FY2019, FY2020 Economic Outlook

- The global economy is gradually slowing down, and a further downshift may ensue if trade tensions escalate -

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Mizuho Research Institute

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Overview: despite the solid US economy and economic stimulus measures supporting the Chinese economy, the direction of trade tensions requires close attention

- The global economy is headed for a gradual slowdown through 2020. In 2019, the deceleration of the Chinese and European economies and the deterioration of the IT cycle will serve as drags upon growth. In 2020, in addition to China's economic slowdown, the US economy will also decelerate as the effect of fiscal stimulus wears off.

- Even though Jan-Mar quarter growth among the major countries of the world picked up from the previous quarter, this was due largely to external demand pushing up growth because of the decline of imports in the case of Japan and the US. When also considering the weakness of corporate business sentiment in the Eurozone, the overall global economy lacks strength.

- The risk factors are the escalation of trade tensions, US domestic political discord, a "no-deal Brexit", return of Italy's debt crisis, China's economic slowdown and its spread to emerging market (EM) economies, Middle East geopolitical risks and rise of crude oil prices.

- In particular, the impact of the trade tensions require close attention. While our main scenario outlook forecasts the continuation of sanctions up to the third round of tariff hikes, a downward revision of our outlook on global economic growth would be inevitable in the event the US implements its fourth round of tariff hikes upon Chinese goods.

- Although the Chinese economy is predicted to maintain growth at the 6%-level, there is the possibility that the pace of growth will fall below 6% even with the implementation of additional economic stimulus measures, in the event further tariff hikes leads to the deterioration of corporate and household sentiment.

- Given the large impact of the fourth round of tariff hikes upon the IT supply chain, IT demand will also slow down further.

The global economy will gradually slow down through 2020

- Our forecasts for relevant countries and regions have not changed from March, but there is also downside risk if US-China trade tensions intensify.
  - Considering the Jan-Mar quarter GDP results and forecasts, the US and UK has been upwardly revised, while NIEs and South America have been downwardly revised.
  - Despite a technical upward revision for calendar year 2019, reflecting the Jan-Mar results in Japan, we have revised downward our forecasts for both the 2020 calendar year and FY2019 on the basis of a cautious outlook on capital investment and exports.

[Outlook on the global economy]

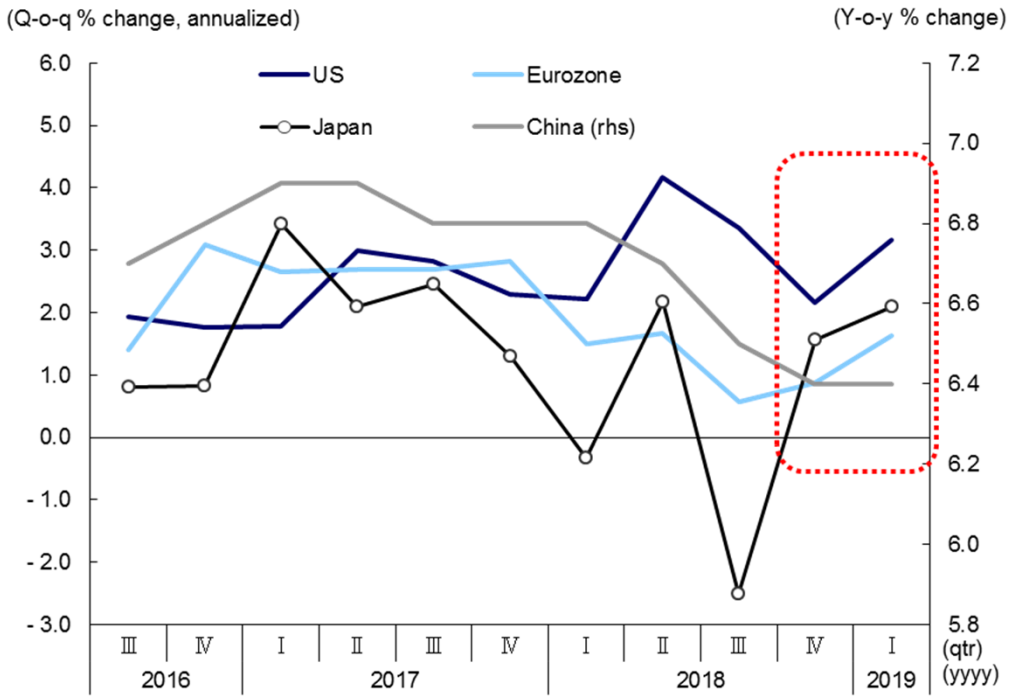
	2015	2016	2017	2018	2019	2020	2019	2020	2019	2020
	Calendar year (Y-o-y % change)						(Forecast in Mar 2019) (Y-o-y % change)		(Breadth of change from forecast in Mar 2019) (% point)	
Total of forecast area	3.5	3.5	3.9	3.9	3.6	3.5	3.6	3.5	-	-
Japan, US, Eurozone	2.4	1.6	2.2	2.1	1.8	1.4	1.8	1.4	-	-
US	2.9	1.6	2.2	2.9	2.8	1.7	2.6	1.7	0.2	-
Eurozone	2.1	2.0	2.4	1.9	1.2	1.4	1.2	1.4	-	-
UK	2.3	1.8	1.8	1.4	1.4	1.4	1.3	1.5	0.1	-0.1
Japan	1.2	0.6	1.9	0.8	0.7	0.4	0.5	0.5	0.2	-0.1
Asia	6.2	6.4	6.2	6.2	5.8	5.8	5.9	5.8	-0.1	-
China	6.9	6.7	6.8	6.6	6.2	6.1	6.2	6.1	-	-
NIEs	2.1	2.4	3.3	2.8	2.1	2.0	2.3	2.0	-0.2	-
ASEAN5	4.9	5.0	5.3	5.2	5.0	4.8	5.0	4.8	-	-
India	7.5	8.7	6.9	7.4	7.2	7.2	7.2	7.2	-	-
Australia	2.5	2.8	2.4	2.7	2.3	2.1	2.3	2.1	-	-
Brazil	-3.5	-3.3	1.1	1.1	1.4	1.9	2.2	2.1	-0.8	-0.2
Mexico	3.3	2.9	2.1	2.0	1.4	1.6	1.8	1.7	-0.4	-0.1
Russia	-2.3	0.3	1.6	2.3	1.3	1.7	1.3	1.7	-	-
Japan (FY)	1.3	0.9	1.9	0.6	0.5	0.5	0.6	0.5	-0.1	-
Crude oil prices (WTI, USD/bbl)	49	43	51	65	60	58	56	54	4	4

