1. Gross Domestic Product (GDP)

The real GDP (Gross Domestic Product) for the Jan-Mar 2026 period (2nd preliminary) increased by 0.5% (or at an annualized 1.8%) from the previous quarter.

Percentage changes from the previous period in real GDP, seasonally adjusted,
( ): contribution to changes in real GDP

	CY		FY		2025CY				2026CY	
	2024	2025	2024	2025	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	(contribution to changes in GDP)
GDP					0.5	0.3	-0.6	0.2	0.5	—
(Changes from the previous quarter at annual rates)	-0.2	1.1	0.5	0.8	2.0	1.1	-2.3	0.7	1.8	—
(Changes from the previous year)					1.5	1.9	0.5	0.3	0.4	—
Domestic Demand	(- 0.2)	(1.4)	(0.8)	(0.9)	(1.2)	(0.2)	(- 0.3)	(0.1)	0.1	(0.2)
Private Demand	(- 0.5)	(1.2)	(0.4)	(0.8)	(1.2)	(0.0)	(- 0.2)	(0.1)	0.0	(0.0)
Private Consumption	-0.6	1.3	0.1	1.3	0.6	0.2	0.5	0.1	0.3	(0.2)
Private Housing	-1.0	-2.5	-0.7	-3.4	-0.5	-0.0	-8.0	5.0	0.9	(0.0)
Non-resi Investment	-0.2	2.1	0.8	2.0	1.2	1.0	-0.1	1.2	-0.7	(- 0.1)
Changein Private Inventories	(- 0.1)	(0.3)	(0.2)	(- 0.1)	(0.7)	(- 0.3)	(- 0.2)	(- 0.4)	—	(- 0.1)
Public Demand	(0.2)	(0.2)	(0.5)	(0.1)	(- 0.1)	(0.1)	(- 0.0)	(0.1)	0.5	(0.1)
Government Consumption	1.6	0.9	2.3	0.8	-0.3	0.6	0.1	0.4	0.3	(0.1)
Public Investment	-1.8	-0.4	0.1	-0.5	-0.8	0.4	-1.0	-0.1	1.5	(0.1)
Net Exports of Goods and Services	(0.1)	(- 0.3)	(- 0.3)	(- 0.1)	(- 0.6)	(0.1)	(- 0.3)	(0.0)	—	(0.3)
Exports of Goods and Services	2.2	2.5	2.7	2.0	-0.6	1.6	-1.6	0.2	1.8	(0.4)
Imports of Goods and Services	1.7	3.8	4.0	2.5	2.2	1.1	-0.2	-0.0	0.4	(- 0.1)

Final Sales of Domestic Product	-0.1	0.8	0.3	0.9	-0.2	0.6	-0.4	0.6	0.5	—
GNI	0.6	1.6	1.1	1.3	0.6	0.4	0.3	-0.2	0.5	—
GDI	0.3	1.5	0.8	1.3	0.3	0.8	-0.4	0.3	0.3	—
Compensation of Employees										
(Realized by household final consumption expenditure deflator)	1.1	0.7	1.4	0.9	-0.6	0.7	0.0	0.5	0.3	—

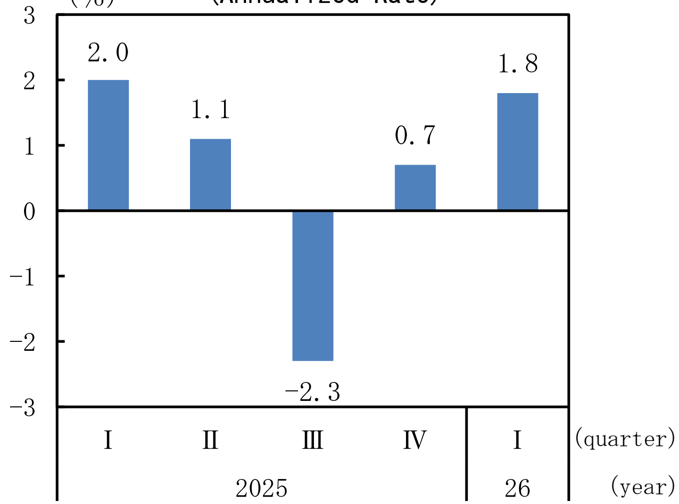
Real GDP:the chained(2020)yen estimates

Percentage changes from the previous period in nominal GDP, seasonally adjusted,
( ): contribution to changes in nominal GDP

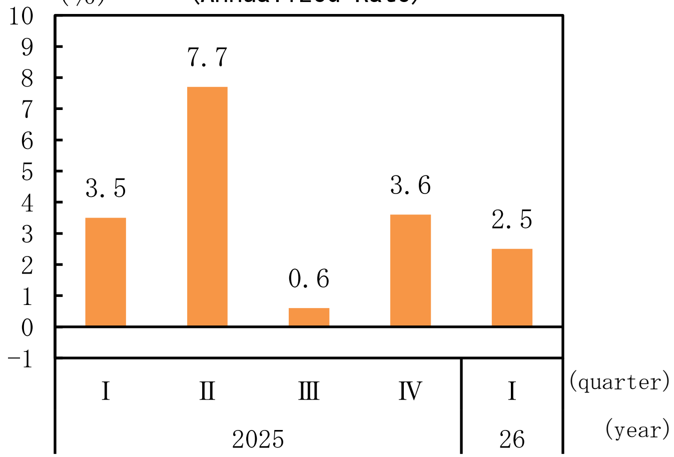
	CY		FY		2025CY				2026CY		
	2024	2025	2024	2025	Jan−Mar	Apr−Jun	Jul−Sep	Oct−Dec	Jan−Mar	(contribution to changes in GDP)	Current prices (seasonally adjusted series : trillion yen)
GDP	3.0	4.5	3.7	4.2	1.6	0.8	0.1	0.9	0.8	—	—
(Changes from the previous year)					0.7	0.5	4.0	3.7	4.0	—	—
Current prices (seasonally adjusted series : trillion yen)	634.8	663.5	642.8	669.4	652.3	664.6	665.6	671.5	—	—	675.6
Domestic Demand	(2.4)	(4.2)	(3.7)	(3.6)	(1.8)	(1.0)	(0.3)	(0.7)	0.5	(0.5)	676.6
Private Demand	(1.7)	(3.5)	(2.5)	(2.9)	(1.7)	(0.8)	(0.1)	(0.6)	0.3	(0.2)	508.9
Private Consumption	1.9	4.2	2.8	3.9	1.6	0.8	1.0	0.6	0.7	(0.4)	357.5
Private Housing	1.7	0.7	2.6	−0.2	0.7	0.5	−7.0	5.5	2.3	(0.1)	28.2
Non−resi Investment	3.4	5.2	4.2	5.1	1.7	1.7	0.9	2.1	0.3	(0.0)	127.1
Changein Private Inventories	(− 0.1)	(0.2)	(0.1)	(− 0.2)	(0.5)	(− 0.0)	(− 0.3)	(− 0.4)	—	(− 0.3)	−3.8
Public Demand	(0.7)	(0.8)	(1.1)	(0.7)	(0.1)	(0.3)	(0.1)	(0.2)	1.2	(0.3)	167.7
Government Consumption	3.2	3.0	4.6	2.7	0.2	1.2	0.6	0.6	0.9	(0.2)	134.1
Public Investment	1.8	3.1	3.9	2.8	−0.1	1.3	−0.2	0.7	2.5	(0.1)	33.6
Net Exports of Goods and Services	(0.6)	(0.3)	(0.1)	(0.6)	(− 0.9)	(0.8)	(− 0.1)	(0.2)	—	(0.1)	−1.0
Exports of Goods and Services	8.8	3.0	7.9	3.6	−1.1	−0.1	0.7	3.7	4.3	(0.9)	156.3
Imports of Goods and Services	5.4	1.6	7.2	1.0	2.9	−3.7	1.2	3.0	3.9	(− 0.9)	157.3
Final Sales of Domestic Product	3.1	4.3	3.6	4.3	0.3	1.9	0.4	1.3	0.9	—	—
GDP deflator	3.2	3.4	3.2	3.3	0.4	1.6	0.7	0.7	0.2	—	—
(Chages from the previous year)					3.6	3.2	3.5	3.4	3.2	—	—

Figures of GDP deflator are changes from the previous year

Real Seasonally Adjusted Series (Annualized Rate)

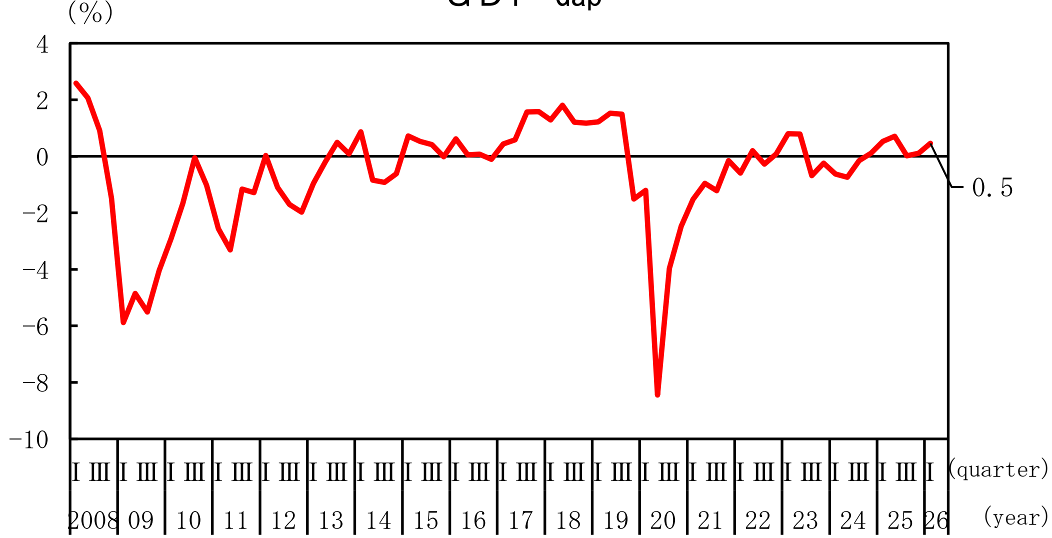


Nominal Seasonally Adjusted Series (Annualized Rate)

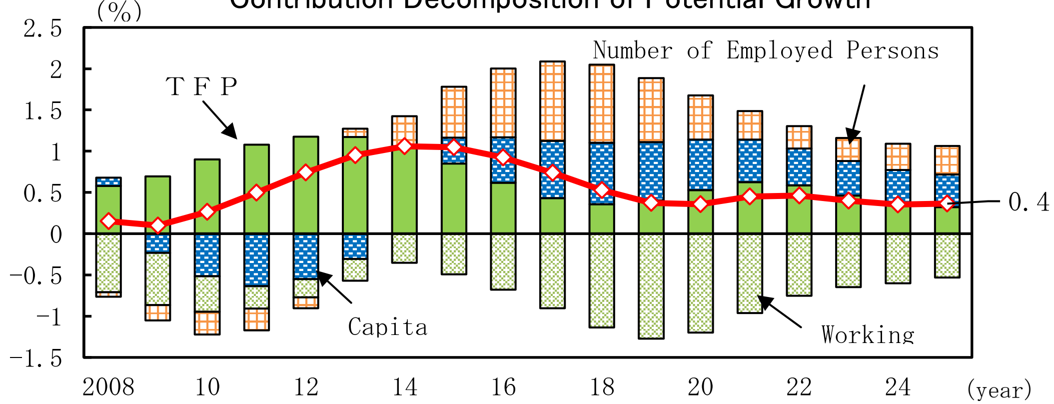


(Source)National Accounts, Cabinet Office.

GDP Gap



Contribution Decomposition of Potential Growth



(Note) Based on Cabinet Office estimates using the National Accounts

2. Private Consumption

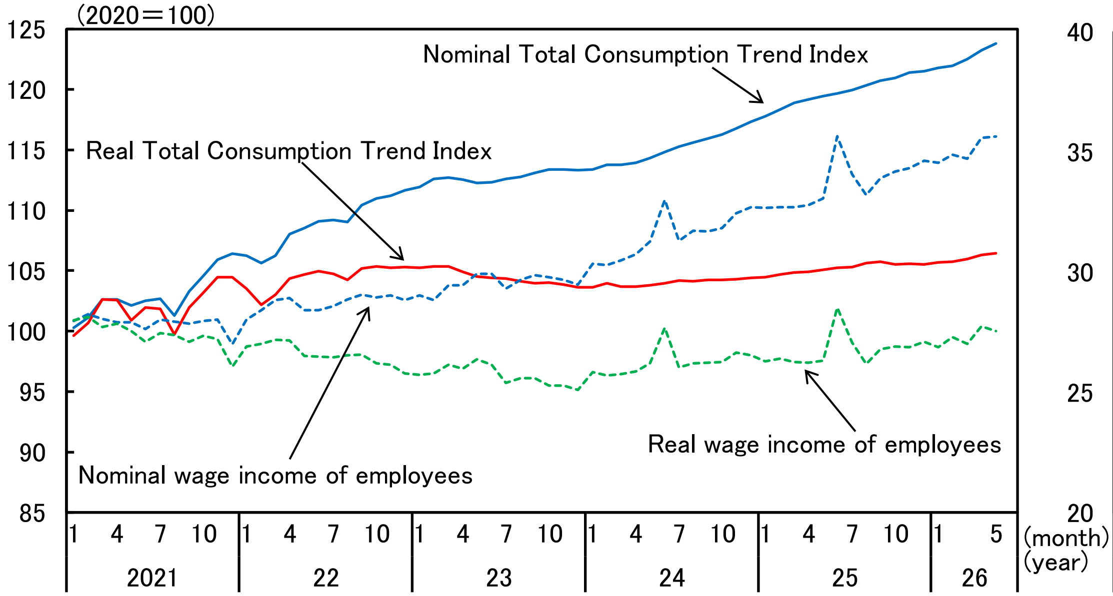
Private consumption shows movements of picking up.

Percentage changes from the previous period

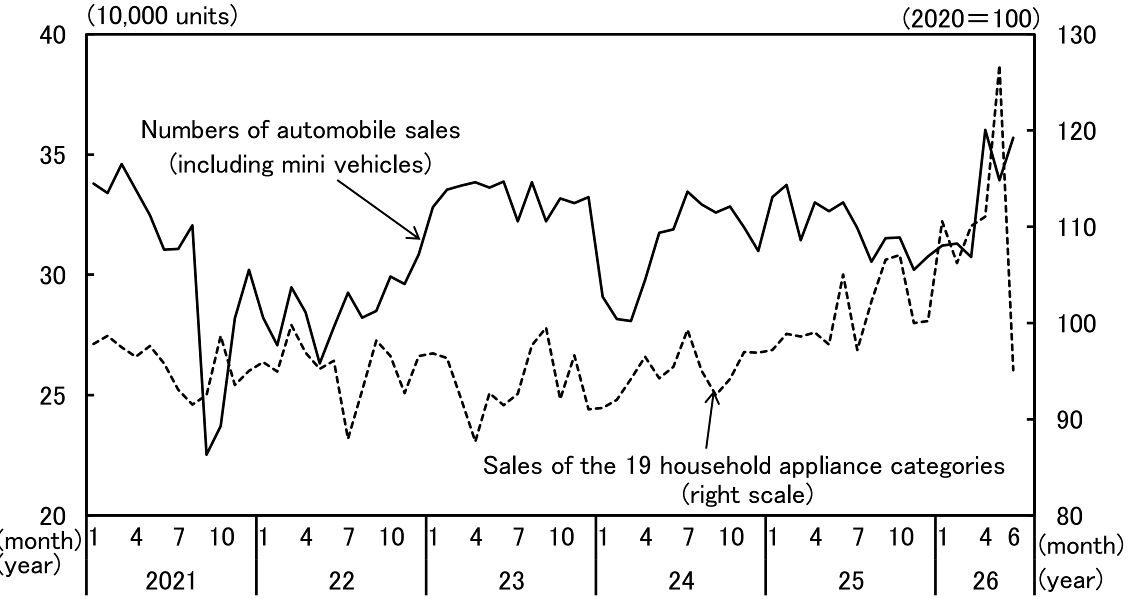
( ): Percentage changes from the previous quarter (month), seasonally adjusted, <>: Month over month change, seasonally adjusted

	[CY2024] FY2024	[CY2025] FY2025	2025 Oct.-Dec.	2026 Jan.-Mar.	Apr.-Jun.	2026 Mar.	Apr.	May	Jun.
Total Consumption Trend Index (Nominal)	[2.1]	[4.1]	(0.8)	(0.7)	—	(0.5)	(0.6)	(0.5)	—
	2.9	3.9							
Total Consumption Trend Index (Real)	[−0.5]	[1.2]	(−0.0)	(0.2)	—	(0.2)	(0.3)	(0.1)	—
	0.1	1.2							
Wage income of employees (Nominal)	[4.0]	[4.0]	(1.1)	(0.6)	—	(−0.3)	(1.5)	(0.1)	—
	4.4	3.9	(3.8)	(3.5)	—	(3.4)	(5.0)	(4.5)	—
Wage income of employees (Real)	[1.4]	[1.1]	(0.5)	(0.2)	—	(−0.6)	(1.4)	(−0.4)	—
	1.7	1.2	(1.1)	(1.4)	—	(1.4)	(3.0)	(2.3)	—
Consumer confidence index	—	—	—	—	—	<−6.4>	<−1.1>	<1.4>	<0.2>
Household Consumption Trend Index:									
Nominal	[2.0]	[2.1]	(−1.9)	(0.3)	—	(−0.3)	(1.9)	(0.8)	—
	2.7	1.2	0.3	−0.4	—	−0.8	1.7	1.8	—
Real	[−1.2]	[−1.5]	(−2.6)	(0.5)	—	(−0.5)	(1.5)	(0.4)	—
	−0.8	−1.7	−2.6	−1.9	—	−2.4	0.1	0.0	—
Sales at:									
Retail trades	[2.5]	[1.4]	(0.5)	(1.5)	—	(1.0)	(2.1)	(1.7)	—
(Current Survey of Commerce)	2.6	1.0	0.6	1.1	—	1.4	2.8	5.0	—
Department stores	[6.3]	[−1.8]	(0.3)	(2.6)	—	(−1.3)	(1.4)	(3.7)	—
(nominal)	3.8	−1.2	0.8	2.0	—	2.3	4.5	7.6	—
Supermarkets	[2.6]	[4.7]	(1.1)	(0.0)	—	(0.4)	(−0.1)	(0.6)	—
(nominal)	2.7	4.1	4.8	2.3	—	1.3	1.7	4.6	—
Conveniencestores	[1.2]	[3.4]	(0.6)	(0.9)	—	(0.3)	(−1.9)	(1.3)	—
(nominal)	1.4	3.2	3.0	2.1	—	2.3	0.8	1.3	—
Machineryandequipmentstores	[4.8]	[5.1]	(3.1)	(0.0)	—	(1.7)	(2.2)	(7.2)	—
(nominal)	4.8	5.0	6.7	5.0	—	1.0	5.2	14.9	—
Newly-registered passenger cars	[−6.7]	[3.0]	(−1.6)	(0.8)	(13.3)	(−1.8)	(17.2)	(−5.8)	(5.2)
(including cars and mini vehicles)	1.4	−2.2	−3.7	−5.4	7.5	−3.2	9.7	2.8	9.5

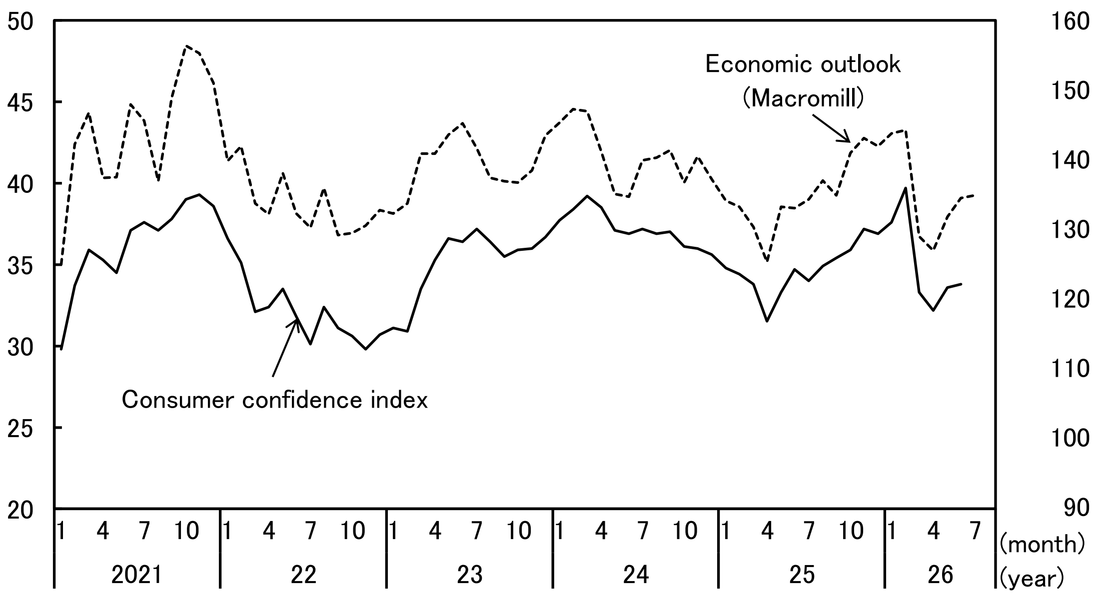
Total Consumption Trend Index and wage income of employees



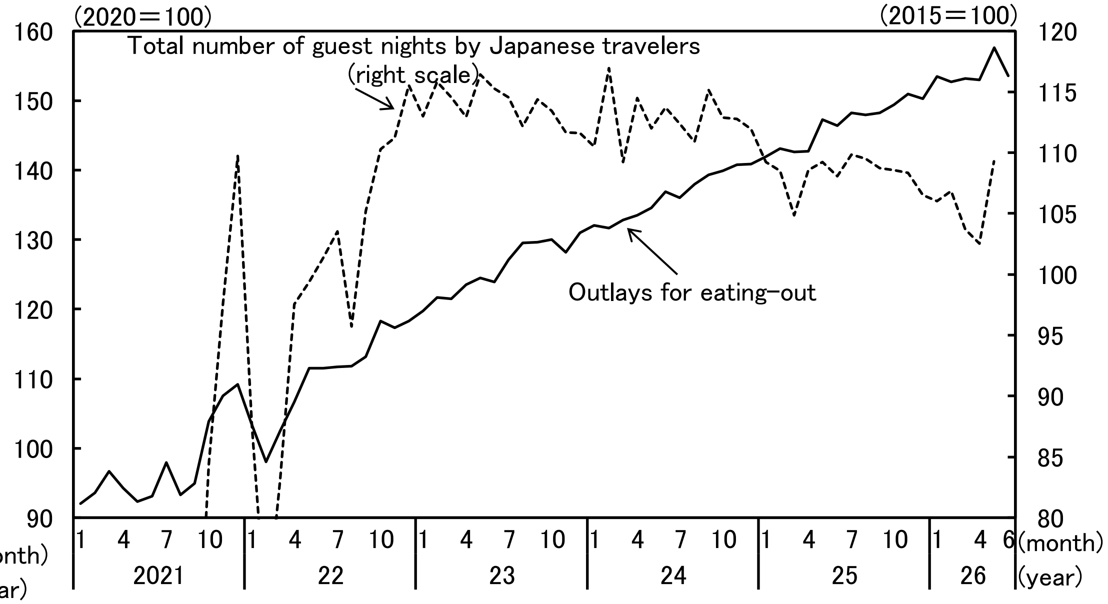
Number of automobiles sales and Sales of the 19 household appliance categories



Consumer confidence



Outlays for eating-out and Total number of guest nights by Japanese travelers



(Sources) Figures for wage income of employees are estimated by Cabinet Office.
Based on data from "Total Consumption Trend Index", Ministry of Internal Affairs and Communications, "Consumer Confidence Survey", Cabinet Office, Macromill, Inc.

