



Royston Carr Asset Management Comments as Business Spending Boosts Japan Q1 Growth

Royston Carr Asset Management - Better than initially estimated first quarter GDP growth could encourage Abe to go ahead with scheduled tax hike.

TAIPEI, TAIWAN, June 19, 2019 /EINPresswire.com/ -- Better than expected growth in the first quarter could support Prime Minister Shinzo Abe's government's view that the economy is in good health and is ready for a tax hike. However, analysts at [Royston Carr Asset Management](#) say growth during the period from January to March may not be an accurate reflection of the health of Japan's economy and the country is still facing significant economic challenges.

In spite of ongoing trade tensions, Japanese business investment increased in the first quarter, helping to boost growth from initial estimates but analysts at Royston Carr Asset Management say that, apart from an increase in capital spending, growth was almost completely reliant on falling imports being greater than the decline in exports.

Recently revised data revealed that Japan's GDP had grown at a yearly rate of 2.2% in the first quarter of this year which was slightly higher than the initial estimate. This was also an increase from the 1.8% expansion seen in the previous quarter.

Until recently, there had been widespread speculation that economic weakness might force Abe to hold off on a planned sales tax hike but, in light of the recently revised GDP figures, analysts at Royston Carr Asset Management believe the tax hike will happen in October as planned.

But Royston Carr Asset Management analysts have warned that the promising GDP figures could be bad news for Japan's economy in the longer term as they raise the hurdle for the second quarter amid escalated trade tensions between the US and China.

Sophie Shen
Tag Leaf
227 673 241
[email us here](#)

This press release can be viewed online at: <http://www.einpresswire.com>

Disclaimer: If you have any questions regarding information in this press release please contact the company listed in the press release. Please do not contact EIN Presswire. We will be unable to assist you with your inquiry. EIN Presswire disclaims any content contained in these releases. © 1995-2019 IPD Group, Inc. All Right Reserved.