Note: The total of the forecast area is calculated upon the 2017 GDP share (PPP) by the IMF
Source: Made by MHRI based upon releases by the International Monetary Fund (IMF) and statistics of relevant countries and regions

The global economy: despite a recovery in the Jan-Mar quarter, there is no change to our view that the trend is a slowdown

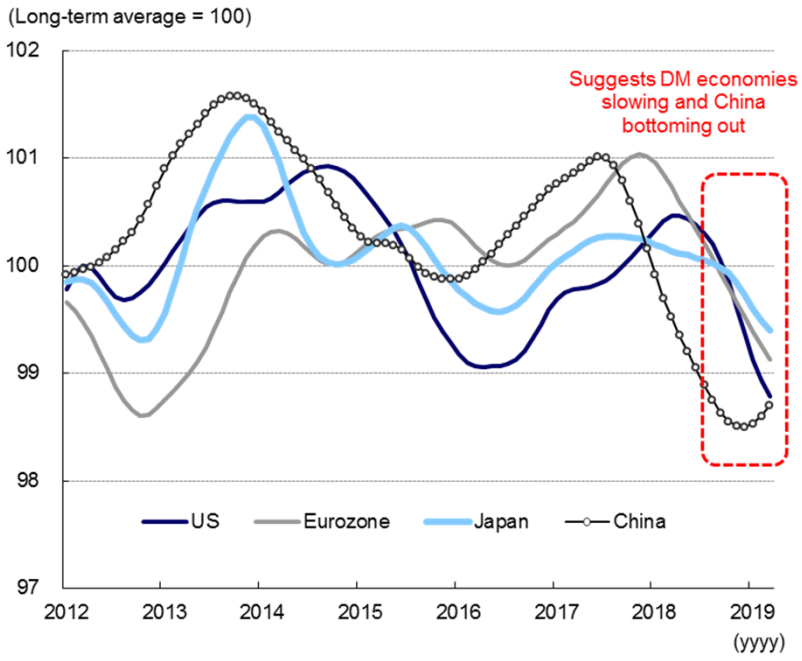
- Jan-Mar results turned out stronger than market forecasts with GDP accelerating from the previous quarter in Japan, the US and the Eurozone, and China flattening out on a year-on-year basis.
  - However, considering that Japan and the US were greatly affected by the boost to external demand from the decline in imports, and the weak business sentiment in the Eurozone, there is an overall lack of strength in the global economy.
- While the OECD Composite Leading Indicators (CLI) suggest a slowdown among the developed market (DM) economies, the revisions to past figures suggest China could bottom out in the second half of the year.

[Quarterly GDP growth rates for Japan, US, Eurozone, China]



Source: Made by MHRI based upon statistics of relevant countries and regions

[OECD Composite Leading Indicators (CLI)]