(Sources) Based on data from "Automobile Statistics Monthly", Japan Automobile Dealers Association and Japan Light Motor Vehicle and Motorcycle Association, GfK, Japan Food Sevice Association, "Overnight Travel Statistics Survey", Japan Tourism Agency.
Figures for Numbers of Automobile sales, Sales of the 19 household appliance categories, Outlays for eating-out, Total number of guest nights by Japanese travelers are seasonally adjusted by Cabinet Office.

3. Business Investment

Business investment is picking up.

Year-on-year changes (%)

( ): Percentage changes from the previous quarter, seasonally adjusted

Financial Statements Statistics of Corporations by Industry, Quarterly	[CY2024] FY2024	[CY2025] FY2025	FY2025 Apr-Sep	FY2025 Oct-Mar	2025 Apr-Jun	Jul-Sep	Oct-Dec	2026 Jan-Mar
All industries	[5.4]	[5.9]	5.1	2.8	(0.3)	(– 1.0)	(3.0)	(– 2.0)
	5.3	3.8			7.6	2.9	6.5	0.0
Manufacturing	[5.2]	[4.9]	8.2	–0.2	(5.0)	(– 5.3)	(– 0.4)	(0.6)
	3.9	3.5			16.4	1.4	0.0	–0.4
Nonmanufacturing	[5.5]	[6.4]	3.4	4.4	(– 2.2)	(1.5)	(4.9)	(– 3.4)
	6.0	4.0			3.0	3.9	10.1	0.3
Large enterprises	[7.4]	[6.2]	4.6	2.8	(3.7)	(– 3.6)	(6.3)	(– 6.5)
	6.7	3.6			7.4	2.2	7.5	–0.6
Small and medium enterprises	[– 0.9]	[4.7]	6.8	3.1	(– 10.3)	(8.4)	(– 7.7)	(14.7)
	0.7	4.8			8.2	5.5	3.3	2.9

(Notes)
1. Figures for year-on-year and half year changes are provided by Cabinet Office.
2. Including software investment

( ): Percentage changes from the previous quarter, seasonally adjusted

	[CY2024] FY2024	[CY2025] FY2025	2025 Jul-Sep	Oct-Dec	2026 Jan-Mar	2026 Mar	Apr	May
Capital goods shipment index	[– 2.6]	[– 0.5]	(– 1.2)	(1.6)	(1.9)	(– 1.1)	(4.8)	(– 6.1)
(excluding transport equipment)	–3.0	1.4	0.6	0.3	3.0	2.0	6.7	–5.4
Capital goods domestic shipment and import	[– 1.3]	[4.7]	(– 1.4)	(2.9)	(– 0.4)	(– 3.7)	(7.5)	P (– 1.1)
index (excluding transport equipment)	0.9	3.2	4.3	3.8	–0.2	4.4	8.5	P –100.0
Orders received for machinery	[1.5]	[6.6]	(– 1.0)	(6.6)	(6.4)	(– 9.4)	(8.7)	P (– 12.4)
	3.7	8.6	6.6	8.1	12.6	5.9	15.6	P –1.9
Construction starts (Non-dwelling)	[2.7]	[11.3]	(– 28.8)	(6.3)	(8.8)	(21.3)	(– 15.6)	(– 8.7)
	–0.2	10.8	–4.2	9.4	4.7	–9.8	–41.0	–20.6

(Notes)
1. "P" denotes preliminary figures.
2. Figures for year-on-year changes are provided by the Cabinet Office.
3. Figures of construction budget for building are estimated figures calculated by the Cabinet Office based on the report of statistical research on building construction starts (Ministry of Land, Infrastructure, Transport and Tourism).

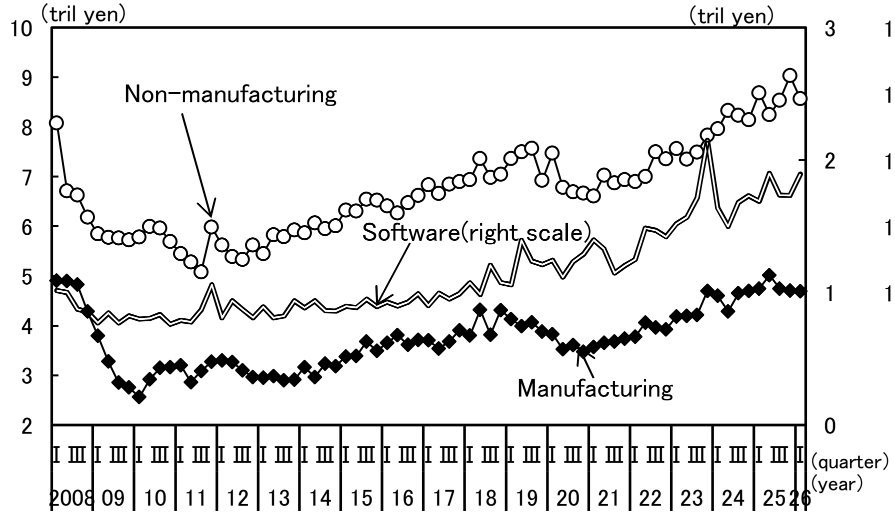
Results of questionnaire survey on business investment carried out by major research institutes

Year-on-year changes (%)

	Bank of Japan						Development Bank of Japan		Nippon Keizai Shimbun		Cabinet Office Ministry of Finance	
Definition of samples	All enterprises		Large enterprises		Small enterprises		Capital≧¥1 billion		Listed/OTC/major unlisted enterprises		Capital≧¥10million	
	FY2025	FY2026	FY2025	FY2026	FY2025	FY2026	FY2024	FY2025	FY2024	FY2025	FY2025	FY2026
All industries	8.5	8.8	9.2	10.7	5.3	–1.8	10.5	14.3	7.8	12.4	3.9	8.2
Manufacturing	7.9	7.2	7.8	7.7	1.9	4.1	6.1	21.0	7.7	10.1	7.6	10.1
Nonmanufacturing	9.1	10.5	10.9	14.4	7.1	–5.0	12.6	11.3	8.0	15.8	2.1	7.2
Carried out	May.~Jun. 2026						Jun. 2025		May. 2025		May. 2026	
Announced	Jul. 2026						Aug. 2025		Jul. 2025		Jun. 2026	
Respondents	8,391		1,343		4,655		1,607		773		8,250	

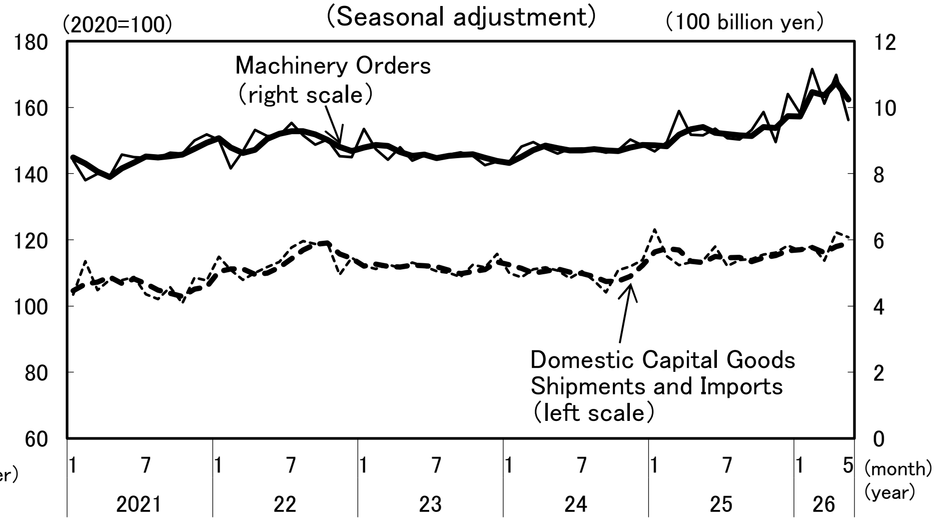
(Notes)
1. Figures of the Bank of Japan include software, R&D, and fixed Investment excluding land purchasing expenses. "Electric power" includes electric power and gas.
The number of respondents equals the number of subjects in the survey.
"Large enterprises" refers to enterprises with capital of 1 billion yen and more. "Small enterprises" refers to enterprises with capital of 20–100 million yen.
2. The survey of Nippon Keizai Shimbun includes outward direct investments from Japan.

Manufacturing/Non-manufacturing(Nominal)



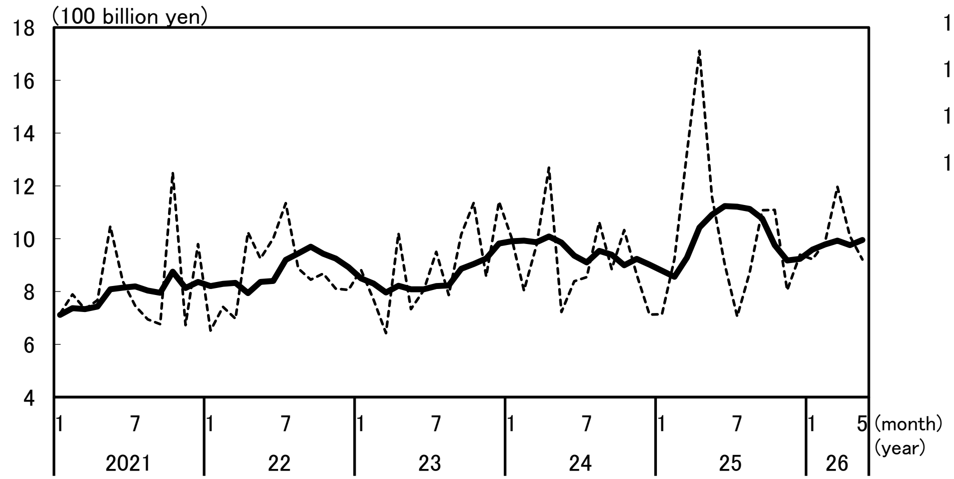
(Source) Financial Statement Statistics of Corporations by Industry, Ministry of Finance

Domestic Capital Goods Shipments and Imports & Machinery Orders (Seasonal adjustment)



(Source) The Indices of Industrial Domestic Shipments and Imports, Ministry of Economy, Trade and Industry. Orders Received for Machinery, Cabinet office.

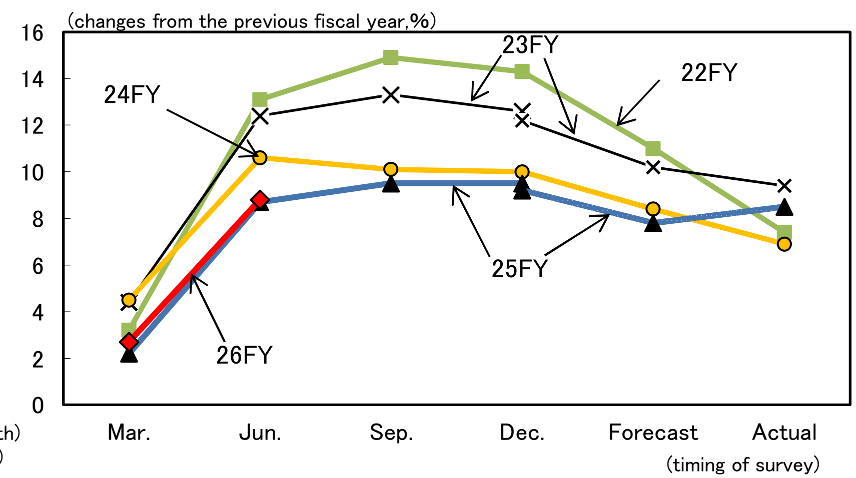
Budget for Building Construction starts(Non-dwelling)



(Source) Building Construction Starts, Ministry of Land, Infrastructure, Transport and Tourism.

(Note) Figures are estimated by the Cabinet Office, and the thick line is 6 - month moving average.

Business Fixed Investment Plans as Surveyed



(Source) Short-term business sentiment survey (tankan) ,Bank of Japan

(Note) In the March 2024 survey and the March 2026 survey, regular revisions were made to the sample enterprises.

The data show some discontinuities coincided with these timings.

4. Housing Construction

Housing construction is in a weak tone.

Year-on-year changes (%)

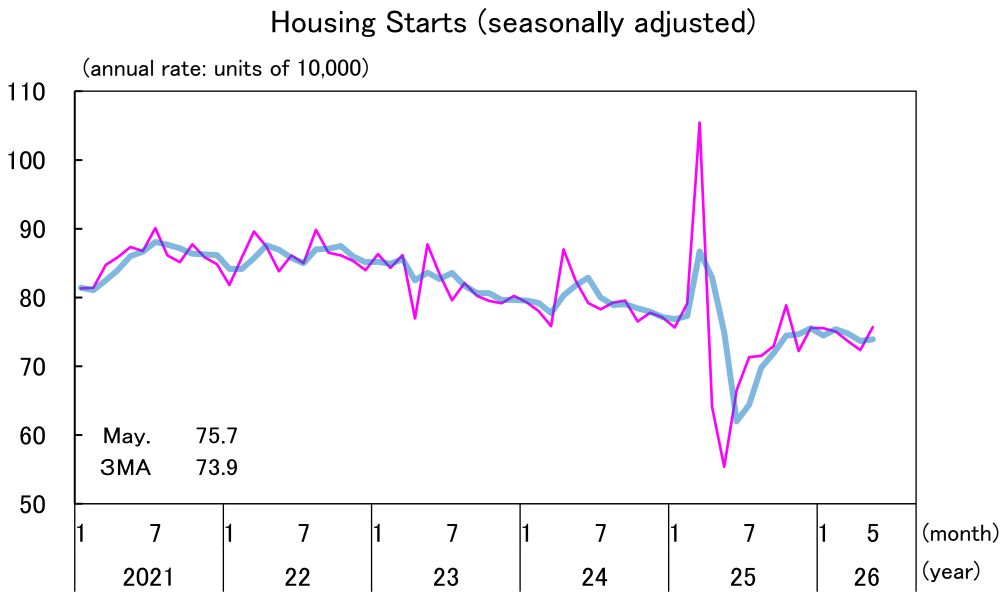
( ): Percentage changes from the previous period, seasonally adjusted

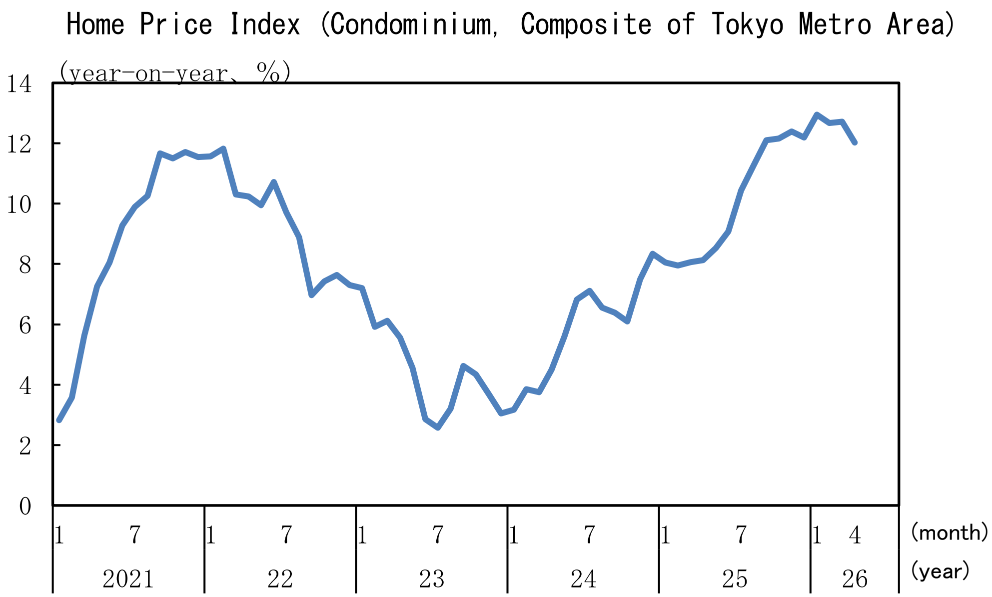
		[CY2024] FY2024	[CY2025] FY2025	2025 Jul—Sep	Oct—Dec	2026 Jan—Mar	2026 Mar	Apr	May
New housing starts	(1,000 units) (1,000 units)	[792] 816	[741] 711	719	756	747	736	724	757
		[-3.3] 2.0	[-6.5] -12.9	(16.0) -8.9	(5.1) -2.1	(-1.1) -14.3	(-1.9) -29.3	(-1.7) 11.4	(4.6) 33.9
Owner-occupied housing		[-2.8] 1.6	[-7.7] -12.6	(20.0) -9.1	(4.5) -6.7	(2.0) -11.7	(5.0) -27.4	(-6.4) 19.5	(0.0) 31.8
Housing for rent		[-0.5] 4.9	[-5.0] -13.5	(9.4) -9.9	(1.4) -1.4	(2.1) -17.3	(-6.9) -35.2	(14.4) 17.3	(2.5) 33.3
Housing for sale		[-8.5] -2.3	[-7.6] -12.6	(27.9) -6.2	(10.7) 2.1	(-8.5) -12.7	(-1.5) -21.7	(-19.2) 3.4	(13.9) 39.2
Detached housing		[-11.6] -8.2	[-4.3] -6.0	(22.7) -1.4	(4.2) 1.5	(4.5) -2.7	(5.4) -14.5	(-11.3) 24.3	(6.4) 38.6
Collective housing		[-4.6] 5.5	[-11.5] -20.3	(35.4) -12.9	(19.3) 3.0	(-23.4) -23.6	(-11.8) -30.1	(-33.2) -18.1	(31.4) 40.1
Total floor space		[-5.1] 1.1	[-6.6] -13.2	(18.7) -8.1	(5.4) -2.6	(-0.2) -14.6	(2.0) -29.0	(-7.1) 13.4	(4.5) 34.1
Estimated construction cost per m2	(10,000 yen) (10,000 yen)	[25.4] 26.0	[27.2] 27.4	26.8	27.2	28.3	28.3	28.9	28.3
		[7.9] 8.0	[7.3] 5.2	5.8	6.2	2.7	1.6	5.0	2.7

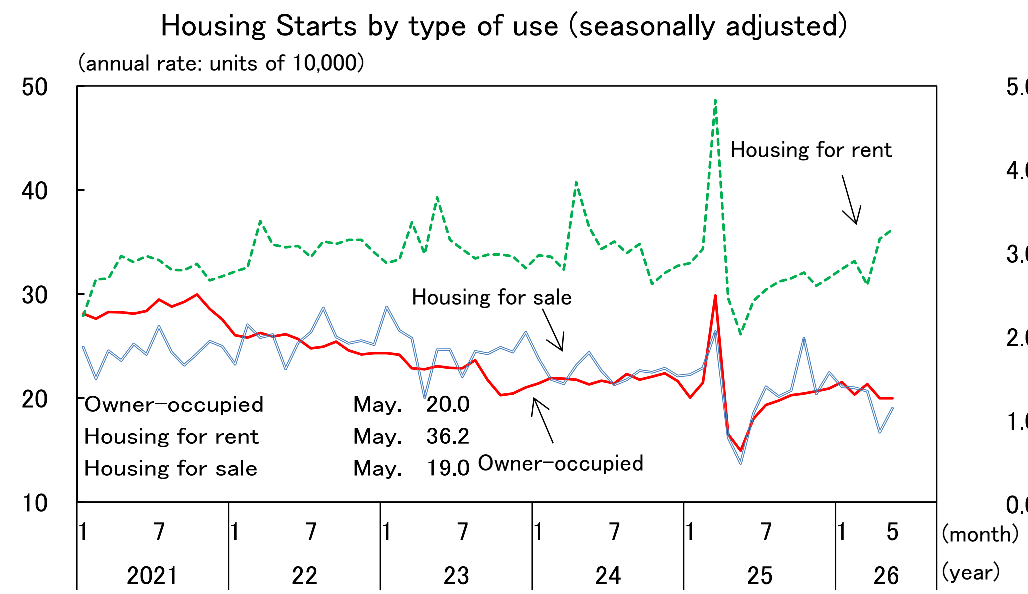
(Source) "Building Construction Starts," Ministry of Land, Infrastructure, Transport and Tourism,

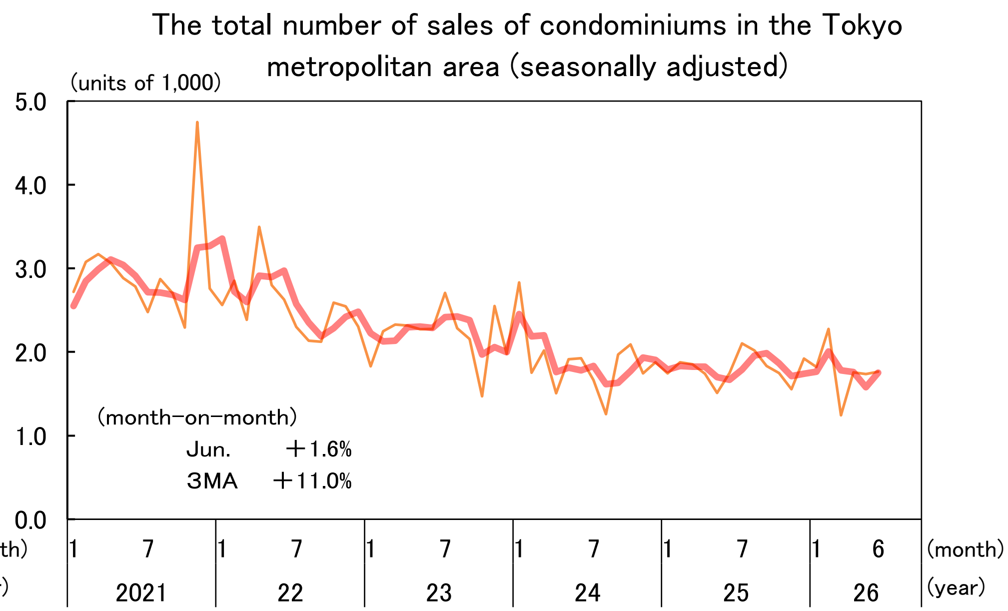
"Private sector owner" is sum of "Corporations", "Other corporation" and "Individuals" , and seasonally adjusted by the Cabinet Office.

