

ESRI POLICY FORUM

COMMENTS ON “IN DEFENSE OF PUBLIC DEBT”

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Please contact your BNP Paribas representative with any questions



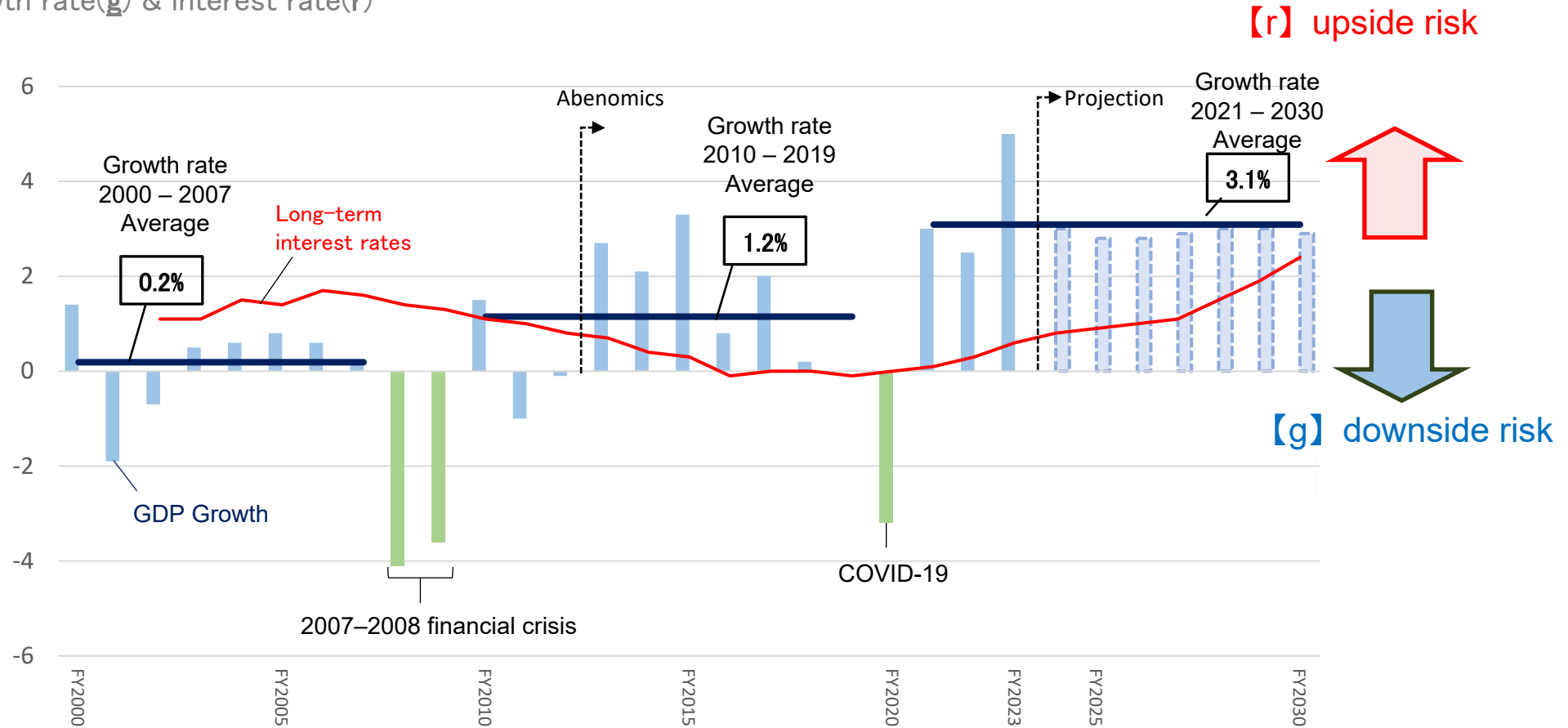
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“g vs r” in Japan

Both g & r are increasing

➤ Nominal growth rate(g) & interest rate(r)