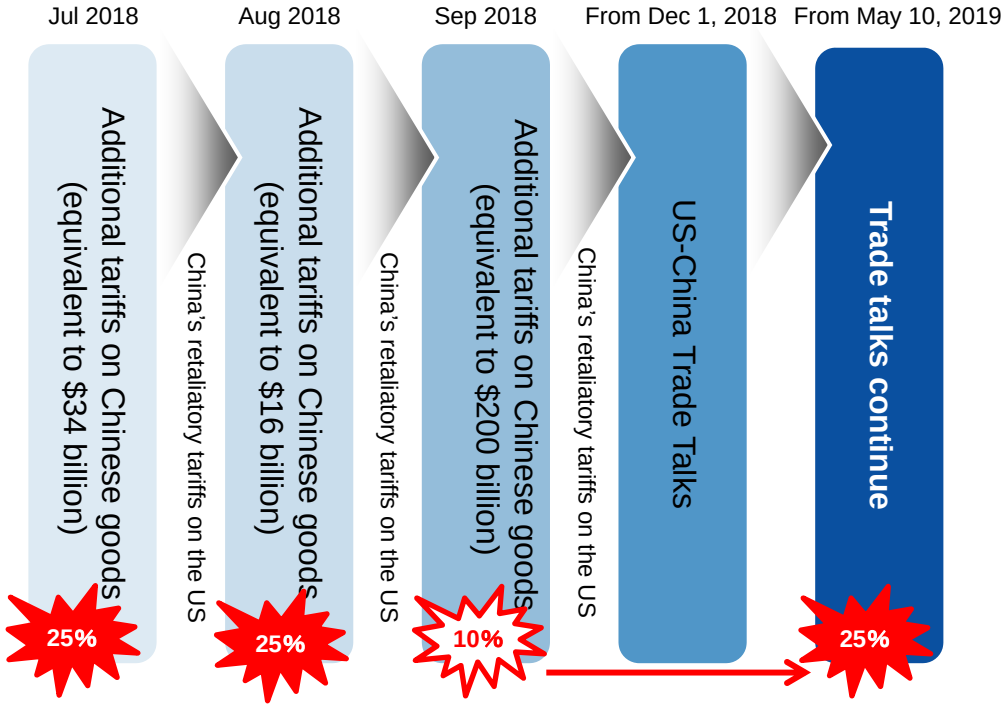


Source: Made by MHRI based upon OECD

The global economy: direction of US-China trade talks

- The US and China have continued trade talks since December 2018, but negotiations have not gone well. The US lifted tariffs to 25% on $200 billion of Chinese goods from May 10, while China also raised tariffs in retaliation on $60 billion of US goods to as high as 25% on May 13 (scheduled to take effect on June 1).
- The wide gaps in the arguments between the US and China appear not to have been bridged. The focus will be on whether or not both sides can compromise.
  - While China has indicated signs of compromise such as by announcing policies to increase imports from the US and enacting a foreign investment law, disagreements exist in areas such as the size of the increase in imports, the continuation of existing tariffs and the need for improvements in the legal system to address structural problems such as technology transfers and subsidies.

[History of US-China trade tensions]



Source: Made by MHRI

[Key points in US-China trade tensions]

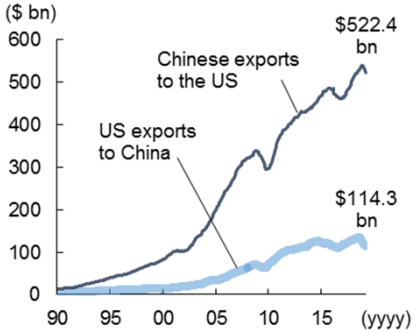
Arguments		Current situation
Trade imbalance		China is seeking ways to ease the trade imbalance by increasing US imports, but the size of this has not matched the size of the increase demanded by the US and the gap has not been bridged
Structural problems	Technology transfers	The US asserts that "The Chinese government has forced US companies that have expanded into China to transfer technology to Chinese companies". China prohibited administrative enforcement of transfers in the foreign investment law enacted in March.
	Intellectual Property Rights	The US asserts that "The Chinese government is assisting Chinese companies to purchase US companies possessing the latest technologies", but China denies this. Apart from this, initiatives to strengthen the protection of IP is being promoted.
	Subsidies	The US asserts that "The Chinese government is providing unfair subsidies aimed at promoting Chinese companies under 'Made in China 2025". China asserts that the subsidy policy is consistent with WTO rules.
	Administrative and inspection procedures	At an administrative level, negotiating to hold quarterly meetings at the Deputy Cabinet Minister level and semi-annual meetings at the Cabinet Minister level. China appears to be objecting to penal regulations.

Source: Made by MHRI

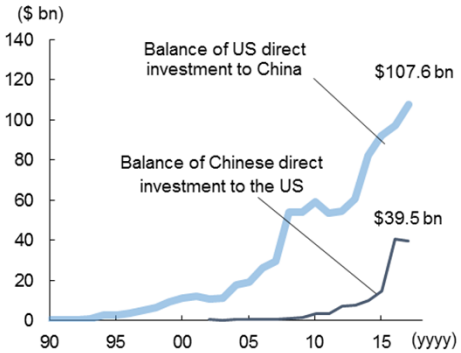
The global economy: all Chinese exports to the US could be target for tariff hikes if there is a fourth round

- While our main scenario outlook forecasts that sanctions will only be continued up to the third round of tariff hikes, amid ongoing difficulties in US-China talks, the risk of a fourth round with additional tariffs imposed on the remaining $300 billion of Chinese exports to the US cannot be ruled out.

[Trade between the US and China (March 2019)]



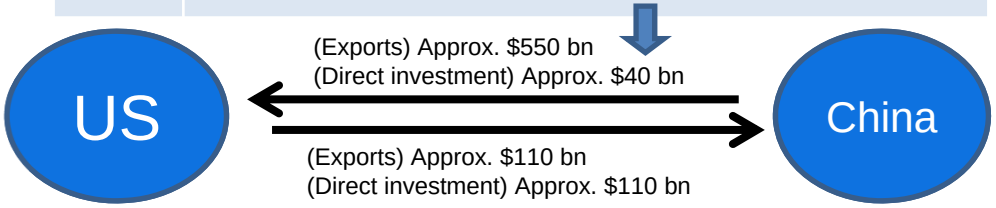
[Investment between the US and China (2017)]



Note: Exports on the graph refers to the total for the past 12 months; Direct investment is on an acquisition cost base
Source: Made by MHRI based upon US Department of Commerce and various reports