"estimated construction cost per m2" is calculated using the amount of construction cost and the total floor space.









(Sources) "Housing Starts" , Ministry of Land, Infrastructure, Transport and Tourism.
"The total number of sales of condominiums in the Tokyo metropolitan area" , Real Estate Economic Institute Co.,LTD. "Home Price Index ", Japan Real Estate Institute.
(Notes) "The total number of sales of condominiums in the Tokyo metropolitan area" is seasonally adjusted by Cabinet Office. The thick line is 3-month moving average.

5. Public Investment

Public investment shows steady performance.

Year-on-year changes [ ]:Percentage changes from the previous calendar year ( ): Percentage changes from the previous quarter, seasonally adjusted

	[CY2024] FY2024	[CY2025] FY2025	2026 Jan-Mar	2026 Apr-Jun	2026 Mar	Apr	May	Jun
Value of orders received for public construction	[4.6]	[3.7]	(-9.0)	—	(16.2)	(-16.0)	(-0.2)	—
	6.3	5.9	9.1	—	18.5	-6.3	1.4	—
Value of orders received for public construction (For 50 major firms)	[5.8]	[-0.6]	(-1.5)	—	(3.5)	(-50.7)	(78.4)	—
	[-4.1]	7.6	12.9	—	16.9	-25.0	24.3	—
Contracted value of public construction	[5.0]	[6.6]	(8.6)	(-5.1)	(0.9)	(-2.3)	(-6.7)	(-0.9)
	3.2	10.8	17.3	1.9	17.5	4.7	-7.7	6.2
Value of public construction completed	[1.3]	[3.5]	(3.8)	—	(1.8)	(0.7)	(-3.0)	—
	4.3	3.3	5.1	—	5.1	8.2	5.5	—
Public fixed capital formation (nominal)	[1.8]	[3.1]	(2.5)	—				
	3.9	2.8	4.4	—				
Public fixed capital formation (real)	[-1.8]	[-0.4]	(1.5)	—				
	0.1	-0.5	0.8	—				

(Notes)

1. Ministry of Land, Infrastructure, Transport and Tourism, "Current Survey of Orders Received for Construction", "General Statistics of Construction", East Japan Construction Surety Co.,Ltd.,etc., "Public Works Prepayment Surety Statistics", Cabinet Office, "Quarterly Estimates of GDP".
2. Figures in the value of orders received for public construction are values of public works, each of which is more than 5 million yen, cited from "Current Survey of Orders Received for Construction".
3. Value of orders received for public construction, Contracted value of public construction, Amount of public construction completed are seasonally adjusted by the Cabinet Office.

(Reference)

(1) National Public Works-Related Budget

F Y		2023	2024	2025	2026
Initial Budget	(¥100 million)	60,801 [60,600]	60,828	60,858	61,078
	(year-on-year changes, %)	0.0	0.0	0.0	0.4
Revised Budget	(¥100 million)	83,126	84,318	86,256	61,078
	(year-on-year changes, %)	2.5	1.4	2.3	-29.2

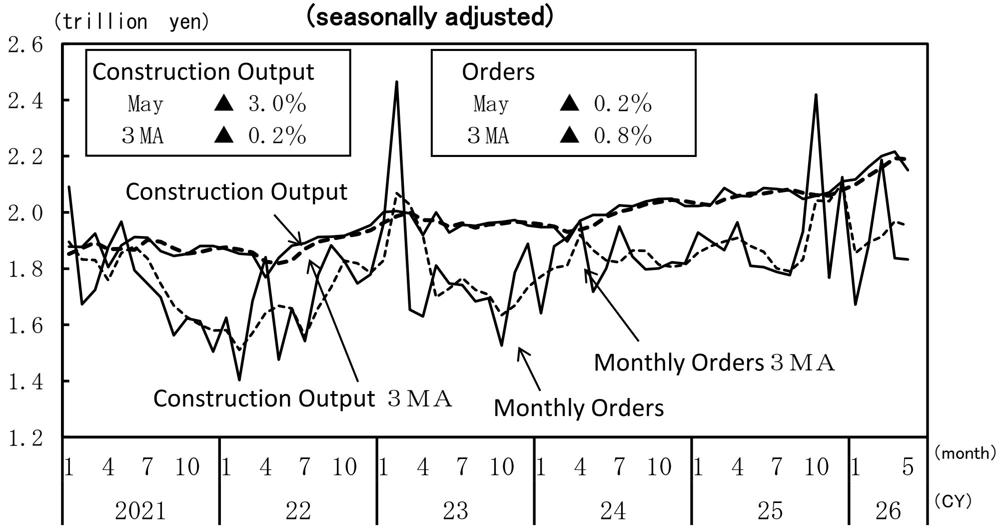
(2) Local Ordinary Construction Works Expenditures(Ordinary Accounts) (year-on-year changes, %)

	(Initial budget)			
F Y	2023	2024	2025	2026
dinary Construction Works Expenditu	3.3	4.0	3.5	1.6
Subsidiary Works Expenditures	3.5	-0.3	0.5	-0.1
Independent Works Expenditures	4.0	9.0	6.8	3.0
Research Targets	(General account, initial budget) Aggregate of prefectures and government-designated cities. Local governments adopting skeleton budgets or provisional budgets are excluded.			

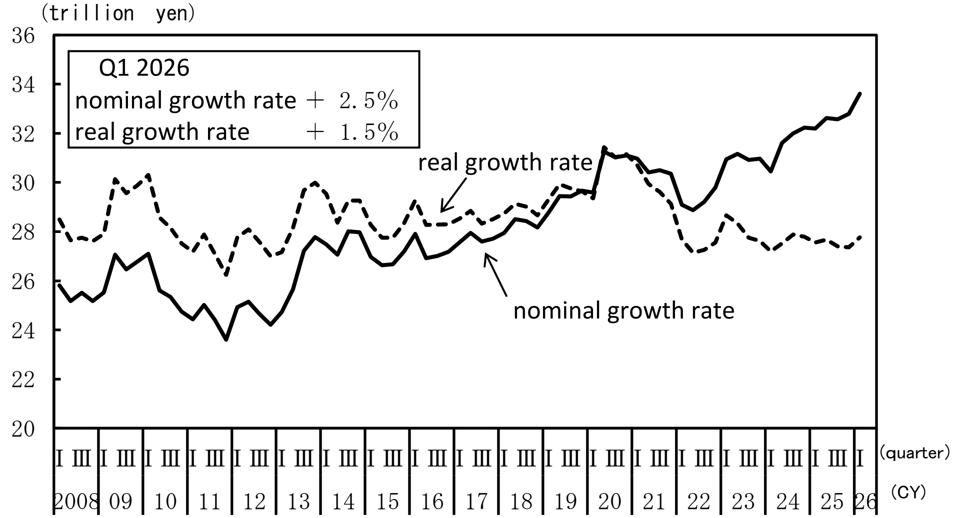
(Notes)

1. Based on the materials prepared by the Ministry of Finance and the Ministry of Internal Affairs and Communications.
2. (1):In fiscal year 2023, the figure in [ ] is before reclassification due to the transfer of the water supply business to the Ministry of Land, Infrastructure, Transport and Tourism.
3. (2):The subsidized and non-consolidated project costs in fiscal year 2024 are calculated excluding Ishikawa Prefecture, where the budget scale was significantly expandedin response to the Noto Peninsula earthquake.

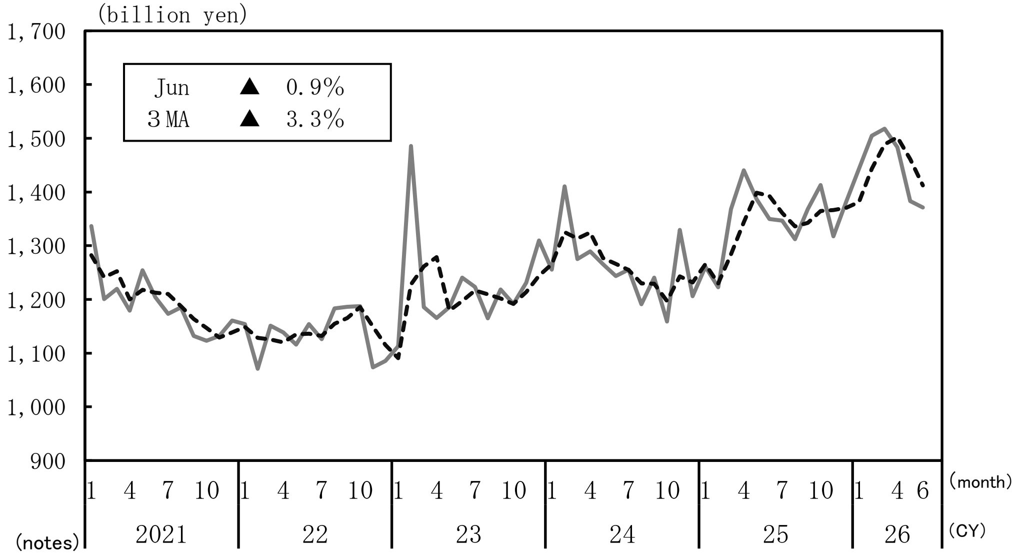
Public Construction Output and Orders (seasonally adjusted)



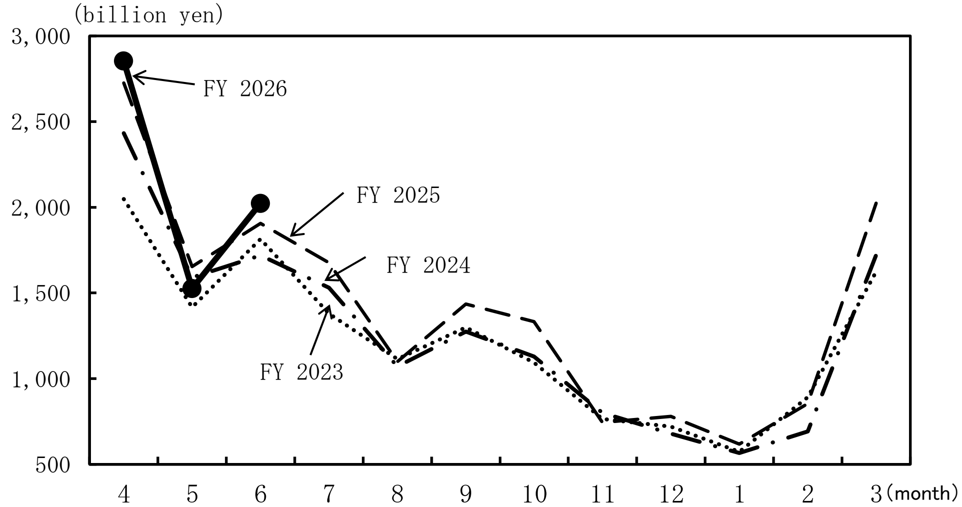
Public Fixed Capital Formation (seasonally adjusted)



Contracted value of public construction (seasonally adjusted)



Contracted value of public construction



(notes)

Upper-left figure: (Source): MLIT, Construction Orders Received Survey and Comprehensive Construction Statistics. Seasonal adjustment by the Cabinet Office. Dotted line: 3-month moving average.

Lower-left figure: (Source): East Japan Construction Surety Co., Ltd. et al., Statistics on Advance Payment Guarantees for Public Works. Seasonal adjustment by the Cabinet Office. Dotted line: 3-month moving average.

(notes)

Upper-right figure: (Source): Cabinet Office, Quarterly Estimates of GDP.

Lower-right figure: (Source): East Japan Construction Surety Co.,Ltd.,etc., "Public Works Prepayment Surety Statistics"

6. Exports & Imports

Exports have been showing movements of picking up recently.

Imports are almost flat.

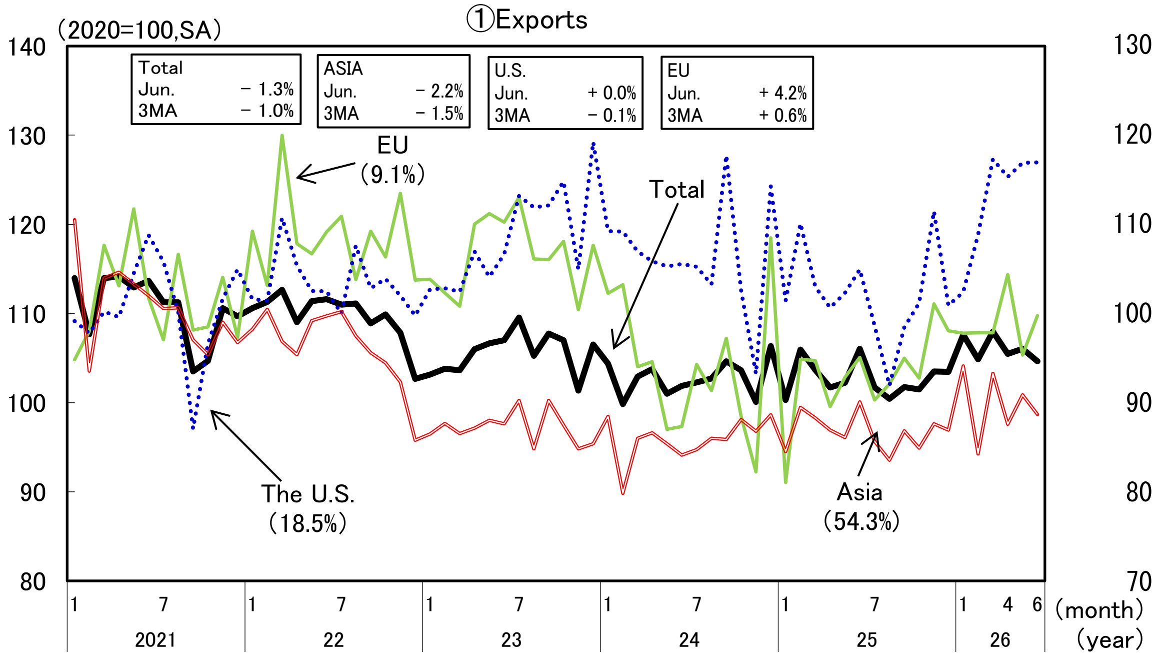
The balance of goods and services is in near equilibrium.

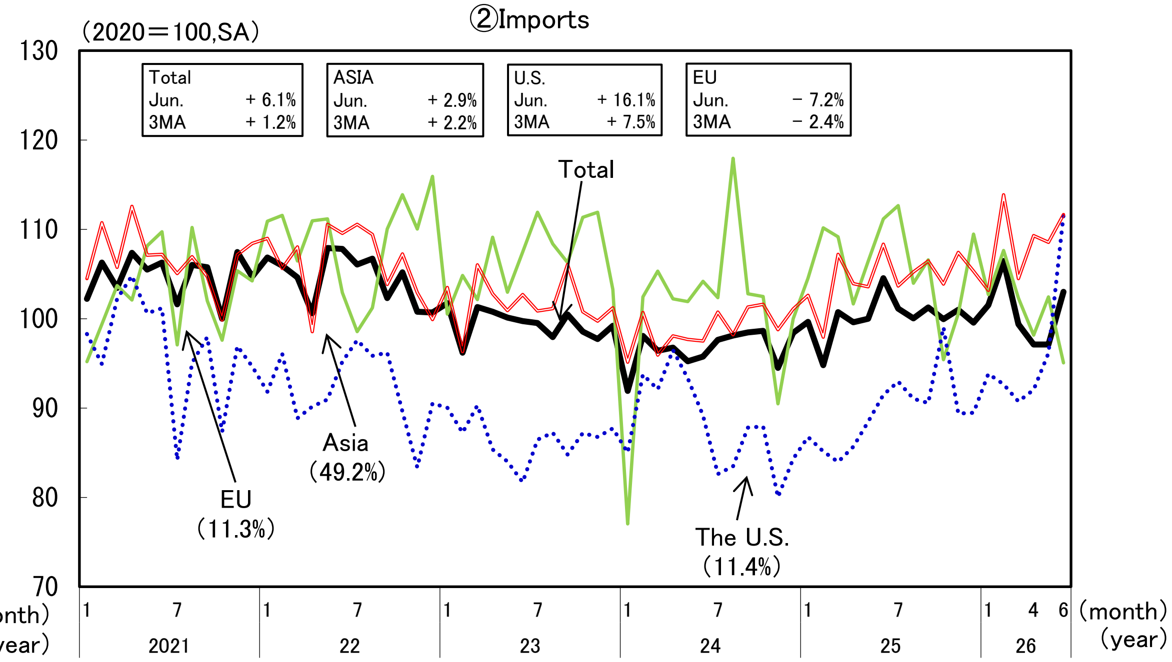
( ): Percentage changes from the previous quarter (month), seasonally adjusted.

	[CY2024] FY2024	[CY2025] FY2025	2026 Jan.–Mar.	Apr.–Jun.	2026 Apr.	May	Jun.
Exports Quantum Index (percent)	[−2.6] −2.4	[−0.2] 0.6	(3.9) 3.6	P (−1.3) P 1.4	(−2.3) 3.4	(0.5) 0.4	P (−1.3) P 0.2
Real Exports (percent)	[−0.4] 1.3	[3.3] 1.9	(2.2) 0.3	(−0.5) 0.1	(−2.8) −1.8	(3.8) 2.2	(0.4) −0.3
Imports Quantum Index (percent)	[−2.6] −0.3	[3.6] 3.9	(2.3) 4.2	P (−3.3) P −3.0	(−2.3) −3.4	P (0.0) P −6.8	P (6.1) P 1.1
Real Imports (percent)	[−0.9] 2.6	[5.9] 4.2	(1.9) 2.3	(−2.4) −2.4	(−5.0) −4.7	(5.2) 0.9	(2.3) 0.2
Goods (100 million yen)	<−27,145> −30,309	<−5,677> 13,401	10,201	—	P 4,696	P 2,045	—
Services (100 million yen)	<−31,941> −31,365	<−34,431> −37,877	−12,574	—	P 2,716	P −2,483	—
Primary income (100 million yen)	<403,284> 414,084	<418,201> 422,997	110,828	—	P 36,892	P 34,412	—
Current account (100 million yen)	<292,774> 300,315	<322,350> 346,220	98,780	—	P 42,111	P 30,645	—

(Note) P denotes preliminary figures. Figures of goods and services, primary income and current account are seasonally adjusted values.

