policy Meeting Minutes (8:50) (April 6, 7)		Official Reserves ($Billion, NSA) (8:50) Nov 1101.0 Feb 1091.5 Dec 1096.2 Mar 1116.0 Jan 1093.0 **Apr (f) 1124.0** Business Conditions Composite Indexes (Prelim.) (14:00) Leading Coincident Jan 101.6 105.6 Feb 104.2 106.8 **Mar (f) 99.5 103.5**	Bank Lending (Y/Y) (8:50) Jan -1.8% Mar -1.7% Feb -1.9% **Apr (f) -1.0%** Money Supply (M2) (Y/Y) (8:50) Jan 2.3% Mar 2.7% Feb 2.4% **Apr (f) 2.7%** Current Account Balance (¥Billion, NSA) (8:50) 2011 2010 Jan 461.9 881.9 Feb 1641.0 1593.3 **Mar (f) 1760.0** 2556.4 Current Account Visible Trade (¥Billion, NSA) (8:50) 2011 2010 Jan -394.5 166.7 Feb 723.3 785.3 **Mar (f) 270.0** 1089.0	
16	**17**	**18**	**19**	**20**
Corporate Goods Price Index (Y/Y) (8:50) Nov 0.9% Feb 1.7% Dec 1.2% Mar 2.0% Jan 1.5% **Apr (f) 2.0%** Machinery Orders, Core (SA) (14:00) Oct -1.4% Jan 4.2% Nov -3.0% Feb -2.3% Dec 1.7% **Mar (f) -12.0%**		Tertiary Industry Activity (SA) (M/M) (8:50) Oct 0.2% Jan -0.1% Nov 0.6% Feb 0.8% Dec -0.2% **Mar (f) -4.0%**	BOJ Monetary Policy Meeting Real GDP (SA) (Q/Q) (8:50) 09:Q4 1.8% 10:Q3 0.8% 10:Q1 1.5% 10:Q4 -0.3% 10:Q2 0.5% **11:Q1 (f) -0.5%** Industrial Production (Revised) (SA) (M/M) (13:30) Nov 1.6% Feb 1.8% Dec 2.4% Mar (p) -15.3% Jan unch **Mar (f) -18.0%**	BOJ Monetary Policy Meeting All Industry Activity (SA) (M/M) (13:30) Oct unch Jan -0.5% Nov 0.3% Feb 0.7% Dec 0.1% **Mar (f) -8.0%** BOJ Shirakawa Press Conference (15:30)

M/M=month-over-month f= forecast
Y/Y=year-over-year c=consensus

Recent History-Latest Results

2	3	4	5	6
Vehicle Sales (Y/Y) (14:00) Nov -30.7% Feb -14.3% Dec -28.3% Mar -37.0% Jan -21.5% Apr -51.0%	Holiday	Holiday	Holiday	

Indicator Highlights

Key potential market-moving indicators and events include: Bank Lending (Thu., Apr. 12, 8:50); Current Account Balance (Thu., Apr. 12, 8:50); Machinery Orders, Core (Mon., May 16, 14:00); Tertiary Industry Activity (Wed., May 18, 8:50); Real GDP (Thu., May 19, 8:50); Industrial Production (Revised) (Thu., May 19, 13:30); and All Industry Activity (Fri., May 20, 13:30).

Bank Lending figures may show an impact from stepped-up loans to companies impacted by the March disasters, but the main interest will be, as it has been for a long time, in any evidence of greater credit flows to smaller businesses nationwide. Current account numbers will be studied for any effects of the earthquake/tsunami on trade in services.

Machinery orders data will reveal the severity of the earthquake/tsunami shock to immediate demand. In coming months, however, these orders should be an early beneficiary of reconstruction, or relocation, demand. Tertiary industry, revised industrial production, and all-industry results will show the proportions of the March hit to output, and its distribution across sectors. Real GDP data will be read as a rough guide to the pre-earthquake state of demand.

Indicator	Forecast	Consensus	Analysis
Official Reserves (NSA)	$1124.0 Billion		Some boost from currency translation
Business Conditions Composite Indexes (Prelim.)			
Leading	99.5		Earthquake/tsunami impacts evident.
Coincident	103.5		
Bank Lending (Y/Y)	-1.0%		Lifted by loans to crisis-affected companies.
Money Supply (M2) (Y/Y)	+2.7%		Growth continues on trend.
Current Account Balance (NSA)	¥1760.0 Billion		Goods trade severely hurt by natural disasters.
Current Account Visible Trade (NSA)	¥270.0 Billion		
Corporate Goods Price Index (Y/Y)	+2.0%		Little new strong-yen impact yet.
Machinery Orders, Core (SA)	-12.0%		Disaster-related drop.
Tertiary Industry Activity (SA) (M/M)	-4.0%		Services industries not hit so hard as goods industries by earthquake.
Real GDP (SA) (Q/Q)	-0.5%		Serious early impact from earthquake.
Industrial Production (Revised) (SA) (M/M)	-18.0%		Crisis damage worse than first estimated.
All Industry Activity (SA) (M/M)	-8.0%		Broad output-side weakness.

Post Mortem—Recent Data Results

Plunge in vehicle sales continues. April data saw a further and more marked fall in vehicle sales. Indeed, sales slumped 51.0%, the steepest drop in the current run of declines (there was a fall of 37% in February).

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