[US sanctions on China]

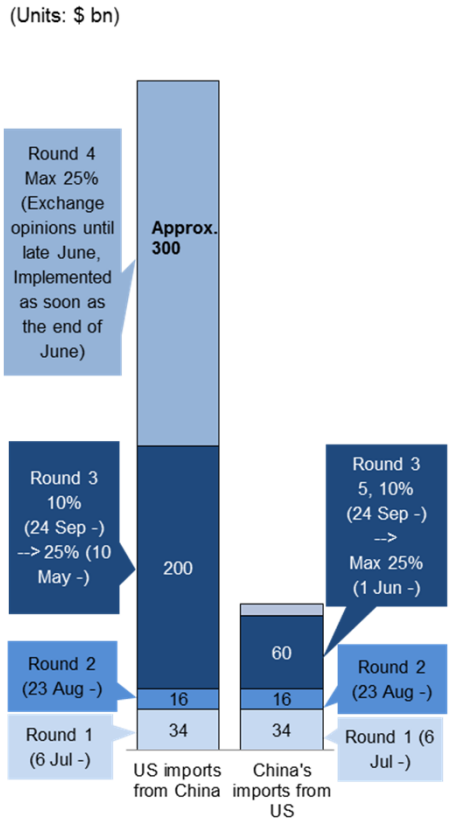
	Amt of target imports	Additional tariff	Timing	Target products
Imports	$34 bn	25%	From 6-Jul-2018	Industrial machinery, aircraft, etc.
	$16 bn		From 23-Aug-2018	
	$200 bn	10%	From 24-Sep-2018	Food and clothing, etc.
		10% → 25%	From 10-May-2019	
	@ $300 bn	Max. 25%	From end June 2019	Mobile telephones, etc.
Investment	The Committee on Foreign Investment in the US (CFIUS) restricts inward investment in to the US			
Exports	Export control regulations through the Export Control Reform Act (ECRA) Regulation on government procurement through the National Defense Authorization Act			



[Chinese sanctions on the US]

	Amt of target imports	Additional tariffs	Timing	Target products
Imports	$34 bn	25%	From 6-Jul-2018	Soya bean, chemicals, cars, etc.
	$16 bn		From 23-Aug-2018	
	$60 bn	5%, 10%	From 24-Sep-2018	Timber, LNG, etc.
		Max. 25%	From 1-Jun-2019	
Effective countermeasures (Non-tariff barriers)	Possibility of measures such as ・Stricter import inspections on US products ・Obstruction of M&A involving US companies ・Boycott of US products			

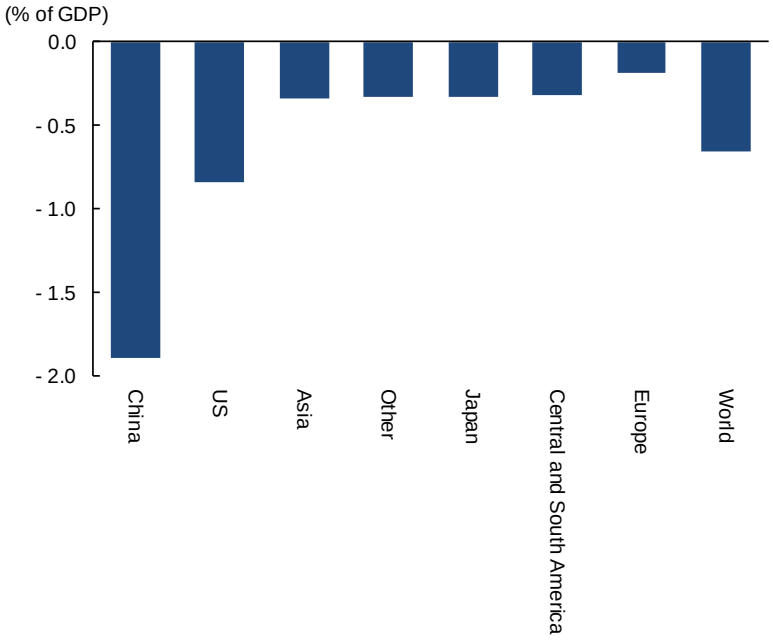
[Comparison of sanctions on China and retaliation against the US]



The global economy: impact of US and Chinese tariff hikes

- In addition to the decline in US-China trade due to the tariff hikes, there are concerns that a protracted confrontation between the US and China would have an impact on business sentiment and the financial markets.
  - Restraint on capital investment due to deterioration in business sentiment would contribute to a slowdown in the global economy.
  - It is also important to be aware of the risk of accelerated deleveraging in China, where there is overcapacity and excessive debt.
  - According to MHRI calculations, the imposition of a 25% tariff on all trade between the US and China would push down the rate of global economic growth by approximately 0.7% (approximately 0.8% in the US, 1.9% in China and 0.3% in Japan).

[Impact on GDP from US-China trade frictions]



[Trade between the US and China]

Note: Impact of 25% in additional tariff imposed on trade between the US and China. Calculating the impact on investment and consumption, including the knock-on effect to third countries. Asia excludes China.