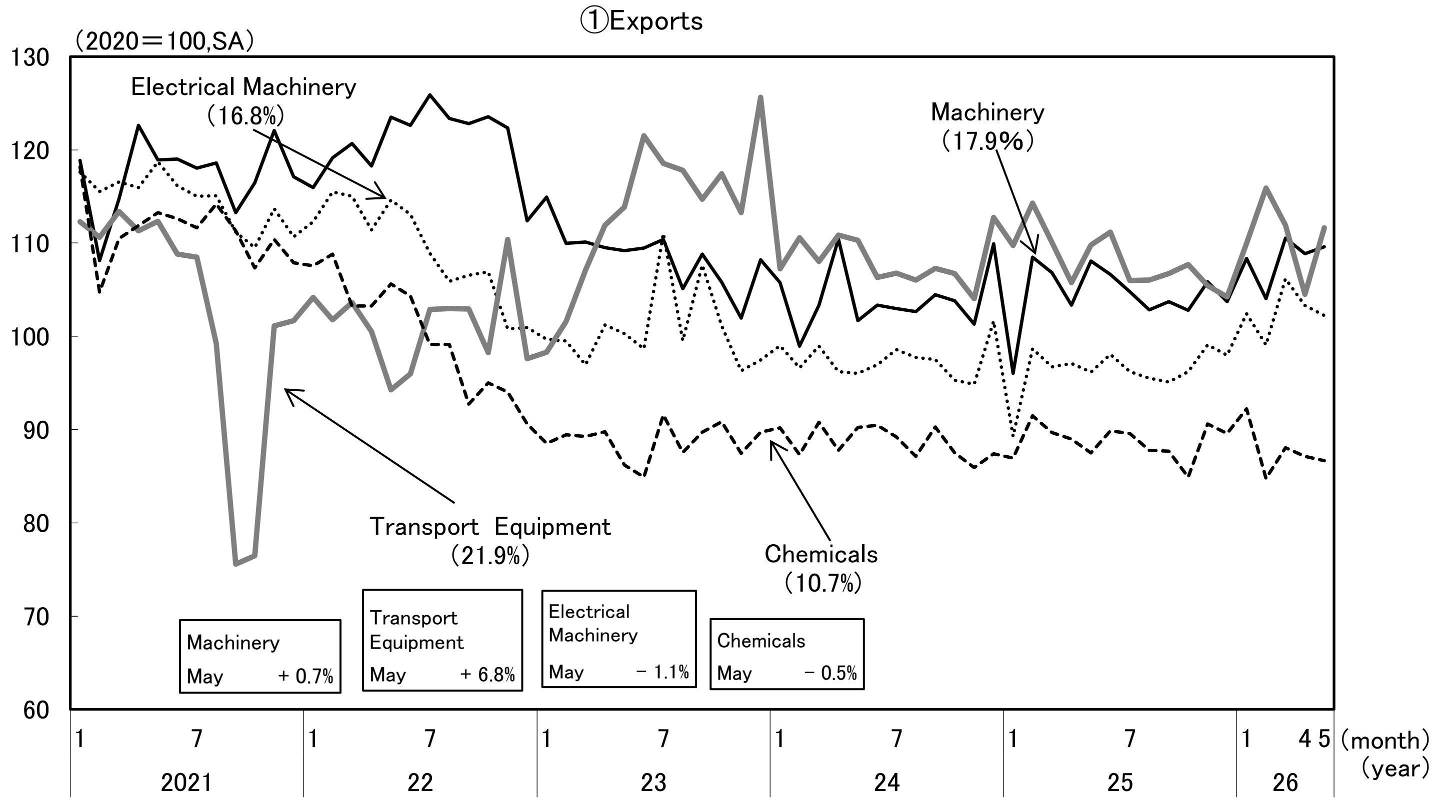
Exports and Imports Quantum Index by Area

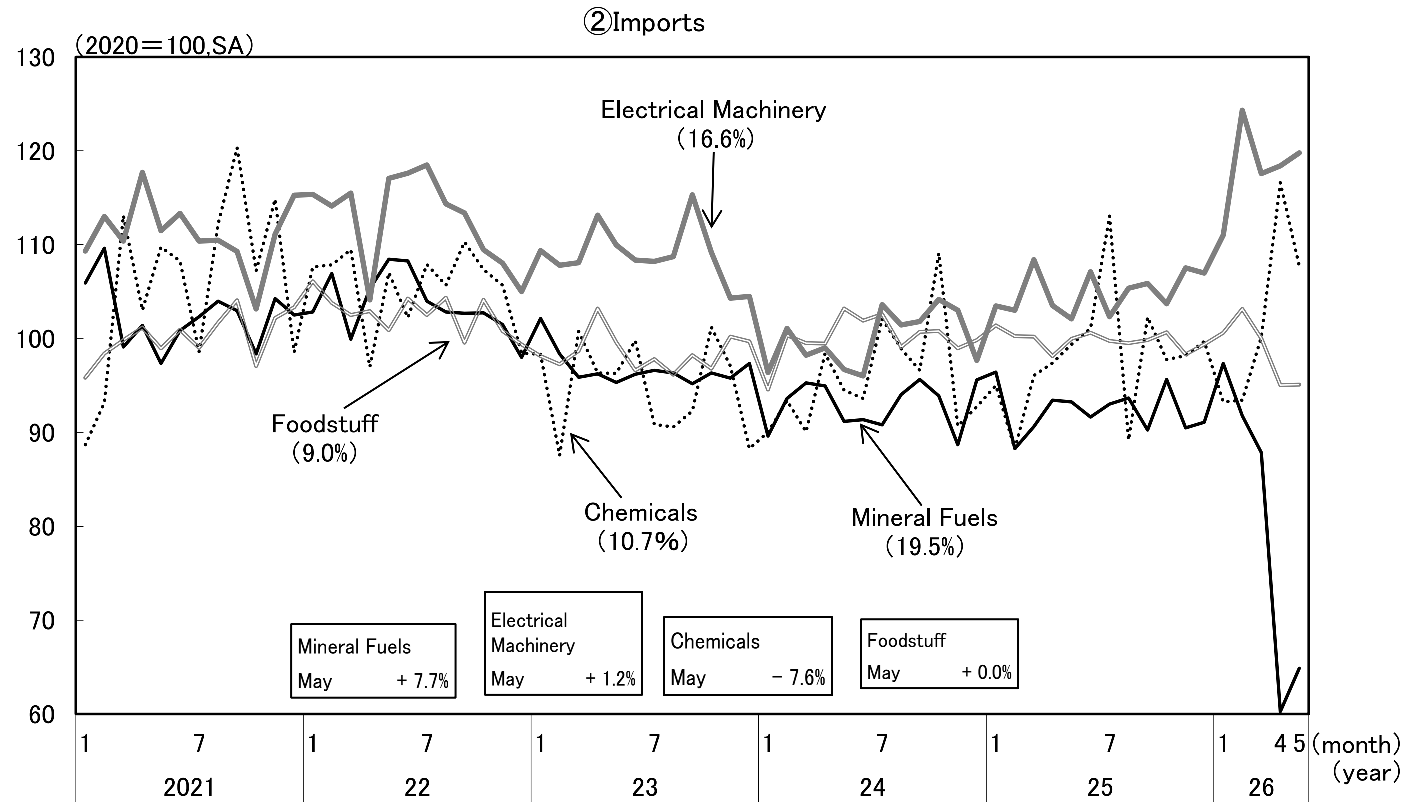




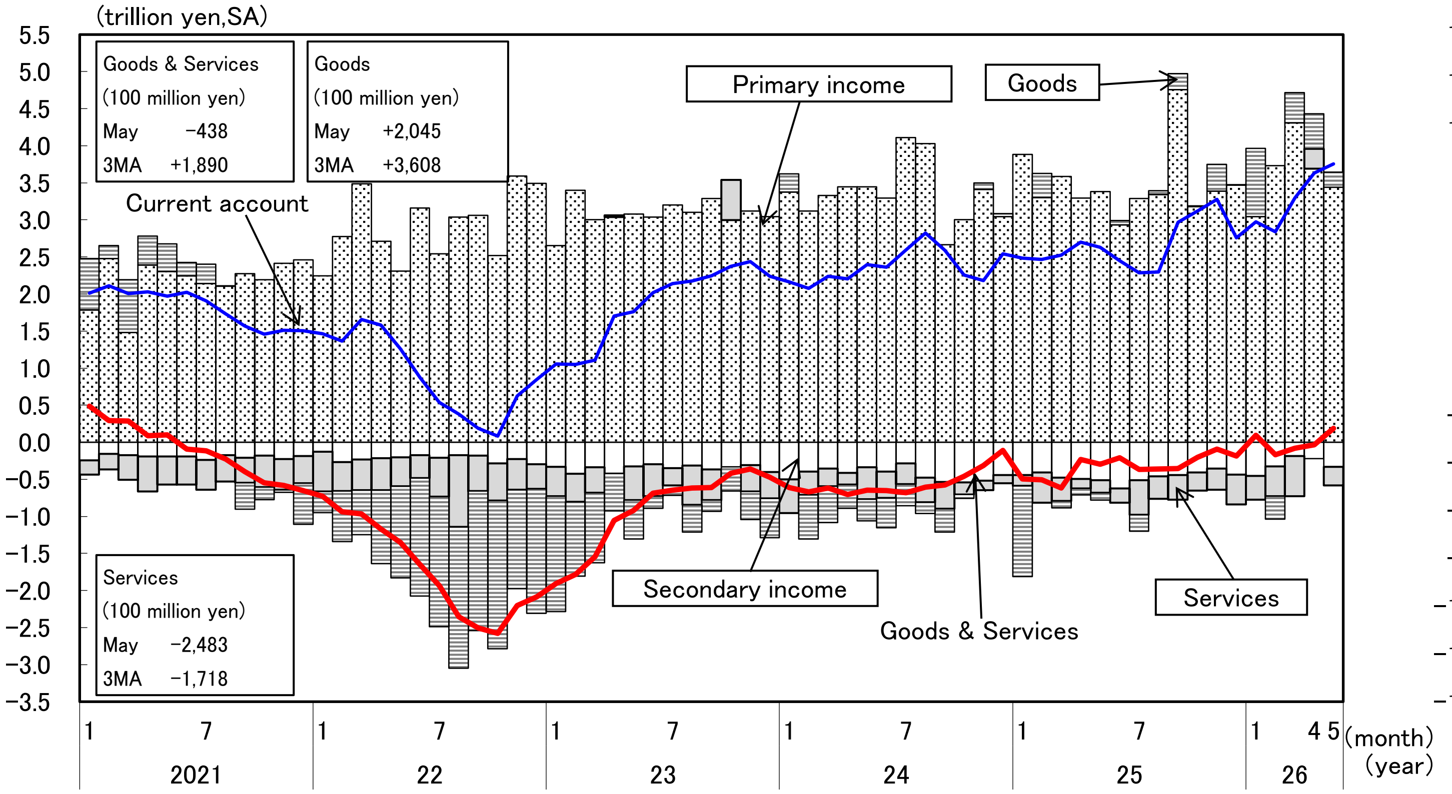
(Note) Trade Statistics, Ministry of Finance

Exports and Imports Quantum Index by Commodity

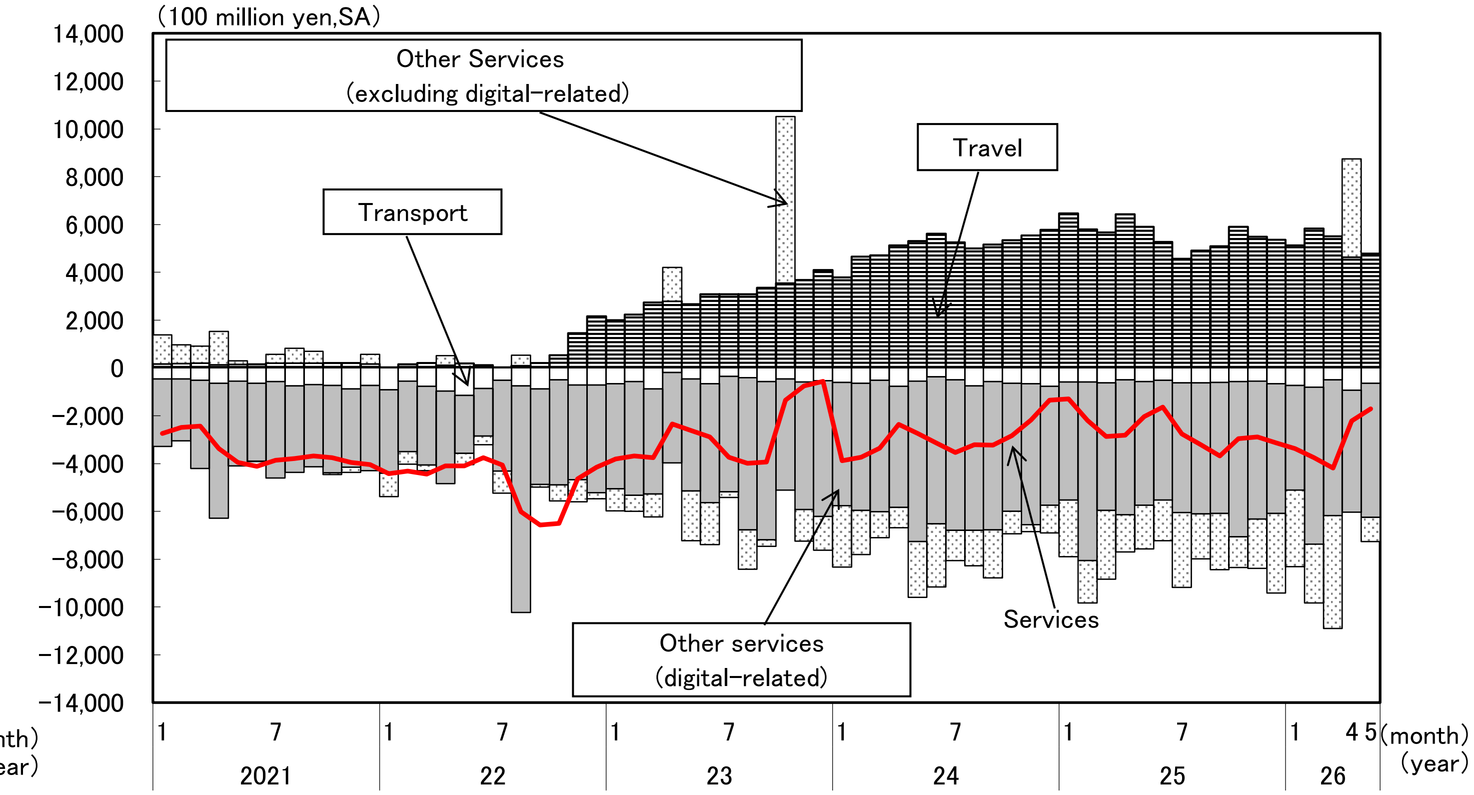




Trend of Current account



Trend of Services



(Note) Trade Statistics and Balance of Payments , Ministry of Finance.

7. Production, Shipments, Inventory

Industrial production is flat.

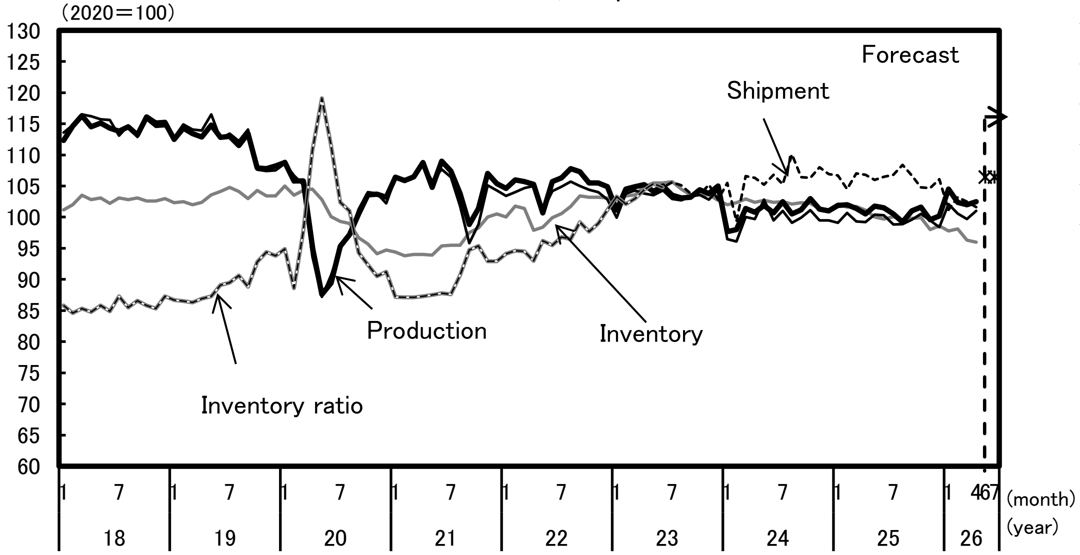
[ ] : %changes from the previous CY ( ) : %changes from the previous month(quarter)

	[CY 2024] FY 2024	[CY 2025] FY 2025	2025 Jul−Sep	Oct−Dec	2026 Jan−Mar	2026 Mar.	Apr.	May.	(Forecast)
Production	[− 2.6]	[− 0.3]	(− 1.1)	(0.3)	(2.5)	(− 0.4)	(0.5)	(0.1)	Jun. 3.7%
(Y/Y)	−1.5	−0.2	−0.7	−1.0	1.2	2.4	2.0	(− 2.1)	Jul. 0.0%
Shipments	[− 3.2]	[− 0.4]	(− 0.9)	(0.4)	(1.3)	(− 0.9)	(1.3)	(0.5)	
(Y/Y)	−2.0	−0.2	−1.1	−0.8	1.2	2.2	1.8	(− 2.0)	
Inventory	[− 1.9]	[− 2.8]	(0.1)	(− 1.2)	(− 2.3)	(− 1.8)	(− 0.3)	(− 1.1)	
(Y/Y)	−0.6	−5.3	−2.3	−2.8	−5.3	−5.3	−5.0	(− 5.0)	
Production Capacity	[96.9]	[95.2]							
(2020=100,OR)	96.3	95.1	95.7	95.2	95.1	95.1	94.9	(94.5)	
Operating Ratio	[101.4]	[102.5]	(102.2)	(103.1)	(104.6)	(103.7)	(102.9)	(103.0)	
(2020=100,SA)	101.9	103.1							
Indices of Tertiary Industry Activity	[1.3]	[2.0]	(0.3)	(0.2)	P (0.8)	P(− 0.6)	P (0.8)	P (1.1)	
(Y/Y)	1.6	P 2.2	2.0	2.2	P 1.9	P 2.2	P 1.6	P (1.5)	

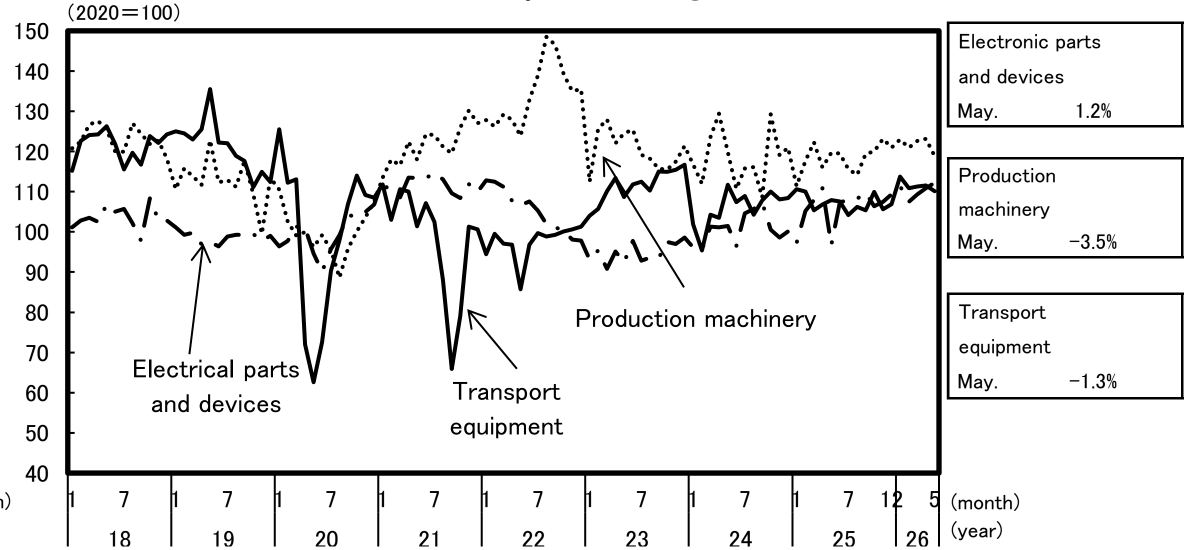
(Notes)

1. Figures of inventory are %changes of original index from the previous FY(CY) at the end of year or %changes of seasonally adjusted index from the previous quarter at the end of quarter.
2. Figures of production capacity are %changes of original index from the previous FY(CY) at the end of year or %changes of seasonally adjusted index from the previous quarter at the end of quarter.
3. "P" denotes preliminary figures.

