

Japan's economic growth rate revised down

Japan's economy grew by less than first estimated in the final quarter of 2009, revised figures have shown. The Cabinet Office said the economy expanded by 0.9% between October and December of last year, down from its initial estimate of 1.1%. The figures showed domestic spending was less than first calculated, as was investment and stockpiling by firms. On an annualised basis, economic growth was 3.8% in the quarter, down from the initial estimate of 4.6%. The downward revision in economic growth is likely to increase pressure on the Bank of Japan to ease monetary policy. However, with interest rates already down to 0.1%, it does not have much room to move. Japan also continues to face the problem of deflation.