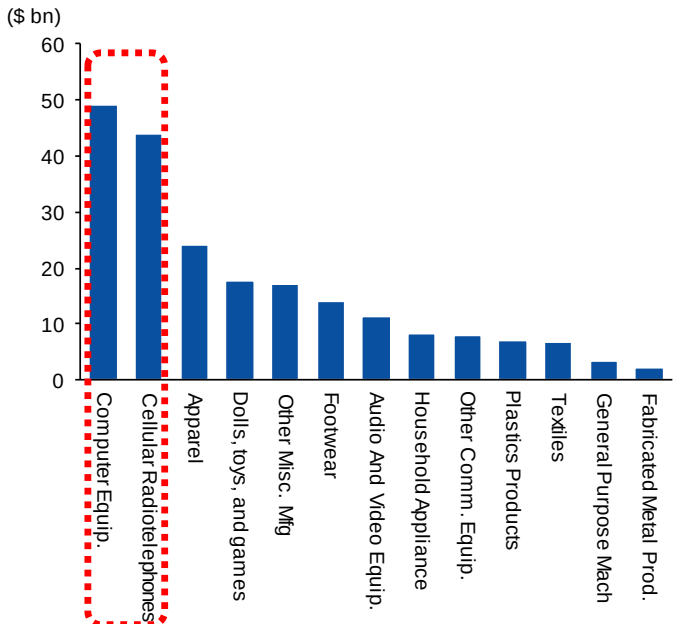
Source: Made by MHRI

Source: Made by MHRI based upon China's General Administration of Customs

Round four of tariff hikes would also have a large impact on the IT supply chain

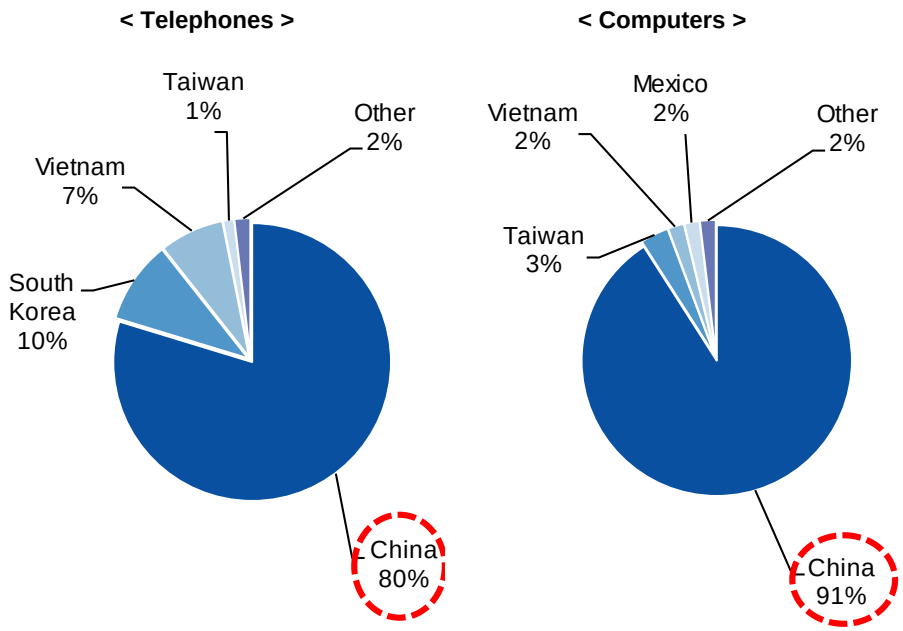
- Amongst the target products of a potential fourth round of tariff hikes, large value import items are mobile phones and computers.
- In addition to the impact on US consumers, it would also have a negative impact across Asia including Japan through the supply chain.
  - Many of the mobile telephones and computers in the US are imported from China. Many of the components used in those devices are imported from Japan as well as South Korea and Taiwan. There are concerns that tariff hikes would have a negative impact on the supply chain across Asia.
- A drop in demand for mobile phones and computers would most likely cause a decline in demand for semiconductors used in such products.

[Value of imports on goods from China targeted for increased US tariffs (round 4)]



Note: 2017 figures
Source: Made by MHRI based upon EVERCORE ISI

[Share of US imports of telephones and computers by country]



Note: 1. 2017 figures
2. The HS Codes for telephones are 851711, 851712, 851718, and for PCs 847130, 847141, 847149
3. The figure for "Other Asia" is deemed to be Taiwan
Source: Made by MHRI based upon UN Comtrade

The Japanese economy: prospects that the economy will continue to lack strength

- Japan's real GDP grew +2.1% q-o-q p.a. in the Jan-Mar quarter of 2019, recording growth in positive territory for the second consecutive quarter. However, since the main factor pushing up growth in the latest quarter was the fall of imports accompanying the decline of consumption and capital investment, the state of the Japanese economy actually lacked strength. The growth of personal consumption, mainly of durable goods, came to a pause. Capital investment and exports dipped into negative territory, reflecting the slowdown of the Chinese economy and IT demand.

- FY2019 forecast on Japan's GDP: +0.5% y-o-y. The global economic slowdown and lingering uncertainties regarding US-China trade tensions are serving as drags upon the growth of exports and capital investment. Despite the continuation of a favorable employment environment, personal consumption will likely be tepid due to a slight deceleration of income growth because of the reduction of overtime hours stemming from Japan's work-style reforms. However, the impact of the consumption tax hike should turn out to be milder than the period from 2014 to 2015 due to the implementation of various income support measures.