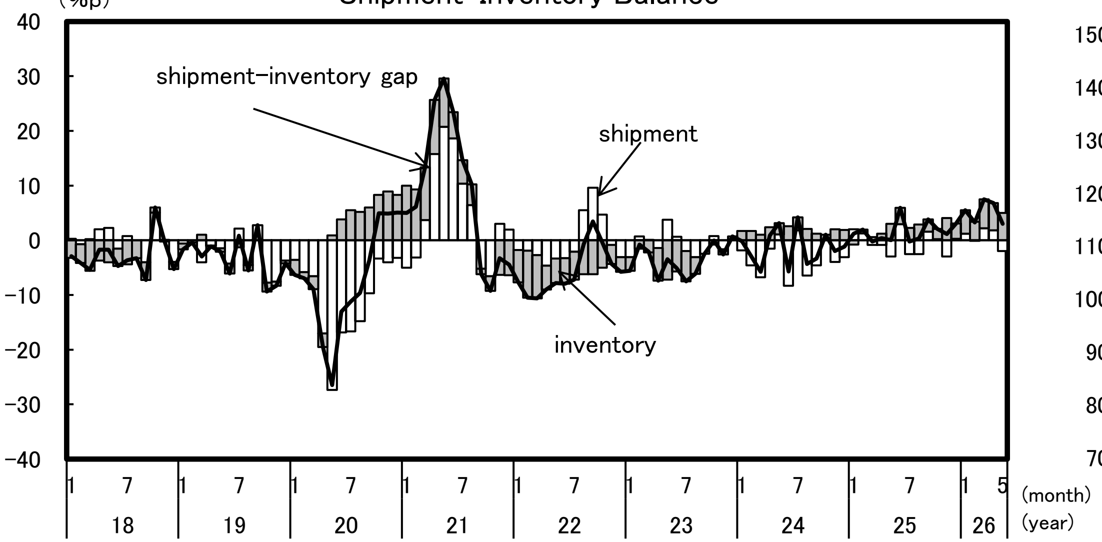
Indices of Industrial Production, Shipments and Inventries



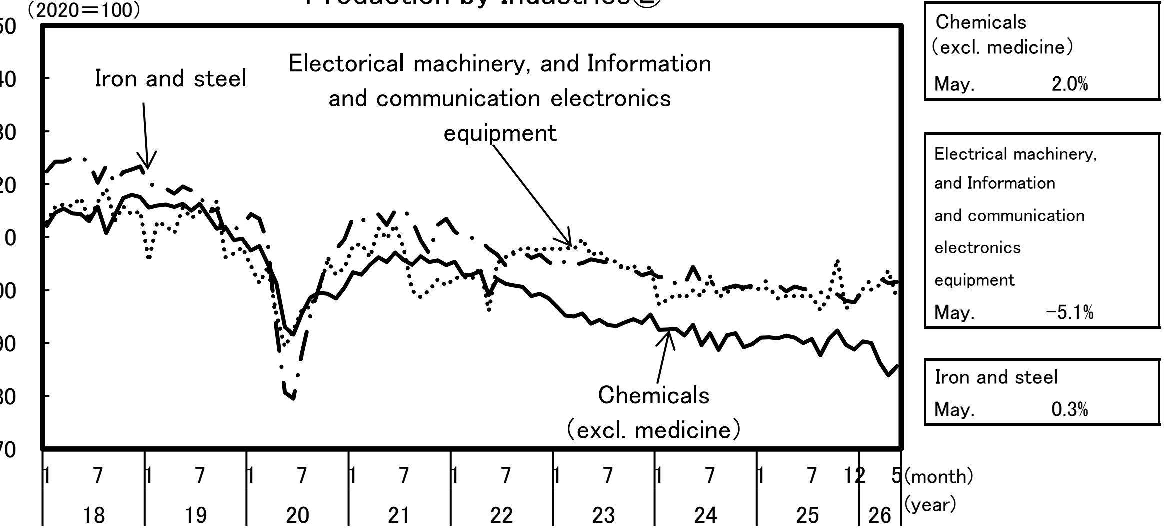
Production by Industries①



Shipment-Inventory Balance



Production by Industries②



(Notes) Indicies of Industrial Production, Ministry of Economy, Trade and Industry

8. Corporate profits・Firms' judgments

Corporate profits show movements of improvement, while attention should be given to the effects caused from the situation in the Middle East.
Firms' judgment on current business conditions has been almost flat. However, their judgement on future business conditions is slightly more cautious. Therefore, attention should be given to the effects of the situation in the Middle East.

Year-on-year changes , %

Current profits	FY 2023 Results	FY 2024 Results	FY 2025 Results	Apr.-Sep.	Oct.-Mar.	FY 2026 Plan	Apr.-Sep.	Oct.-Mar.
All industries	12.4	5.6	7.1	5.8	8.3	▲ 6.5	▲ 6.4	▲ 6.6
Large enterprises								
Manufacturing	9.1	6.0	3.2	▲ 1.3	7.9	▲ 6.7	▲ 7.0	▲ 6.4
Nonmanufacturing	15.5	2.4	7.0	8.9	4.8	▲ 6.3	▲ 9.1	▲ 2.9
Small enterprises								
Manufacturing	12.7	6.3	13.0	11.6	14.3	▲ 11.1	▲ 9.7	▲ 12.3
Nonmanufacturing	13.2	11.1	5.8	5.7	6.0	▲ 8.8	▲ 3.2	▲ 13.1

(Source)The BOJ TANKAN(December survey)

Year-on-year changes ,( ): Percentage changes from the previous quarter, seasonally adjusted

Current profits	CY 2024	CY 2025	FY 2024	FY 2025	2025 Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	2026 Jan.-Mar.
Full scale								
All industries	10.0	6.1	7.2	8.7	0.2(1.9)	19.7(4.6)	4.7(2.8)	14.6(4.1)
Manufacturing	11.1	0.8	5.5	10.7	▲11.5(▲0.9)	23.4(11.5)	0.9(13.7)	42.9(11.2)
Nonmanufacturing	9.3	9.0	8.2	7.6	6.6(3.2)	17.6(1.4)	7.1(▲2.9)	1.4(▲0.2)
Large and medium-sized enterprises	10.0	6.1	7.8	9.9	▲1.0(3.0)	19.8(5.6)	6.4(3.7)	20.9(4.0)
Small enterprises	9.8	5.8	5.3	4.7	6.0(▲1.8)	19.2(1.4)	▲0.7(▲0.4)	1.5(4.4)

(Note) Except pure holding company that has financial institutions in subsidiary company
(Source) Financial Statements Statistics of Corporations by Industry, Quarterly, Ministry of Finance

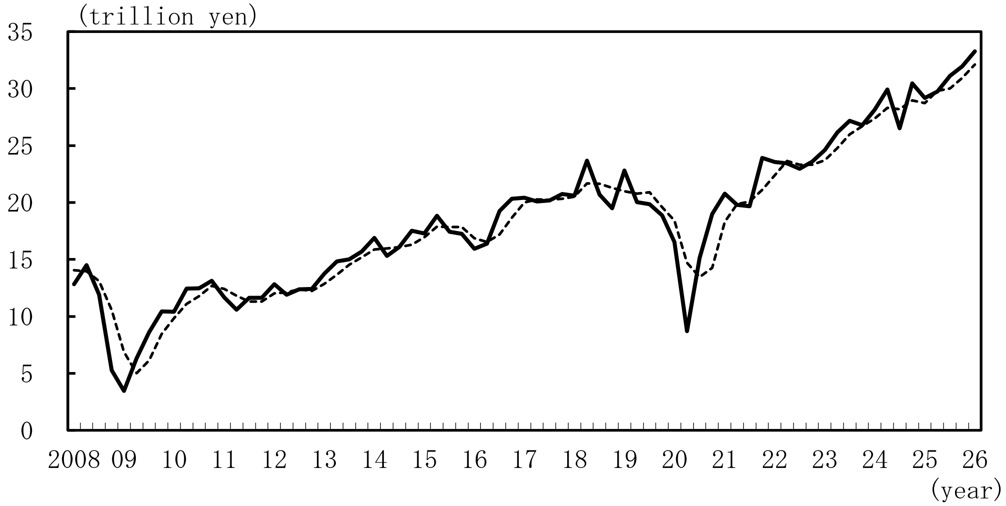
%points
→ Forecast

Business Conditions (D.I.)	2024 Dec.	2025 Mar.	Jun.	Sep.	Dec.	2026 Mar.	Jun.	Sep.
Full scale								
All industries	15	15	15	15	17	18	18	11
Manufacturing	8	7	7	7	11	12	14	7
Nonmanufacturing	20	21	21	21	21	21	21	14
Large enterprises								
Manufacturing	14	12	13	14	15	17	22	17
Nonmanufacturing	33	35	34	34	34	36	37	28
Small enterprises								
Manufacturing	1	2	1	1	6	7	9	2
Nonmanufacturing	16	16	15	14	15	16	15	8

(Note) D.I. = Percentage of respondents reporting "Favorable" - Percentage of respondents reporting "Unfavorable"
(Source)The BOJ TANKAN(December survey)

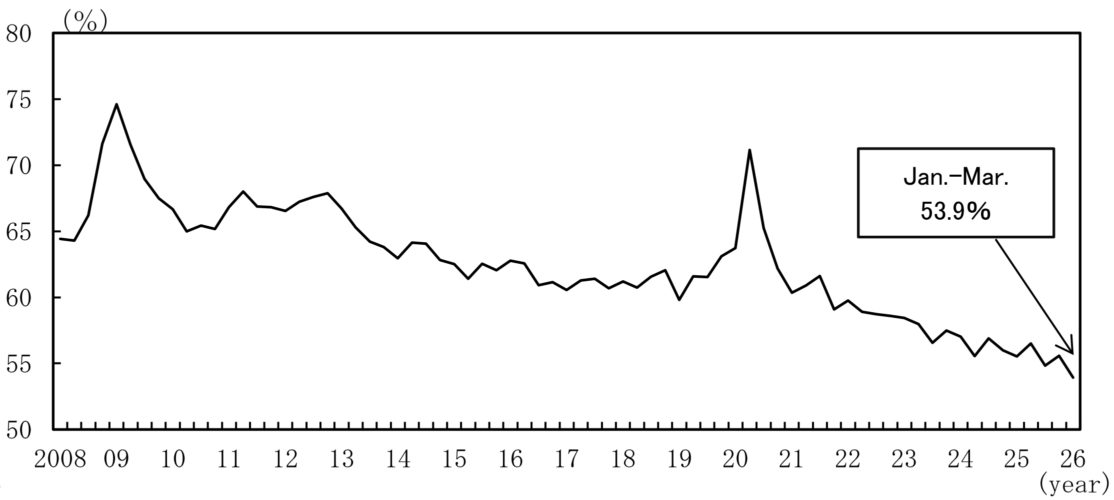
<Corporate Profits>

Trend of current profits



(Notes) 1. Financial Statements Statistics of Corporation by Industry, Quarterly, Ministry of Finance.
2. Full scale; all industries; except pure holding company that has financial institutions in subsidiary company.
3. The dotted line is a 3-quarter moving average.
4. The solid line is seasonally adjusted by Cabibet Office.

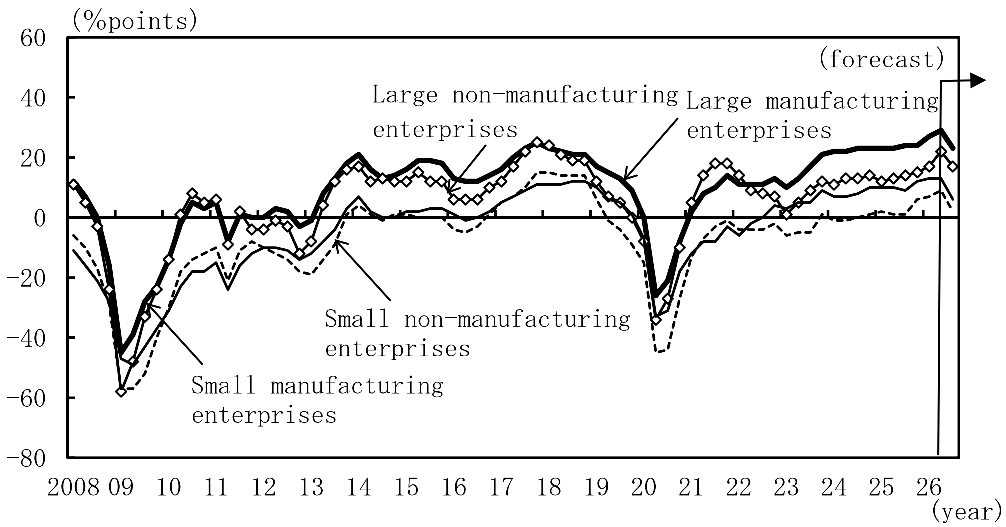
Labor's share



(Notes) 1. Financial Statements Statistics of Corporation by Industry, Quarterly, Ministry of Finance.
2. Labor's share=Personnel expenses/(Personnel expenses+Operating profits+Depreciation expenses+Interest income).
3. Seasonally adjusted by Cabinet Office.

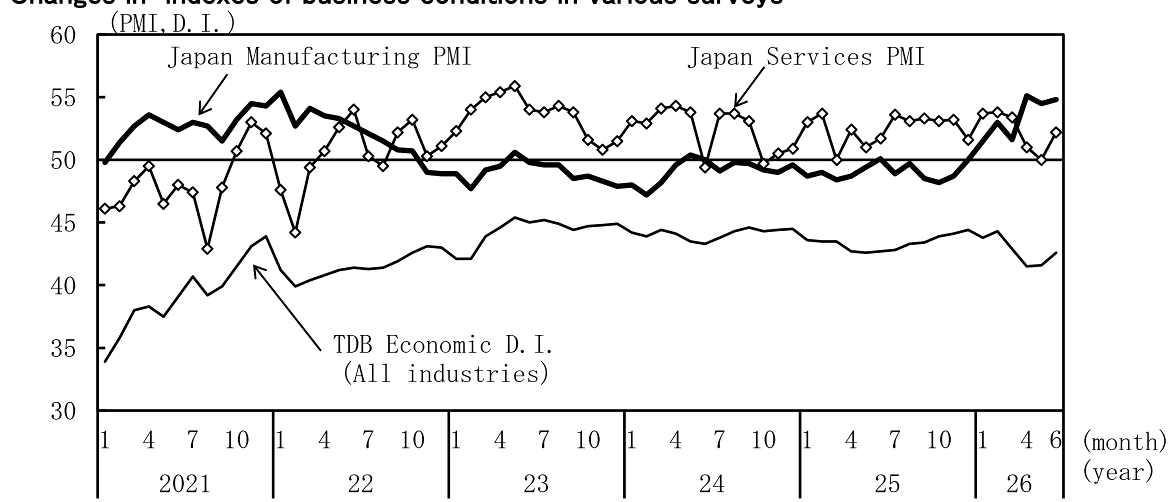
<Business Conditions>

Changes in The BOJ TANKAN business conditions D.I.



(Note) 1. The BOJ TANKAN .
2. D.I. = Percentage of respondents reporting "Favorable" - "Unfavorable".

Changes in indexes of business conditions in various surveys



(Note) 1. S&P Global Inc., Teikoku Databank Ltd.
2. PMI = Percentage of respondents reporting "Higher" + "No change"/2 (seasonary adjusted). D.I. is the weighted average of the appropriate number attaching to each of seven responses by the percentage of each response.

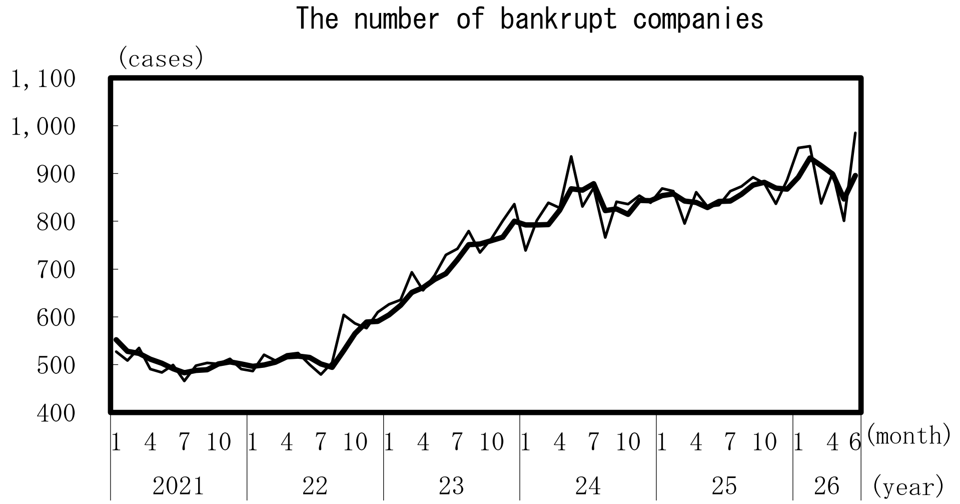
9. Bankruptcy

The number of corporate bankruptcies is almost flat.

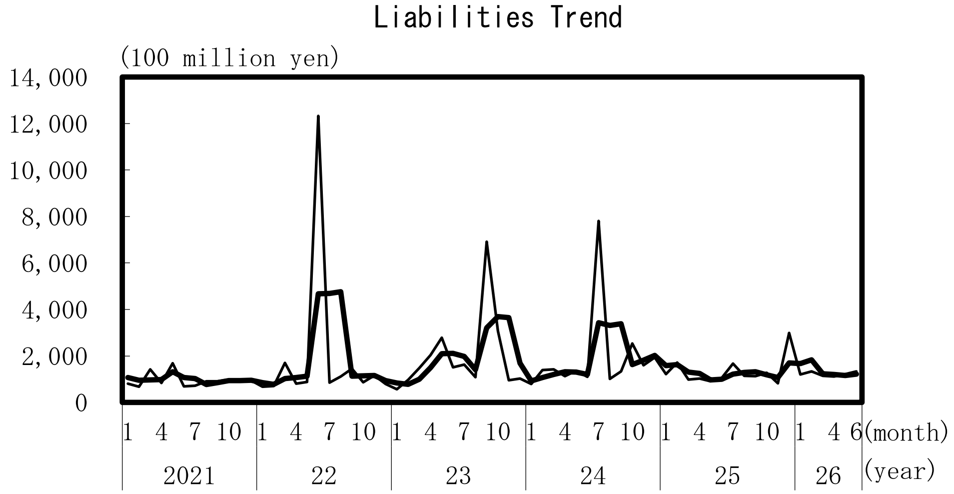
Year-on-year changes: Original figures
( ): Percentage changes from the previous quarter (month), seasonally adjusted

	[CY2023] FY2023	[CY2024] FY2024	[CY2025] FY2025	2025 Oct.-Dec.	2025 Jan-Mar	2026 Apr.	May.	Jun.
Number of cases of bankruptcy	[8,690] 9,053	[10,006] 10,144	[10,300] 10,505	2,662	2,684	883	780	1,021
Year-on-year changes (%)	[35.1] 31.5	[15.1] 12.0	[2.9] 3.5	8.3	5.9	6.6	▲ 8.9	20.4
Quarter-on- quarter changes (%)				(5.6)	(▲ 2.2)	(7.6)	(▲ 11.2)	(23.0)
Liabilities (100 million yen)	[24,026] 24,630	[23,435] 23,738	[15,921] 15,687	3,678	3,662	1,118	1,211	1,331
Year-on-year changes (%)	[3.0] 5.9	[▲2.4] ▲3.6	[▲32.0] ▲33.9	▲ 5.9	22.5	8.8	34.0	25.9
Debt per case(1million yen)	[3,324] 3,341	[2,703] 2,722	[1,842] 1,774	415	412	126	155	130
Year-on-year changes (%)	[▲22.6] ▲19.6	[▲18.7] ▲ 18.5	[▲31.9] ▲34.8	▲ 14.1	16.4	2.1	47.3	4.6

(Note) 1. Tokyo Shoko Research Ltd.
2. Subjects of survey : firms with liabilities exceeding 10 million yen (including individual companies).
3. Large-scale bankruptcies : amount of liabilities is no less than 1 billion yen.
4. Seasonally adjusted by Cabinet Office.

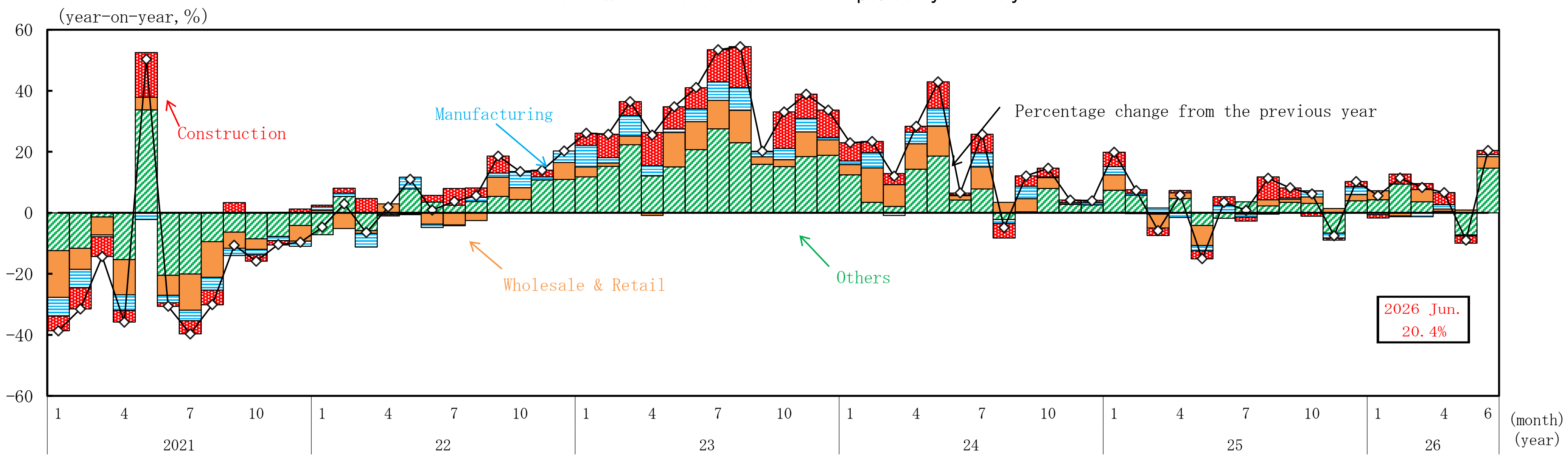


(Note) 1. Tokyo Shoko Research Ltd.
2. The thin dotted line indicates month (unadjusted), thin solid line indicates month (seasonally adjusted), and the thick line is a 3-month moving average. (seasonally adjusted by Cabinet Office)



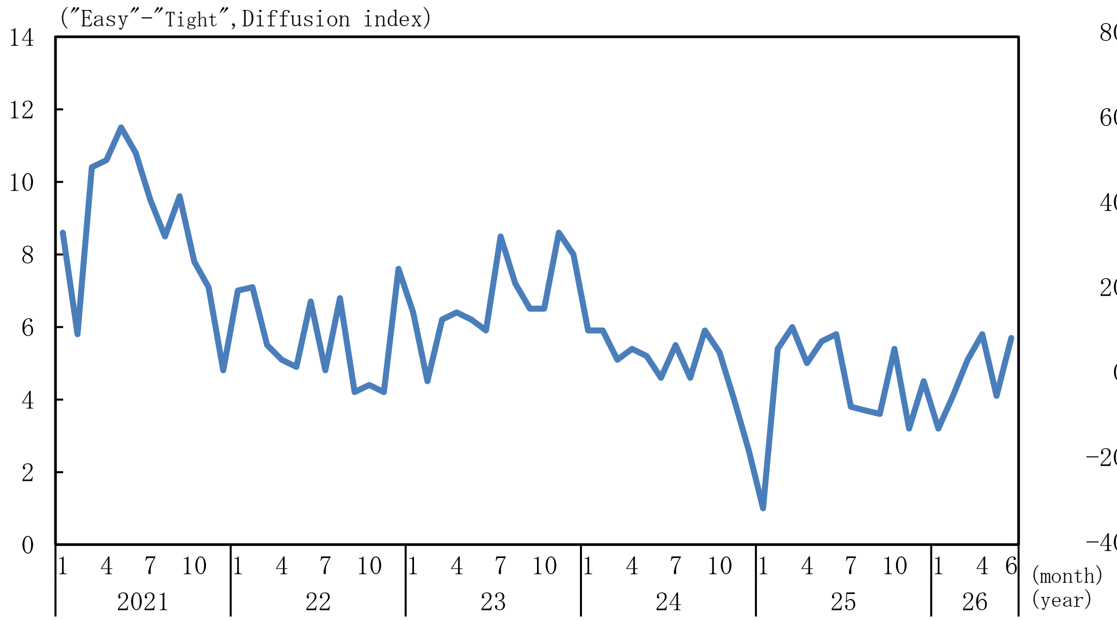
(Note) 1. Tokyo Shoko Research Ltd.
2. The thick line is a 3-month moving average.