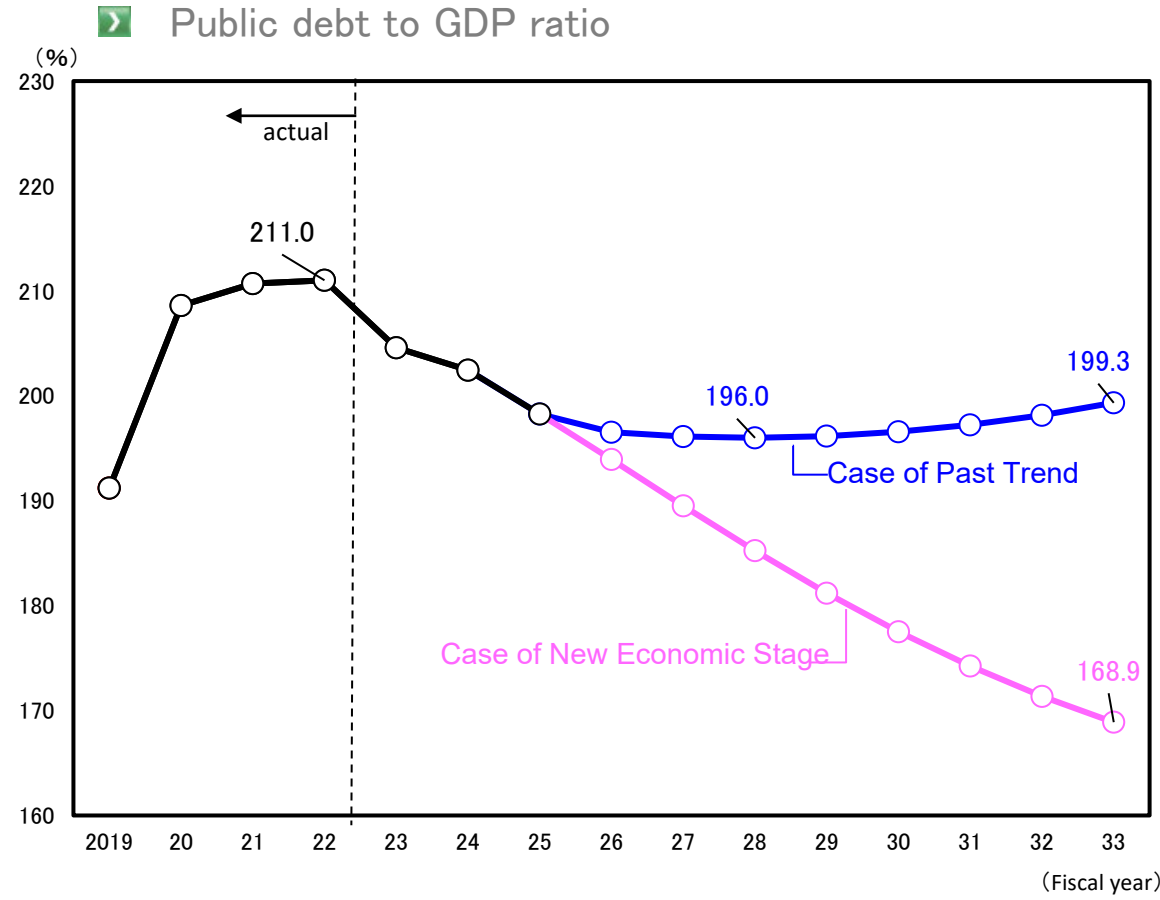
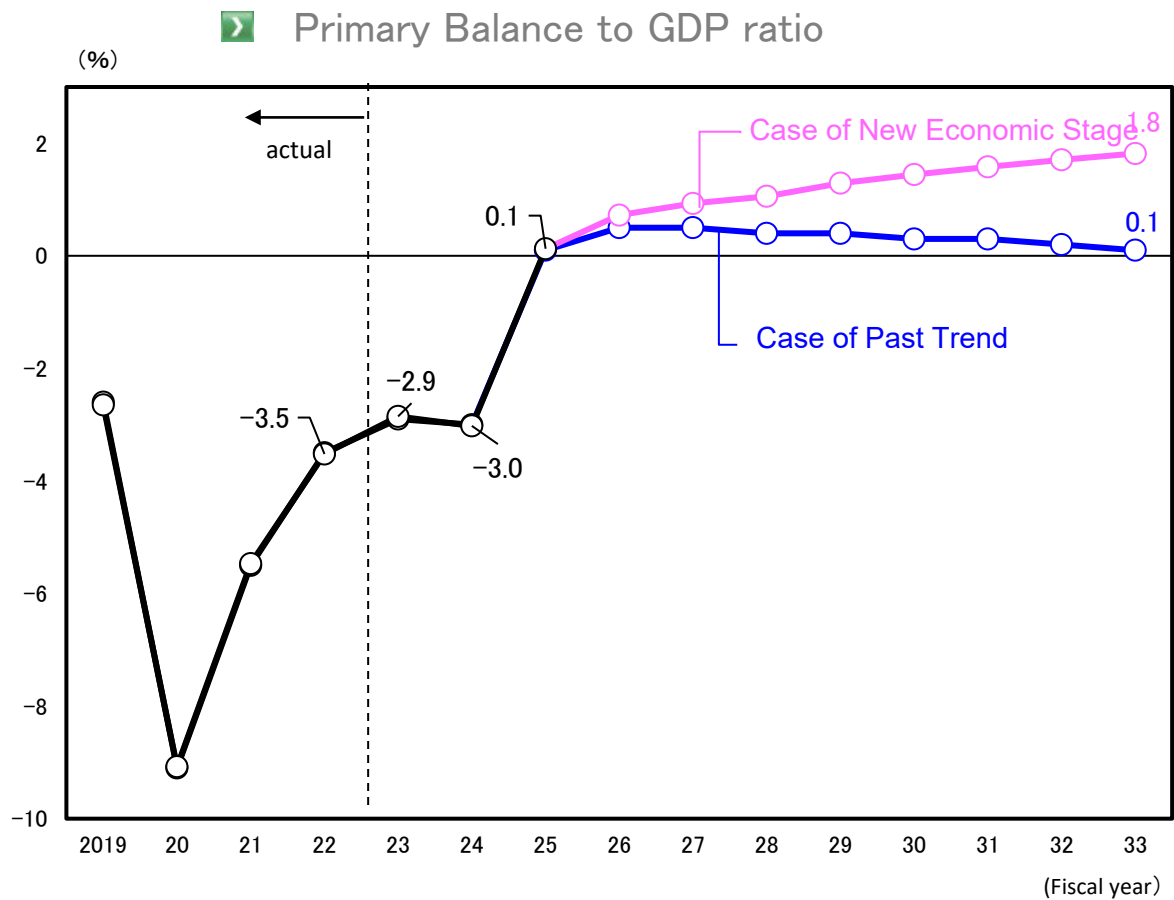
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Source: Cabinet office, Ministry of finance