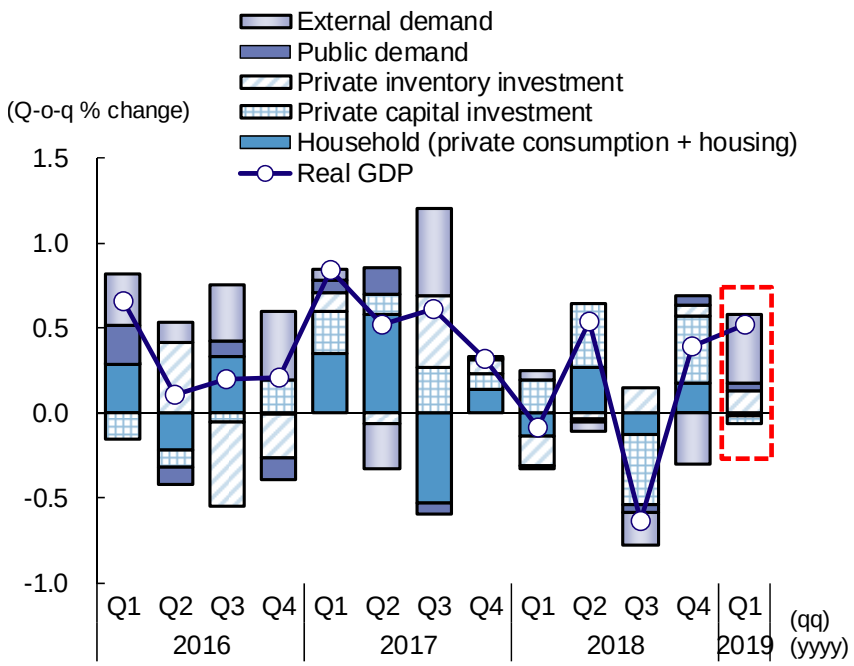
- FY2020 forecast on Japan's GDP: +0.5% y-o-y. The rise of adjustment pressures upon capital investment will serve as restraints upon GDP growth. Even so, the reactionary decline following the 2020 Tokyo Olympic Games should turn out to be benign, given the current delay in progress of construction due to the shortage of construction workers.

- Turning to the risks, it will be necessary for the time being to keep a close eye upon the escalation of trade tensions. In the event the US carries out its fourth round of tariff hikes upon Chinese goods, thus triggering retaliatory measures, they would send downward pressures upon the Japanese economy, and could lead to the possibility of a postponement of the consumption tax hike.

The Japanese economy: Jan-Mar quarter GDP (*1st QE*) despite positive growth, the Japanese economy actually lacked strength

- Japan's real GDP grew +0.5% q-o-q (+2.1% p.a.) in the Jan-Mar quarter of 2019, recording growth in positive territory for the second consecutive quarter. However, the state of the Japanese economy actually lacked strength.
  - The main factor pushing up growth was the fall of imports accompanying the decline of consumption and capital investment.
  - In addition to a pause in growth of personal consumption mainly of durable goods, capital investment and exports also declined reflecting the slowdown of the Chinese economy and IT demand.

[*First Preliminary Quarter Estimates of GDP (1st QE)* of the Jan-Mar quarter of 2019]



	2018 Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	2019 Jan-Mar
Real GDP	-0.1	0.5	-0.6	0.4	0.5
(Q-o-q change, p.a.)	-0.3	2.2	-2.5	1.6	2.1
(Y-o-y change)	1.3	1.5	0.1	0.2	0.8
Domestic demand	-0.1	0.6	-0.4	0.7	0.1
	(-0.1)	(0.6)	(-0.4)	(0.7)	(0.1)
Private demand	-0.2	0.8	-0.5	0.8	0.1
	(-0.1)	(0.6)	(-0.4)	(0.6)	(0.1)
Personal consumption	-0.1	0.6	-0.3	0.2	-0.1
Housing investment	-2.4	-2.1	0.8	1.4	1.1
Capital investment	1.2	2.4	-2.5	2.5	-0.3
Inventory investment	(-0.2)	(-0.0)	(0.1)	(0.1)	(0.1)
Public demand	-0.1	-0.1	-0.2	0.3	0.2
	(-0.0)	(-0.0)	(-0.0)	(0.1)	(0.0)
Government consumption	0.3	0.1	0.2	0.7	-0.2
Public investment	-1.3	-0.7	-1.9	-1.4	1.5
External demand	(0.0)	(-0.1)	(-0.2)	(-0.3)	(0.4)
Exports	1.0	0.7	-2.0	1.2	-2.4
Imports	0.7	1.0	-1.0	3.0	-4.6
Nominal GDP	-0.2	0.3	-0.6	0.5	0.8
GDP deflator (y-o-y change)	0.5	-0.1	-0.4	-0.3	0.2

Notes: Figures in the right hand chart are changes over the previous quarter (in real terms) unless otherwise noted. The figures in parentheses represent the contributions to growth.
Source: Made by MHRI based upon Cabinet Office, *Preliminary Quarterly Estimates of GDP*

The Japanese economy: forecast growth for FY2019 (+0.5%) and FY2020 (+0.5%)

- The Japanese economy will likely continue to lack strength in FY2019 and FY2020.
  - In FY2019, the global economic slowdown and persistent uncertainty about US-China trade tensions will weigh on export and investment growth. The impact from the consumption tax hike will be limited compared to the period from 2014 to 2015.
  - In FY2020, the rise of adjustment pressures upon capital investment will serve as a restraint upon growth. However, we do not expect a large reactionary decline following the 2020 Tokyo Olympic and Paralympic Games.