Breakdown of the number of bankruptcies by industry



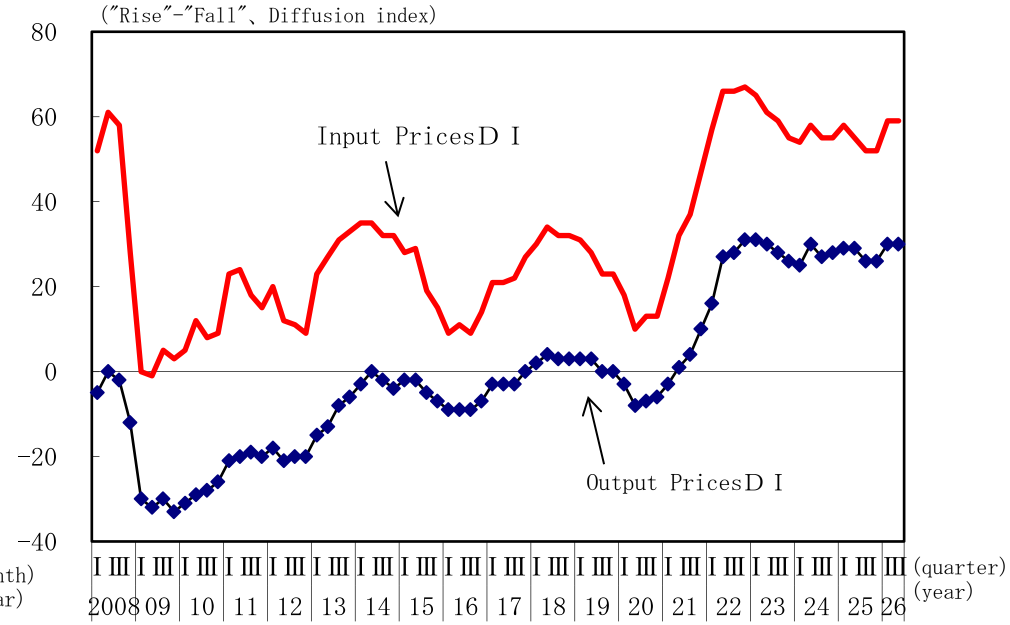
(Source) Tokyo Shoko Research "Monthly Report on corporate bankruptcy"

Changes in Financial Position of SME



(Source) Japan Finance Corporation "Monthly Survey on SME Trends",

Changes in Input Prices,Output Prices Diffusion index of SME



(Source) The BOJ TANKAN .

11. Prices

Producer prices have been rising. Consumer prices have been rising moderately.

[]:Percentage changes from the previous calendar year( ): Percentage changes from the previous period

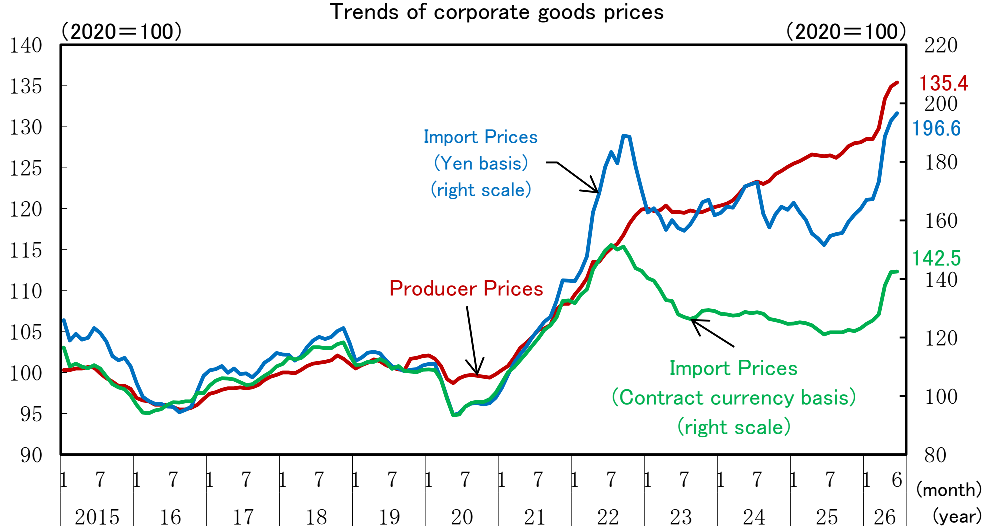
Year-on-year changes (%) <>: Percentage changes from the previous period, seasonally adjusted

		[CY2024] FY2024	[CY2025] FY2025	2025 Oct.-Dec.	2026 Jan.-Mar.	Apr.-Jun.	2026 Apr.	May.	Jun.	Consumer Prices (Ku-area of Tokyo) Jun. (P)
Producer Prices		[2.5]	[3.2]	(1.1)	(0.8)	P (4.4)	(2.8)	(1.1)	P (0.4)	
		3.4	2.7	2.6	2.5	P 6.4	5.4	6.6	P 7.1	
Export Prices		[7.0]	[-0.6]	(5.1)	(5.8)	P (5.8)	(4.1)	(0.2)	P (0.4)	
		5.1	1.4	3.4	9.4	P 20.0	19.0	20.4	P 20.7	
Import Prices		[2.7]	[-4.3]	(4.3)	(4.5)	P (14.2)	(8.9)	(2.9)	P (1.3)	
		2.4	-3.2	-1.0	3.7	P 25.6	21.3	26.1	P 29.7	
	Contract currency basis	[-3.1]	[-3.4]	(0.7)	(2.9)	P (11.7)	(7.7)	(3.3)	P (0.1)	
		-1.6	-2.6	-2.2	0.9	P 14.9	11.0	16.1	P 17.8	
Services Producer Prices		[3.2]	[3.0]	(1.0)	(0.2)	P (1.8)	(1.0)	(0.0)	P (-0.4)	
		3.3	2.9	2.7	2.8	P 3.3	3.4	3.4	P 3.2	
	All items (excluding international transportation)	[3.2]	[3.0]	< 0.6 >	< 0.6 >	P < 1.2 >	< 0.8 >	< 0.2 >	P < -0.2 >	
		3.4	2.9	2.7	2.7	P 2.9	2.9	3.1	P 2.8	
Consumer Prices	All items	[2.7]	[3.2]	< 0.7 >	< -0.2 >	< 0.7 >	< 0.1 >	< 0.4 >	< 0.3 >	< 0.3 >
		3.0	2.6	2.7	1.4	1.5	1.4	1.5	1.7	1.7
	All items, less fresh food	[2.5]	[3.1]	< 0.6 >	< -0.1 >	< 0.6 >	< 0.0 >	< 0.4 >	< 0.2 >	< 0.3 >
		2.7	2.7	2.8	1.8	1.5	1.4	1.4	1.6	1.6
	chain-linking method	[2.6]	[3.0]	—	—	—	< 0.0 >	< 0.3 >	< 0.2 >	—
		—	—	—	—	—	1.4	1.4	1.5	—
	All items, less fresh food and energy	[2.4]	[3.0]	< 0.6 >	< 0.4 >	< 0.2 >	< -0.2 >	< 0.2 >	< 0.2 >	< 0.4 >
		2.3	3.0	3.0	2.5	1.8	1.9	1.8	1.7	1.9
	chain-linking method	[2.4]	[2.9]	—	—	—	< -0.3 >	< 0.2 >	< 0.2 >	—
		—	—	—	—	—	1.8	1.7	1.6	—
	All items, less food (less alcoholic beverages) and energy	[1.9]	[1.6]	(0.6)	(-0.2)	< 0.5)	(0.0)	(0.2)	(0.0)	(0.0)
		1.7	1.5	1.5	1.4	1.1	1.1	1.1	1.2	1.1
	All items, less imputed rent	[3.2]	[3.7]	(1.1)	(-0.4)	< 0.8)	(0.3)	(0.5)	(0.0)	(0.0)
		3.5	3.0	3.0	1.6	1.7	1.5	1.7	1.9	1.8
	Food	[4.3]	[6.8]	(1.9)	(0.5)	(-0.4)	(-0.2)	(0.2)	(0.0)	(0.0)
		5.0	5.8	5.8	3.8	3.4	3.5	3.5	3.2	3.8
	Energy	[3.8]	[3.6]	(-0.2)	(-5.1)	(7.5)	(5.1)	(3.4)	(0.3)	(0.3)
		7.3	-0.1	0.4	-6.7	-2.2	-3.9	-2.5	-0.1	-2.3

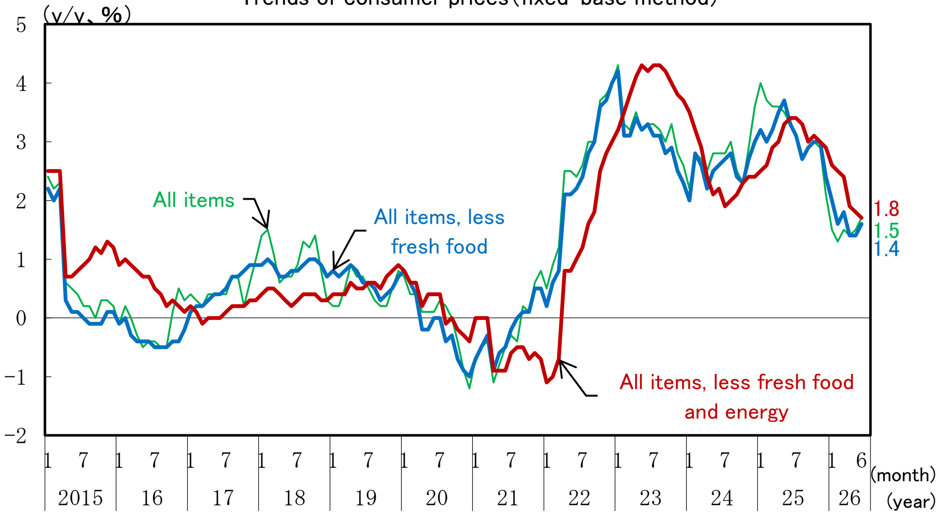
(Note) Services Producer Prices, Producer Prices and Consumer Prices: 2020=100. P denotes preliminary figures.

(Sources) Bank of Japan. Ministry of Internal Affairs and Communications. Cabinet Office

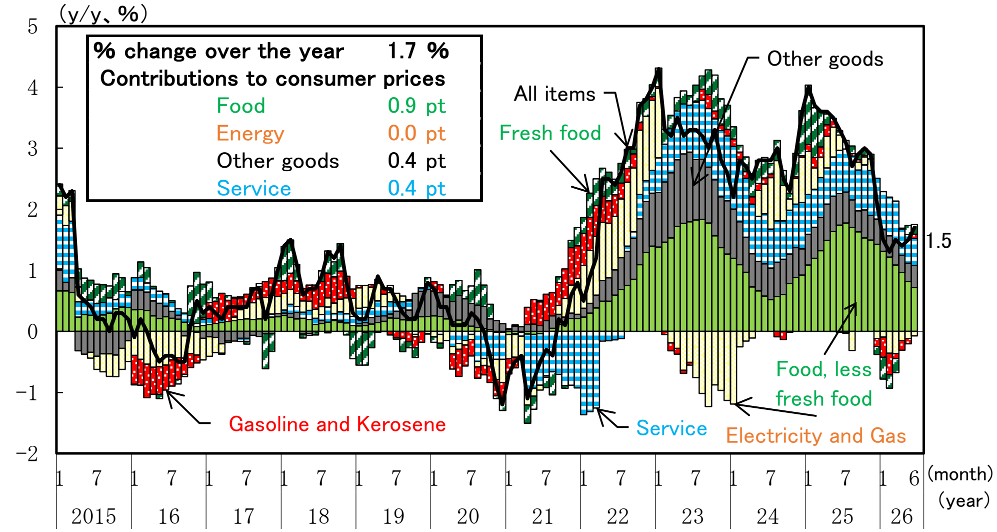
Trends of corporate goods prices



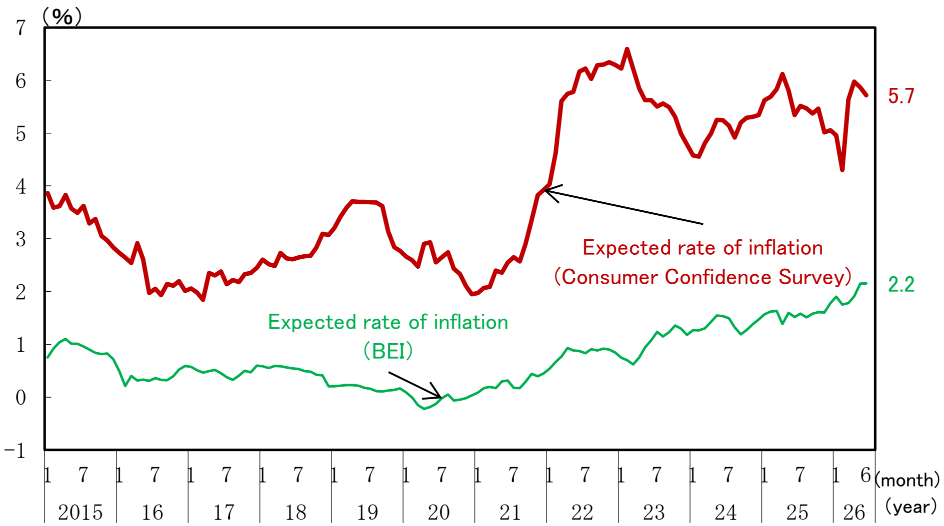
Trends of consumer prices (fixed-base method)



Contributions to consumer prices



Expected rate of inflation and Ratio of households which forecast a rise in prices a year ahead



12. Financial Markets

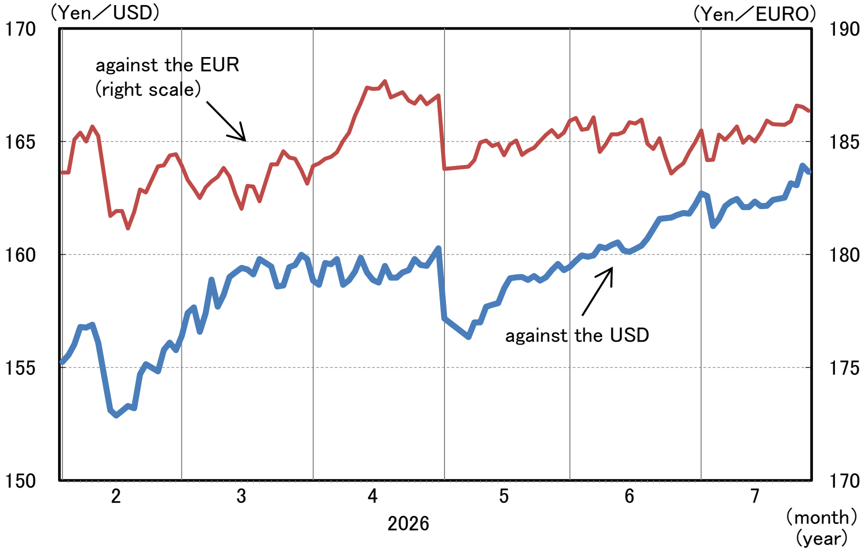
As for stock prices, the Nikkei Stock Average declined from the 70,400-yen level to the 64,900-yen level. The yen against the U.S. dollar (inter-bank spot rate), after moving in the direction of appreciation from the 162-yen level to the 161-yen level, moved in the direction of depreciation to the 163-yen level.

(%, points, yen)

	CY 2024	CY 2025	FY 2024	FY 2025	2025 Oct-Dec	2026 Jan-Mar	Apr-Jun	2026 Apr	May	Jun	
Uncollateralized overnight call rate	0.122	0.470	0.220	0.544	0.506	0.728	0.768	0.727	0.727	0.841	7/27 0.978
TIBOR (3 months)	0.335	0.799	0.483	0.900	0.879	1.180	1.299	1.265	1.245	1.376	7/27 1.458
Newly issued 10-year Japanese Government Bond yields	0.896	1.531	1.051	1.733	1.793	2.206	2.566	2.412	2.648	2.646	7/27 2.780
Stock prices											7/27
Tokyo Stock Price Index (TOPIX)	2,688	2,941	2,719	3,159	3,310	3,664	3,854	3,727	3,869	3,963	4,066
The NIKKEI Stock Average	38,396	41,794	38,561	45,591	49,565	54,454	62,878	57,245	62,773	68,340	64,931
Exchange rates											7/27
(¥/$)	151.59	149.56	152.52	150.62	154.03	156.90	159.52	159.28	158.34	160.71	163.65
(¥/Euro)	163.94	169.17	163.78	174.63	179.33	183.65	185.37	186.16	184.78	185.09	186.36
Monetary base (Trillions of yen, YoY)	670	637	666	620	607	580	572	582	575	559	
					(-14.0)	(-13.9)	(-14.4)	(-5.6)	(-13.3)	(-22.9)	
	1.0	-4.9	-0.3	-6.9	-8.7	-10.6	-12.4	-11.3	-12.2	-13.7	
Money stock M2 (Trillions of yen, YoY)	1,252	1,267	1,255	1,272	1,275	1,277	1,296	1,295	1,298	1,296	
					(2.6)	(1.6)	(2.7)	(3.1)	(3.4)	(-0.6)	
	1.7	1.2	1.4	1.3	1.7	1.8	2.3	2.3	2.4	2.2	
Loans by banks (Trillions of yen, YoY)	545	564	549	571	575	585	592	590	590	596	
	3.3	3.6	3.3	4.0	4.6	5.0	6.1	5.9	6.2	6.3	
CP and corporate bonds (Trillions of yen, YoY)	133	136	128	131	136	131	136	135	137	136	
	2.9	2.0	2.5	2.2	2.0	2.2	1.3	2.2	2.4	1.3	

(Notes)
1. Call rates, TIBOR, Japanese Government Bond Yields, stock prices and exchange rates are averages of the calendar year, fiscal year, quarter or month.
2. Exchange rate (¥/$) is interbank spot central rate and (¥/Euro) is interbank spot rate at 17:00.
3. Monetary base and Money stock are average amounts outstanding. ( ) : Percentage changes from the previous quarter (month) at annual rate, seasonally adjusted.
4. Loans by banks are average amounts outstanding of loans by banks (major and regional banks).
5. CP and corporate bonds are amounts outstanding as of the end of the period.