Economic and Fiscal Projections

To achieve both economic growth and fiscal consolidation



Source : Cabinet office

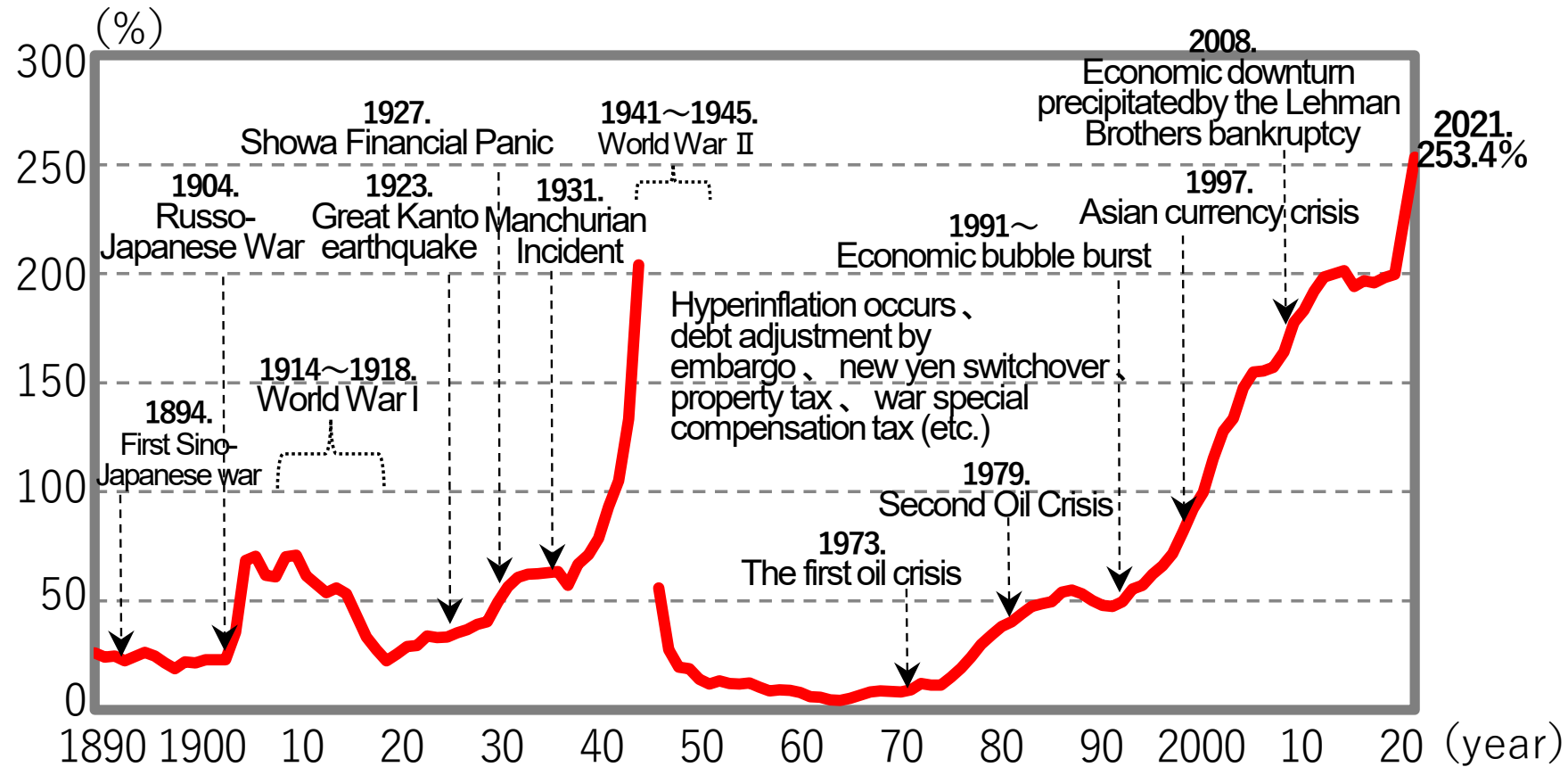


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Long-term fiscal situation (past)

Ratio of public debt to GDP(%, fiscal year)



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Source: Bloomberg, MOF, BNP Paribas

Creditworthiness

► List of developed country ratings

	MDY		S&P		Fitch		R&I		JCR	
	Rating	Outlook	Rating	Outlook	Rating	Outlook	Rating	Outlook	Rating	Outlook
UNITED STATES	Aaa	NEG	AA+u	STABLE	AA+u	STABLE	AAA	STABLE	AAA	STABLE
GERMANY	Aaa	STABLE	AAAu	STABLE	AAAu	STABLE	AAA	STABLE	AAA	STABLE
FRANCE	Aa2u	STABLE	AAu	NEG	AA-u	STABLE	AAA	STABLE	AAA	STABLE
ITALY	Baa3u	STABLE	BBBu	STABLE	BBBu	STABLE	BBB+	STABLE	A	STABLE
SPAIN	Baa1	STABLE	Au	STABLE	A-u	STABLE	A	-	AA	STABLE
BRITAIN	Aa3u	STABLE	AAu	STABLE	AA-u	NEG	AAA	STABLE	AAA	STABLE
CANADA	Aaa	STABLE	AAA	STABLE	AA+u	STABLE	NR	-	AAA	STABLE
JAPAN	A1	STABLE	A+u	STABLE	Au	STABLE	AA+	STABLE	AAA	STABLE
CHINA	A1	STABLE	A+	STABLE	A+u	STABLE	AA-	STABLE	AA	STABLE



Question 1

What do you think about Japan's debt problem and fiscal discipline, given the changes in interest rates and growth rates?

Question 2

Regarding the economic outlook for the United States, please tell us your thoughts on what the risks are for the United States and what we should pay attention to.



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Market Colour

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