[Outlook on the Japanese economy]

		2017 FY	2018	2019	2020	2018 Jan-Mar	2018 Apr-Jun	2018 Jul-Sep	2018 Oct-Dec	2019 Jan-Mar	2019 Apr-Jun	2019 Jul-Sep	2019 Oct-Dec	2020 Jan-Mar	2020 Apr-Jun	2020 Jul-Sep	2020 Oct-Dec	2021 Jan-Mar
GDP (real)	Q-o-q % ch	1.9	0.6	0.5	0.5	-0.1	0.5	-0.6	0.4	0.5	-0.2	0.7	-0.6	0.2	0.3	0.2	0.2	0.0
	Q-o-q % ch p.a.	—	—	—	—	-0.3	2.2	-2.5	1.6	2.1	-0.7	2.7	-2.3	0.9	1.0	0.6	0.7	0.1
Domestic demand	Q-o-q % ch	1.5	0.7	0.5	0.4	-0.1	0.6	-0.4	0.7	0.1	-0.0	0.7	-0.8	0.2	0.3	0.2	0.1	0.0
Private sector demand	Q-o-q % ch	1.8	1.0	0.3	0.2	-0.2	0.8	-0.5	0.8	0.1	-0.1	0.9	-1.3	0.3	0.3	0.2	0.1	0.1
Personal consumption	Q-o-q % ch	1.1	0.4	0.4	0.2	-0.1	0.6	-0.3	0.2	-0.1	0.4	1.1	-1.7	0.4	0.3	0.1	0.2	0.2
Housing investment	Q-o-q % ch	-0.7	-4.2	-3.8	-5.6	-2.4	-2.1	0.8	1.4	1.1	-0.9	-2.6	-3.8	-3.3	-1.2	0.1	0.6	0.7
Capital investment	Q-o-q % ch	4.5	3.2	0.9	1.3	1.2	2.4	-2.5	2.5	-0.3	-0.9	1.5	0.4	0.5	0.4	0.4	-0.4	-0.3
Inventory investment	Q-o-q contribution, % pt	(0.1)	(0.2)	(-0.1)	(-0.0)	(-0.2)	(-0.0)	(0.1)	(0.1)	(0.1)	(-0.1)	(-0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Public sector demand	Q-o-q % ch	0.5	-0.1	1.3	1.1	-0.1	-0.1	-0.2	0.3	0.2	0.4	0.4	0.8	0.0	0.3	0.3	0.4	-0.2
Government consumption	Q-o-q % ch	0.4	0.8	0.9	1.0	0.3	0.1	0.2	0.7	-0.2	0.3	0.2	0.2	0.2	0.4	0.2	0.3	0.2
Public investment	Q-o-q % ch	0.5	-3.8	2.9	1.4	-1.3	-0.7	-1.9	-1.4	1.5	0.5	1.1	3.1	-0.7	-0.3	0.8	0.9	-1.7
External demand	Q-o-q contribution, % pt	(0.4)	(-0.1)	(-0.0)	(0.1)	(0.0)	(-0.1)	(-0.2)	(-0.3)	(0.4)	(-0.2)	(-0.1)	(0.2)	(0.0)	(-0.0)	(-0.1)	(0.0)	(-0.0)
Exports	Q-o-q % ch	6.4	1.3	0.8	1.5	1.0	0.7	-2.0	1.2	-2.4	1.7	1.0	0.2	0.3	0.4	0.3	0.4	0.3
Imports	Q-o-q % ch	4.1	2.0	0.8	1.2	0.7	1.0	-1.0	3.0	-4.6	2.7	1.4	-1.1	0.2	0.5	0.6	0.3	0.4
GDP (nominal)	Q-o-q % ch	2.0	0.5	0.9	1.1	-0.2	0.3	-0.6	0.5	0.8	-0.5	0.8	-0.4	0.8	0.1	0.3	0.1	0.6
GDP deflator	Y-o-y % ch	0.1	-0.1	0.3	0.6	0.5	-0.1	-0.4	-0.3	0.2	0.1	0.2	0.4	0.6	0.8	0.7	0.4	0.4
Domestic demand deflator	Y-o-y % ch	0.6	0.5	0.3	0.5	0.9	0.5	0.6	0.5	0.3	0.3	0.1	0.3	0.6	0.7	0.6	0.3	0.5

Note: Figures in the shaded areas are forecasts
Source: Made by MHRI based upon Cabinet Office, *Preliminary Quarterly Estimates of GDP*

The Japanese economy: the CPI excluding fresh food (y-o-y change) should gradually slow down

[Outlook on the Japanese economy (major economic indicators)]