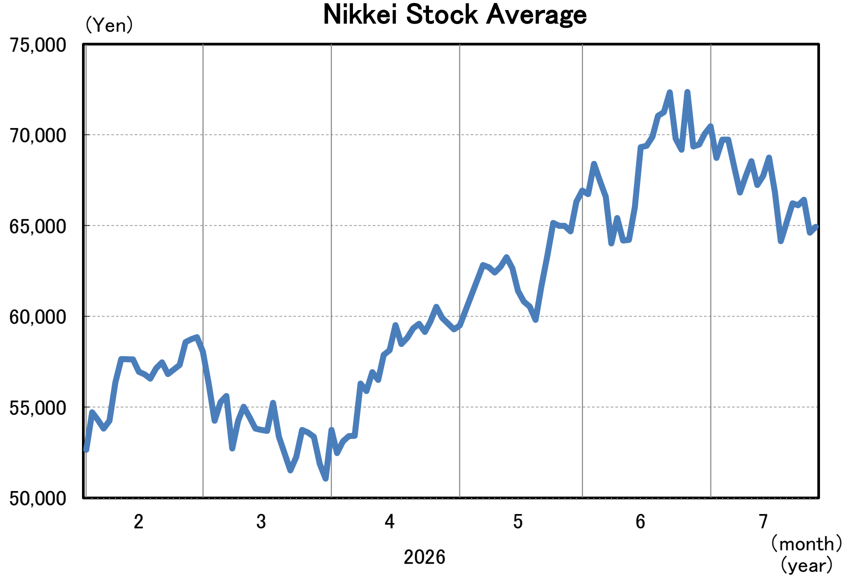
Exchange Rate



7/27
EUR
186.36

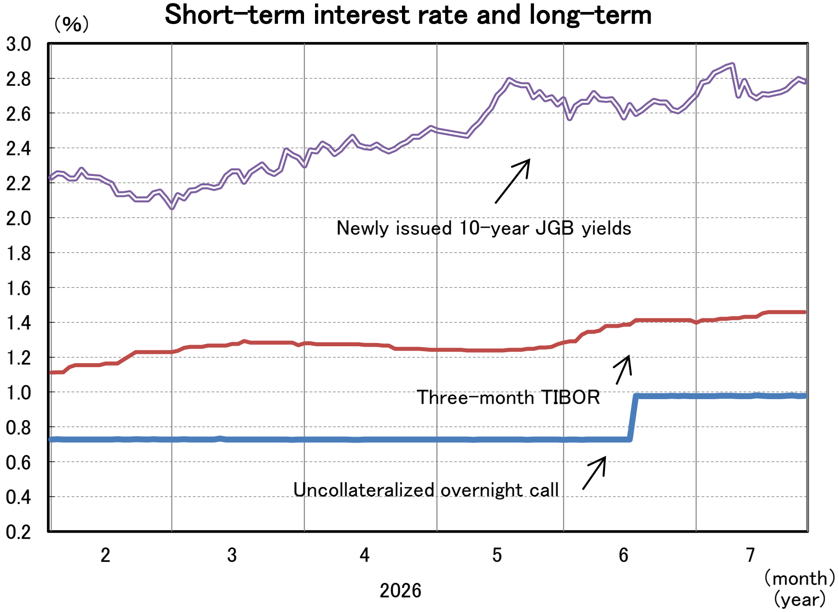
7/27
USD
163.65

Nikkei Stock Average



7/27
64,931yen

Short-term interest rate and long-term

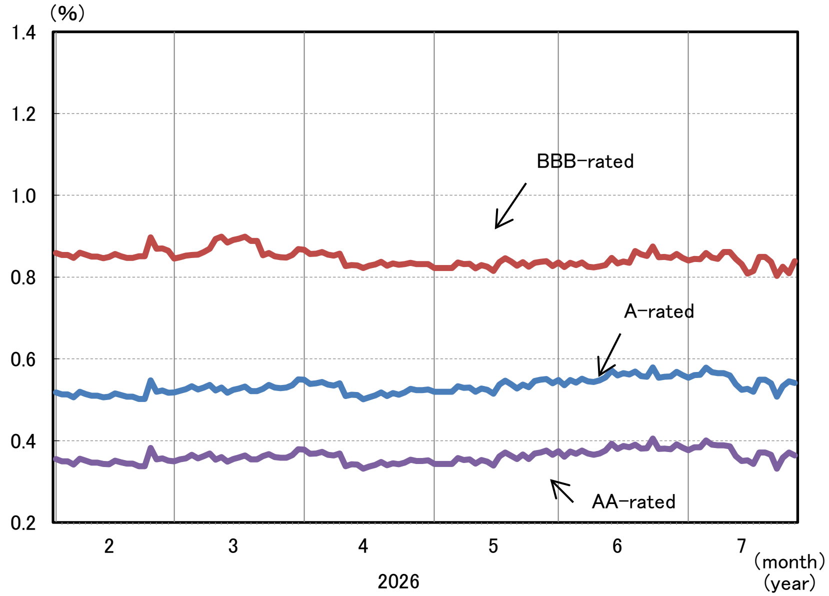


7/27
Newly issued
10-year
JGB yields
2.780%

7/27
Three-month
TIBOR
1.458%

7/27
Uncollateralized
overnight call
0.978%

Spreads of Corporate Bond Yields over Government Bond Yields



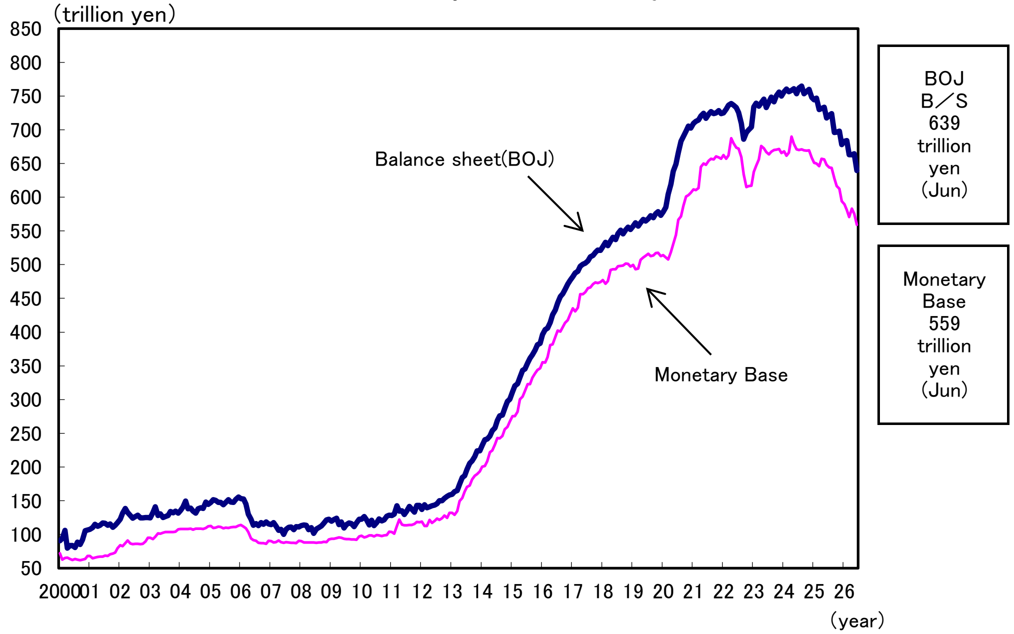
7/27
BBB-rated
0.839%

7/27
A-rated
0.541%

7/27
AA-rated
0.364%

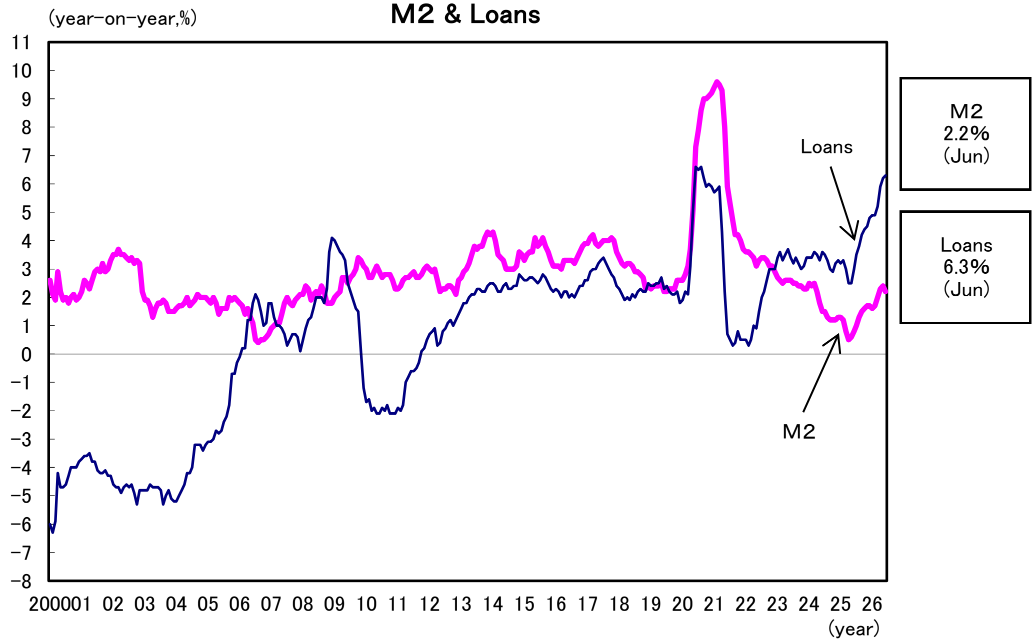
(Note) 1.Yields on corporate bonds have been calculated on the expanded pool of issues with maturity of three to seven years.
Yields on government bonds with 5-year maturity.
2.The indicated ratings are of Rating and Investment Information, Inc.

Balance sheet of Bank of Japan and Monetery Base



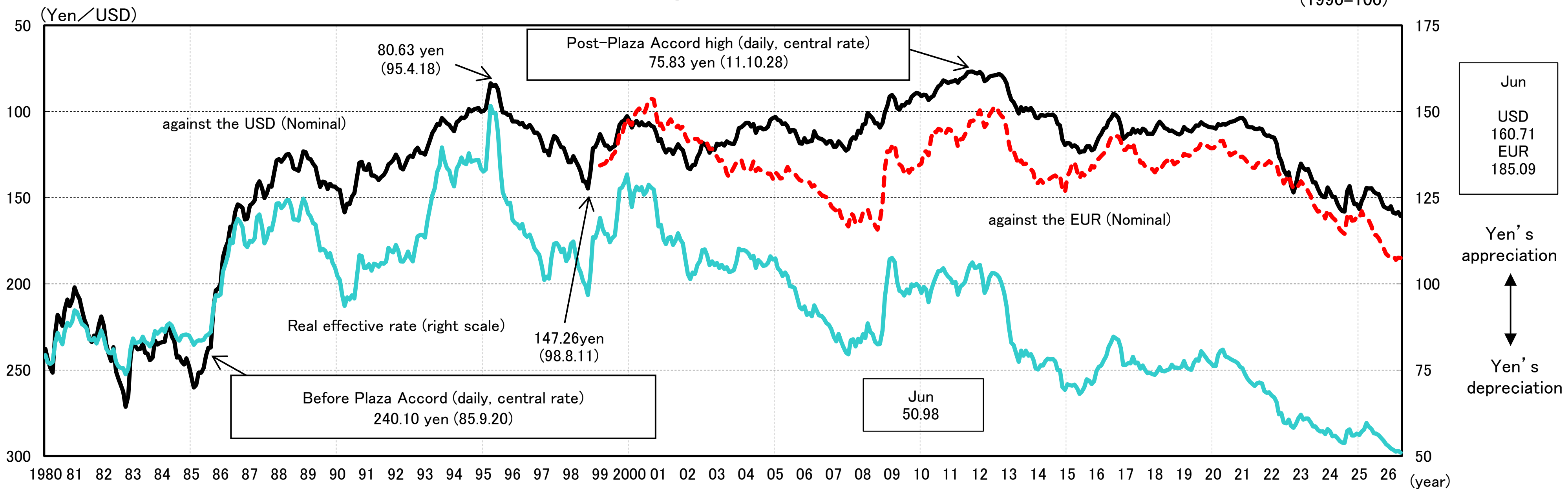
(Source)Bank of Japan“Bank of Japan Accounts”,“Monetary Base”

M2 & Loans



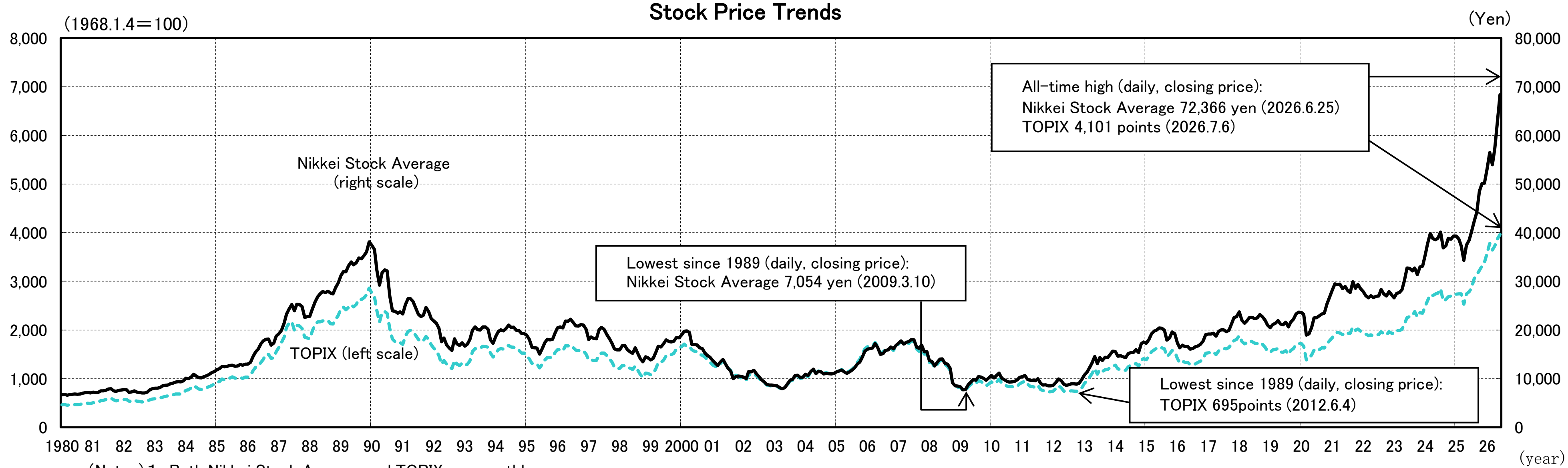
(Source)Bank of Japan“Money Stock”,“Principal Figures of Financial Institutions”

Exchange Rate Trends



(Note) The nominal rate(YEN/USD) is the interbank spot central rate (monthly average). The nominal rate(Yen/EURO) is the interbank spot rate at 17:00 (monthly average).
The real effective rate is estimated by the Bank of Japan.But,The nominal rate(YEN/USD) of circle of daily is the interbank spot rate at 17:00 of New York.

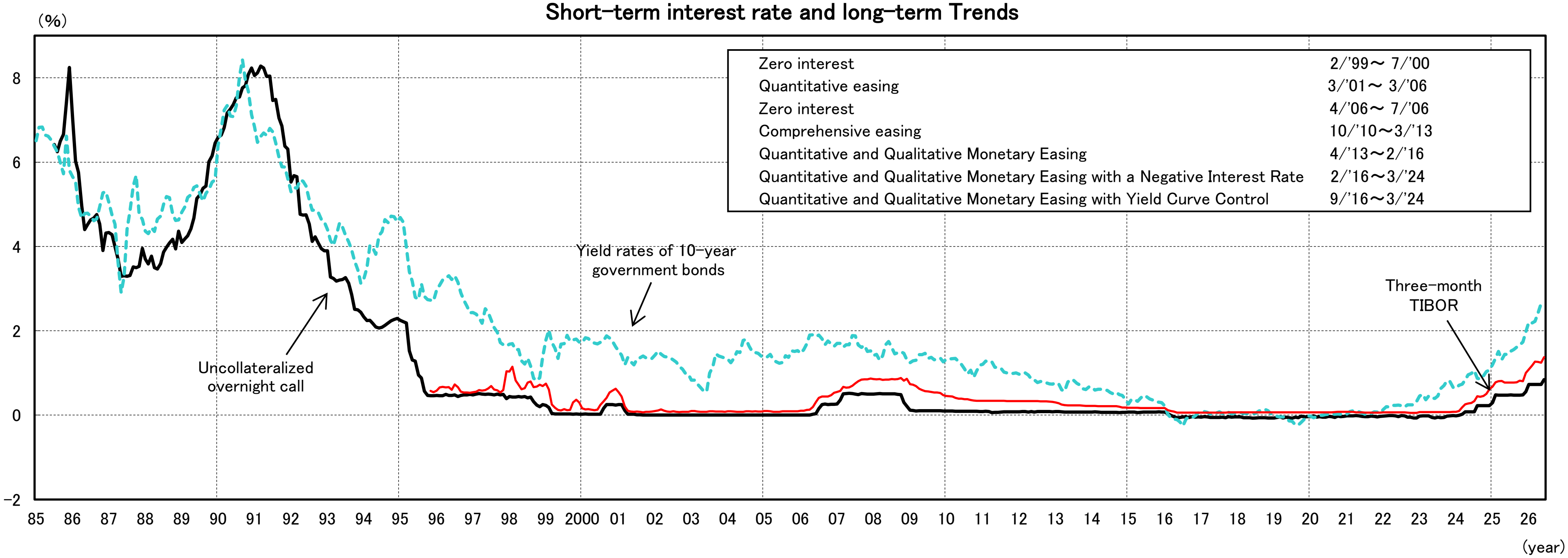
Stock Price Trends



(Notes) 1. Both Nikkei Stock Average and TOPIX are monthly averages.
2. TOPIX is based on 1968.1.4 = 100.

Jun
68,340yen
3,963points

Short−term interest rate and long−term Trends



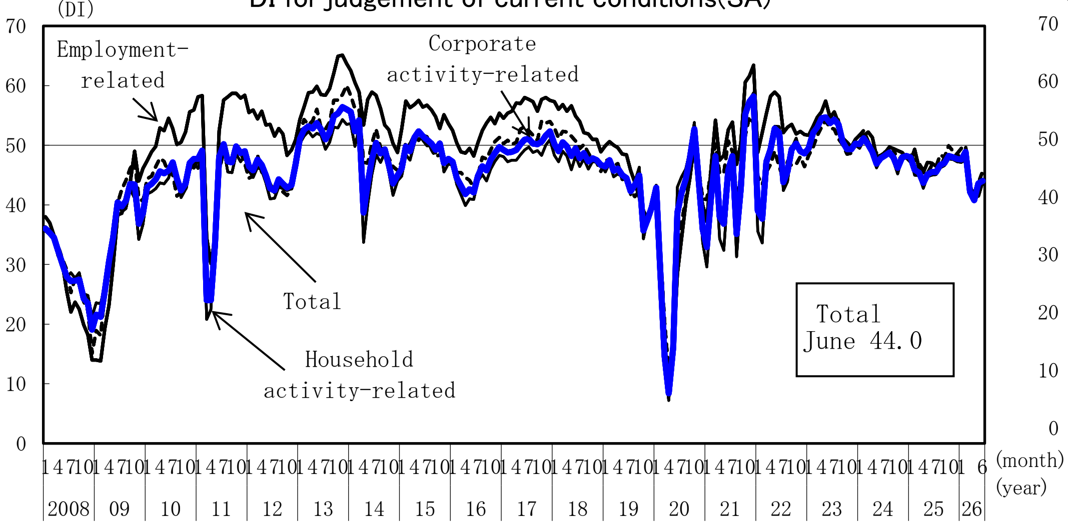
Jun
Yield rates of
10−year
government bonds
2.646%

Jun
Three−month
TIBOR
1.376%

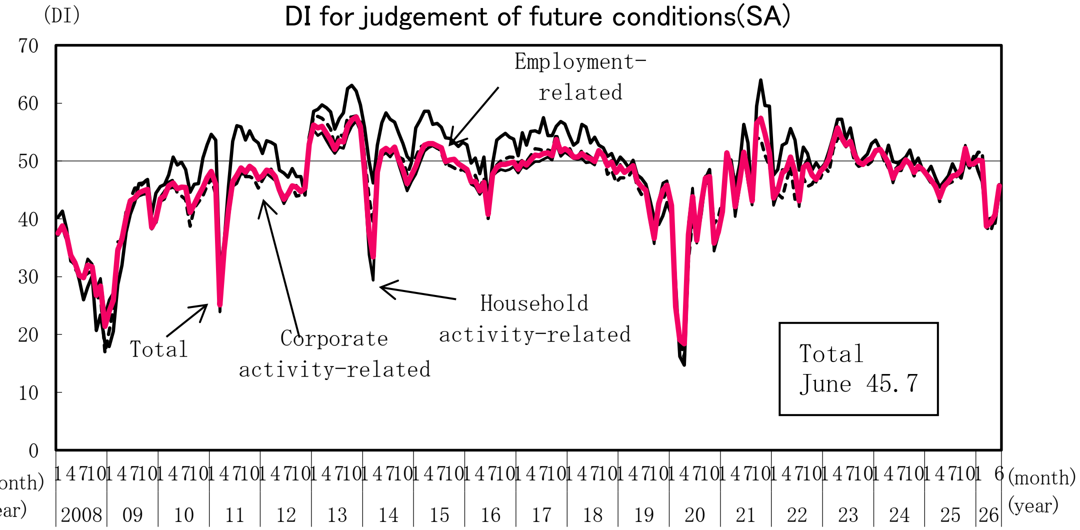
Jun
Uncollateralized
overnight call
0.841%

13. Economy Watchers Survey

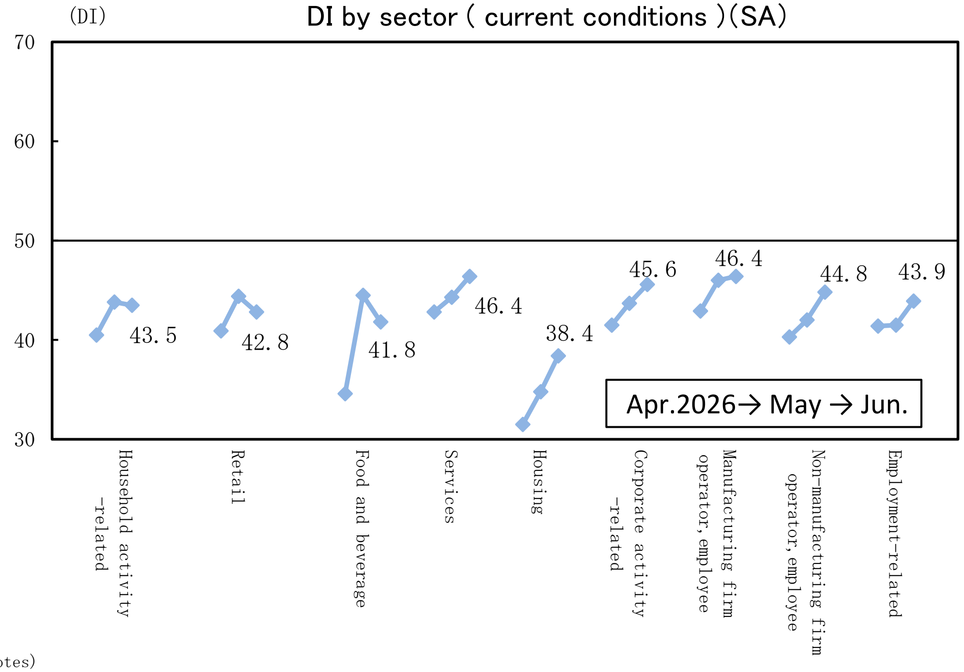
DI for judgement of current conditions(SA)