		2017 FY	2018	2019	2020	2018 Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	2019 Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	2020 Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	2021 Jan-Mar
Industrial production	Q-o-q % ch	2.9	0.3	-0.3	0.7	-0.9	0.8	-0.7	1.4	-2.5	0.8	1.3	-1.4	0.5	0.4	0.7	-0.4	0.0
Ordinary profits	Y-o-y % ch	6.9	3.2	0.0	0.6	0.2	17.9	2.2	-7.0	-1.7	-1.5	6.5	-3.3	-0.5	0.8	0.1	0.4	1.0
Nominal compensation of employees	Y-o-y % ch	2.2	2.7	2.0	1.5	2.6	3.8	2.6	3.1	1.1	1.6	1.7	1.4	1.4	1.2	1.4	1.3	1.2
Unemployment rate	%	2.7	2.4	2.5	2.5	2.5	2.4	2.4	2.4	2.4	2.5	2.5	2.5	2.6	2.6	2.5	2.5	2.6
New housing starts	P.a., 10,000 units	94.6	95.3	88.6	85.9	89.7	96.6	95.0	95.5	94.2	94.6	88.9	85.9	84.9	85.2	85.6	86.3	86.8
Current account balance	P.a., JPY tril	22.2	19.4	18.7	19.5	19.9	21.8	18.7	17.2	19.6	18.7	17.6	19.8	19.4	19.5	19.4	19.5	19.5
Domestic corporate goods prices	Y-o-y % ch	2.7	2.2	1.7	1.6	2.5	2.6	3.1	2.3	0.9	0.7	0.2	2.7	3.0	2.1	2.4	0.6	1.0
Domestic corporate goods prices (ex consumption tax)	Y-o-y % ch	-	-	0.8	0.6	-	-	-	-	-	-	-	0.9	1.2	0.2	0.5	-	-
Consumer prices, ex fresh food	Y-o-y % ch	0.7	0.8	0.5	0.8	0.8	0.8	0.9	0.8	0.8	0.6	0.3	0.5	0.6	0.8	0.9	0.5	0.5
Consumer prices, ex fresh food (ex consumption tax)	Y-o-y % ch	-	-	0.1	0.1	-	-	-	-	-	-	-	-0.4	-0.4	-0.2	-0.1	-	-
Consumer prices, ex fresh food and energy	Y-o-y % ch	0.2	0.3	0.4	0.7	0.5	0.3	0.4	0.3	0.4	0.5	0.3	0.5	0.5	0.8	0.9	0.6	0.5
Consumer prices, ex fresh food and energy (ex consumption tax)	Y-o-y % ch	-	-	0.0	0.2	-	-	-	-	-	-	-	-0.4	-0.4	-0.1	-0.0	-	-
Uncollateralized overnight call rate	%	-0.06	-0.06	-0.05	-0.05	-0.06	-0.07	-0.06	-0.06	-0.06	-0.03	-0.05	-0.05	-0.05	-0.05	-0.05	-0.05	-0.05
Yield on newly-issued 10-yr JGBs	%	0.05	0.04	-0.00	0.08	0.06	0.04	0.10	0.07	-0.04	-0.01	0.00	0.00	0.00	0.00	0.10	0.10	0.10
Nikkei average	JPY	20,984	21,973	21,800	22,900	22,366	22,341	22,654	21,897	21,000	21,800	21,500	21,500	22,500	22,500	22,500	23,000	23,500
Exchange rate	USD/JPY	111	111	109	109	108	109	111	113	110	111	109	109	108	108	108	109	109
Crude oil price (WTI nearest term contract)	USD/bbl	54	63	61	59	63	68	69	59	55	63	62	60	59	58	58	59	60

Note: 1. Figures in the shaded areas are forecasts.The readings above may differ from public releases because the rates of change are calculated on the basis of real-terms data
2. For the Oct-Dec quarter of 2019 and the Jan-Mar quarter of 2020, the impact of free pre-school education is reflected in the outlooks on consumer prices (both including and excluding the impact of the consumption tax hike)
3. Ordinary profits are based upon the *Financial Statements Statistics of Corporations by Industry* (all industries basis) (ex finance & insurance)
4. Of the finance-related indices, the uncollateralized overnight call rate refers to the rate at the end of term, the yield on newly-issued 10-yr JGBs refers to the average of the end-of-month rates during the relevant term, and all others are averages during the relevant terms

Source: Made by MHRI based upon relevant statistics

Reference: Key political events

	2019		2020		2021	
US			Jan	New NAFTA takes effect (Target)	Sep	20 years since the 911 terrorist attacks
			Nov	Presidential election		
Europe	May	European Parliament elections			Sep	Germany: Federal election
	Oct	ECB President Draghi's term of office ends			Autumn	Chancellor Merkel scheduled to step down
	Oct	Brexit deadline				
Japan	Jun	G20 Summit (Osaka)	Jul-Sep	Tokyo Olympic and Paralympic Games	Mar	10 years since the Great East Japan Earthquake
	Summer	Upper House election			Sep	Term of office expires for the next president of the LDP
	Oct	Consumption tax hike			Oct	Term of offce for Lower House members ends
Asia	May 23	India: Lower House election	Jan	Taiwan: Presidential and legislative elections	By year end	Vietnam: National Congress of the Communist Party
	By year end	China: Fourth Plenary Session of the CPC Central Committee	Apr	South Korea: Legislative election		
			@Sep	Singapore: Legislative election		
			Sep	Hong Kong: Legislative Council election		
			By year end	China: Fifth Plenary Session of the CPC Central Committee		

Note: "@ Sep" indicates that the event will be held sometime around September
Source: Made by MHRI from various reports