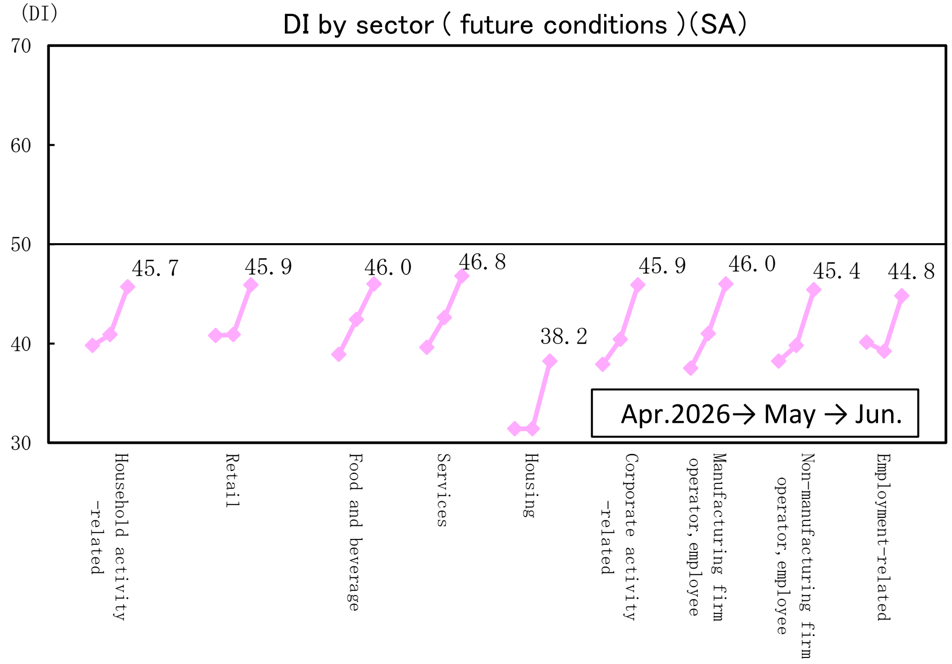
DI for judgement of future conditions(SA)



DI by sector (current conditions)(SA)



DI by sector (future conditions)(SA)

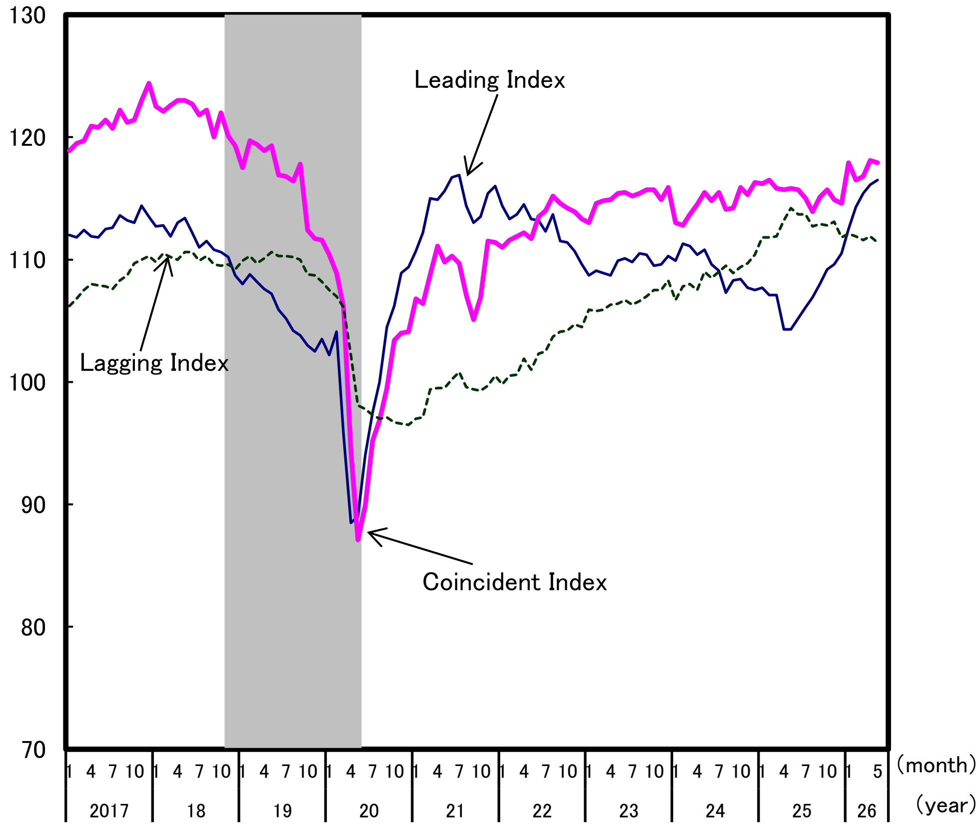


(Notes)
The DI for judgement of current conditions is Economy Watchers' assessment of current economic conditions as compared with those three months before, and the DI for judgement of future conditions is their forecasts for economic conditions two to three months away.

（Reference1） INDEXES OF BUSINESS CONDITIONS (CI)

Composite Index

(2020=100)



Contributions (Composite Index)

		2026 Feb	Mar	Apr	May
Composite Index (Coincident Index)		116.5	116.8	118.1	117.9
Contributions	Index of Industrial Production (Mining and Manufacturing)	−0.29	−0.06	0.08	0.01
	Index of Producer's Shipments (Producer Goods for Mining and Manufacturing)	−0.51	0.20	−0.07	0.16
	Index of Producer's Shipment of Durable Consumer Goods	0.23	−0.31	0.14	0.38
	Index of Labor Input (Industries Covered)	−0.24	−0.08	0.38	−0.36
	Index of Producer's Shipment (Investment Goods Excluding Transport Equipments)	−0.51	−0.07	0.51	−0.46
	Retail Sales Value(Change From Previous Year)	−0.21	0.16	0.17	0.27
	Wholesale Sales Value(Change From Previous Year)	0.01	0.13	0.27	−0.18
	Operating Profits (All Industries)	0.26	0.25	0.10	0.10
	Effective Job Offer Rate (Excluding New School Graduates)	0.11	−0.16	−0.02	−0.17
	Exports Volume Index	−0.26	0.29	−0.26	0.05

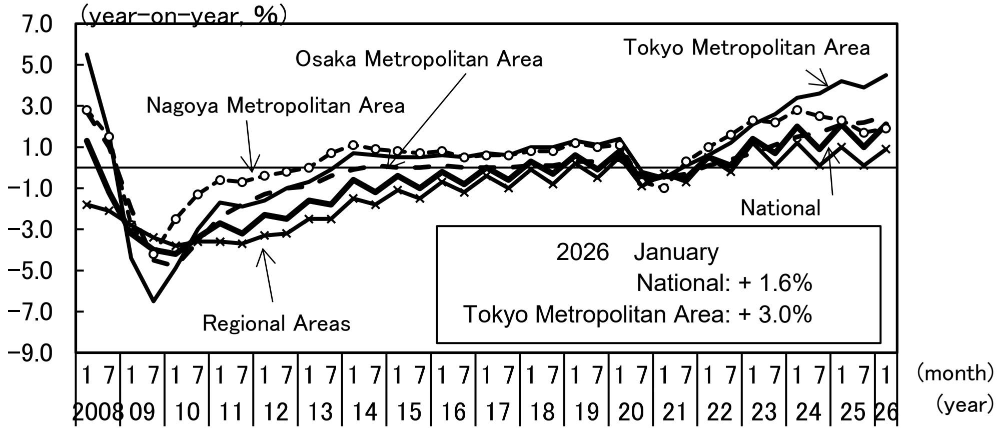
The Referece Dates of Business Cycle

Cycle	Trough	Peak	Trough	Expansion (months)	Contraction (months)	The full cycle (months)
1		Jun.1951	Oct.1951		4	
2	Oct.1951	Jan.1954	Nov.1954	27	10	37
3	Nov.1954	Jun.1957	Jun.1958	31	12	43
4	Jun.1958	Dec.1961	Oct.1962	42	10	52
5	Oct.1962	Oct.1964	Oct.1965	24	12	36
6	Oct.1965	Jul.1970	Dec.1971	57	17	74
7	Dec.1971	Nov.1973	Mar.1975	23	16	39
8	Mar.1975	Jan.1977	Oct.1977	22	9	31
9	Oct.1977	Feb.1980	Feb.1983	28	36	64
10	Feb.1983	Jun.1985	Nov.1986	28	17	45
11	Nov.1986	Feb.1991	Oct.1993	51	32	83
12	Oct.1993	May 1997	Jan.1999	43	20	63
13	Jan.1999	Nov.2000	Jan.2002	22	14	36
14	Jan.2002	Feb.2008	Mar.2009	73	13	86
15	Mar.2009	Mar.2012	Nov.2012	36	8	44
16	Nov.2012	Oct.2018	May 2020	71	19	90
Average(2nd ～16th)				38.5	16.3	54.9

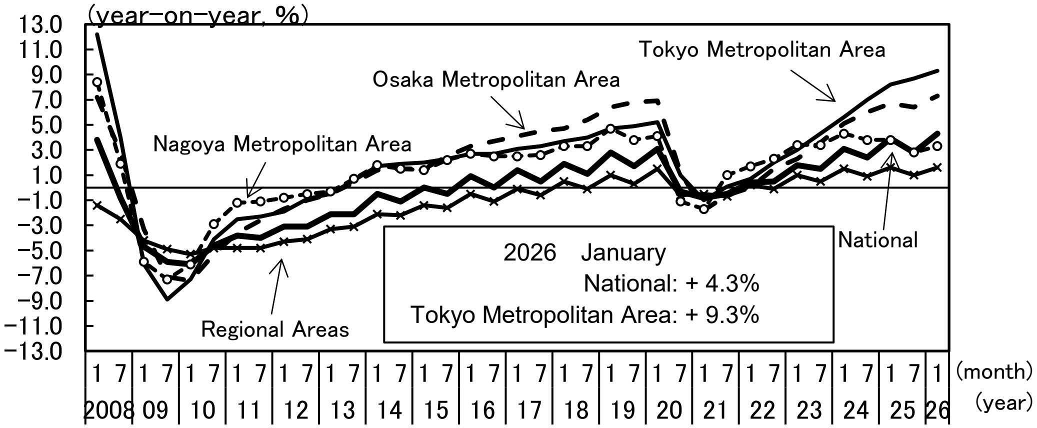
(Notes)
1.Cabinet Office, "INDEXES OF BUSINESS CONDITIONS", "New Index (Experimental)".
2.The shaded area denotes a recession period.
3.The New Index (Experimental) is a reference indicator, and the monthly basic assessment CI and the determination of business cycle reference dates (Peak and Trough) are based on the conventional method using the existing Composite Index.

(Reference2) Land Price, Home Price

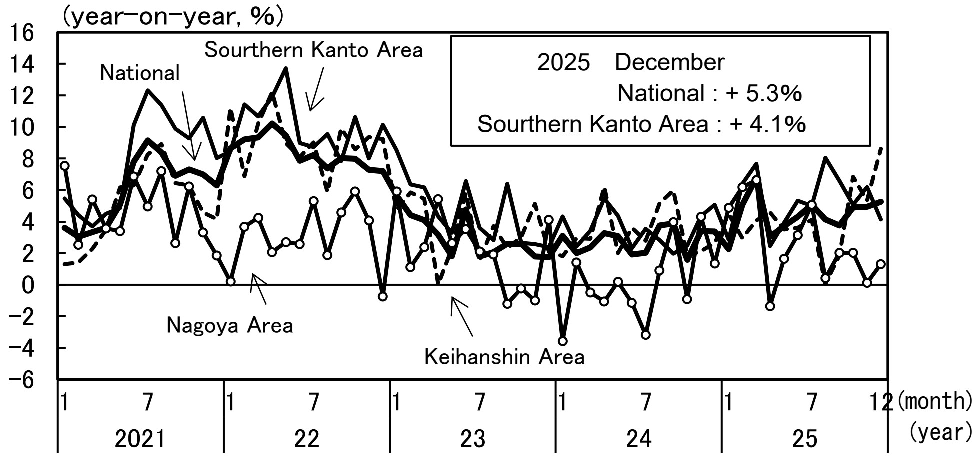
Land-value trends（Residential）



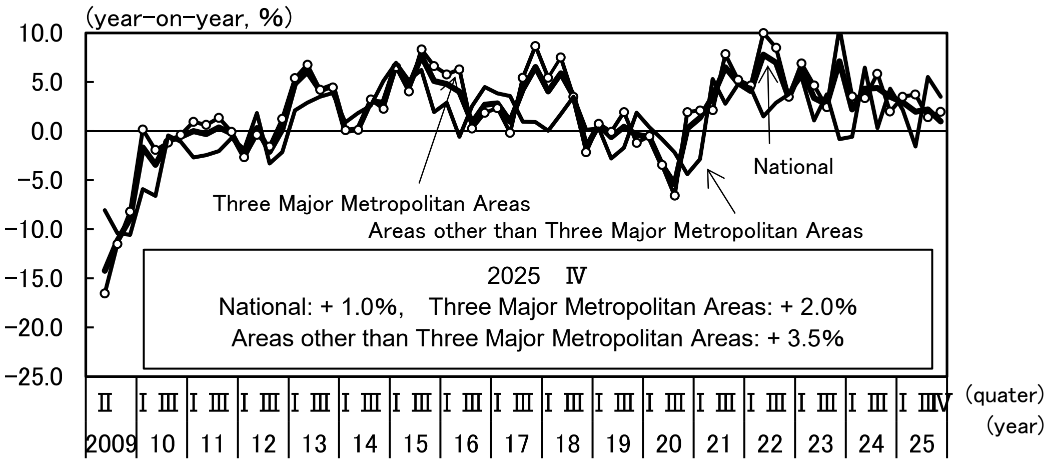
Land-value trends（Commercial）



Property Price Index（Residential）



Property Price Index（Commercial）



(Notes) 1. (sources) "Land Market Value Publication", "Land Price Research by Prefectural Governments", "Property Price Index", Ministry of Land, Infrastructure, Transport and Tourism.

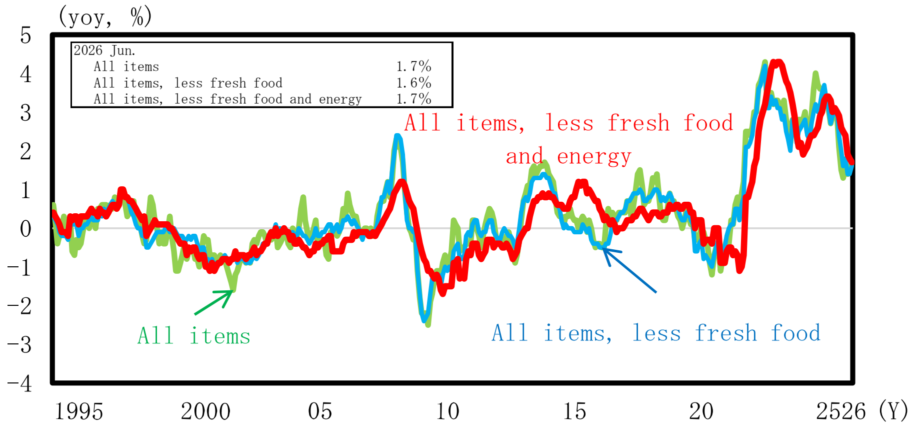
2. Land-value trends are based on the results of the Land Market Value Publication for January of each year and the Land Price Research by Prefectural Governments for July of each year.

3. For Land-value trends, "Tokyo Metropolitan Area" and "Osaka Metropolitan Area" mean the areas of municipalities containing the Existing Urban Area and the Suburban Development Area provided for in the National Capital Region Development Act and the Kinki Region Development Act, respectively; "Nagoya Metropolitan Area" means the areas of municipalities containing the Urban Development Area provided for in the Chubu Region Development Act. "Regional Areas" means areas other than the three major metropolitan areas.

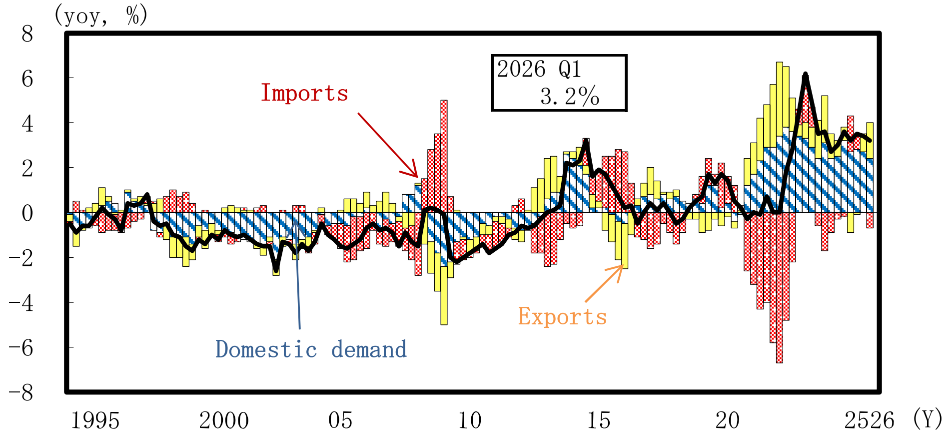
4. For Property Price Index, the "Three Major Metropolitan Areas" comprise the Southern Kanto Area (Saitama, Chiba, Tokyo, and Kanagawa Prefectures), Nagoya Area (Gifu, Aichi, and Mie Prefectures), and Keihanshin Area (Kyoto, Osaka, and Hyogo Prefectures).

（Reference ３）Deflation-related indicators

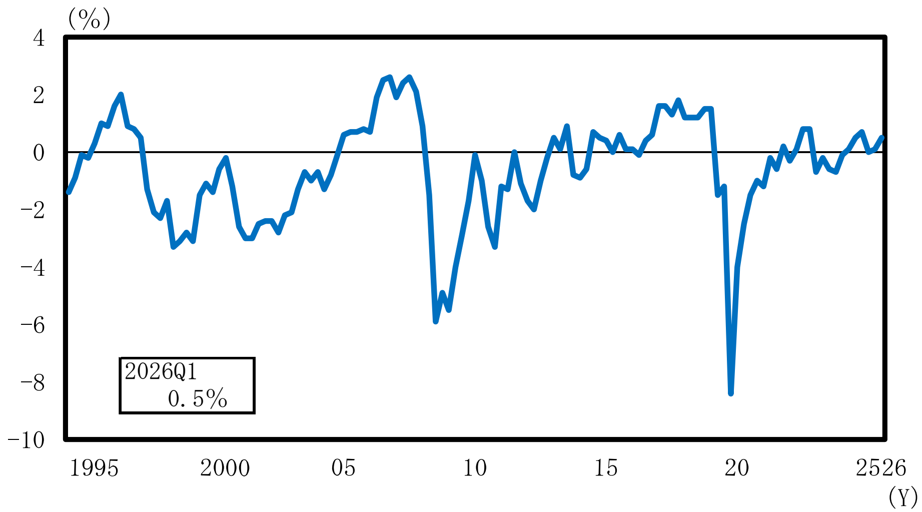
CPI (excluding the impact of consumption tax)



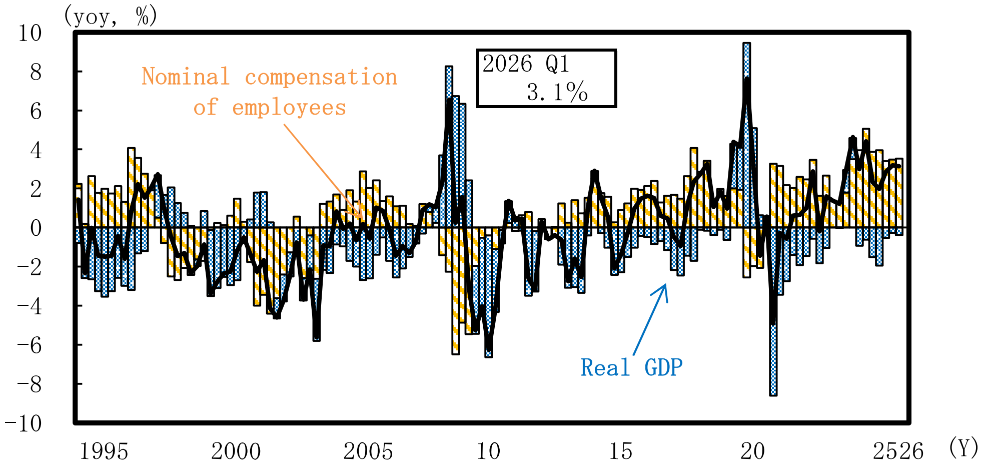
GDP deflator



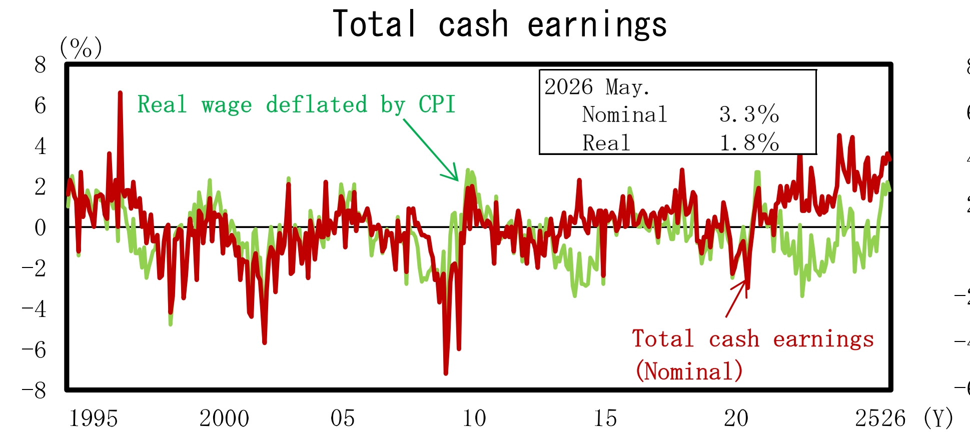
GDP Gap

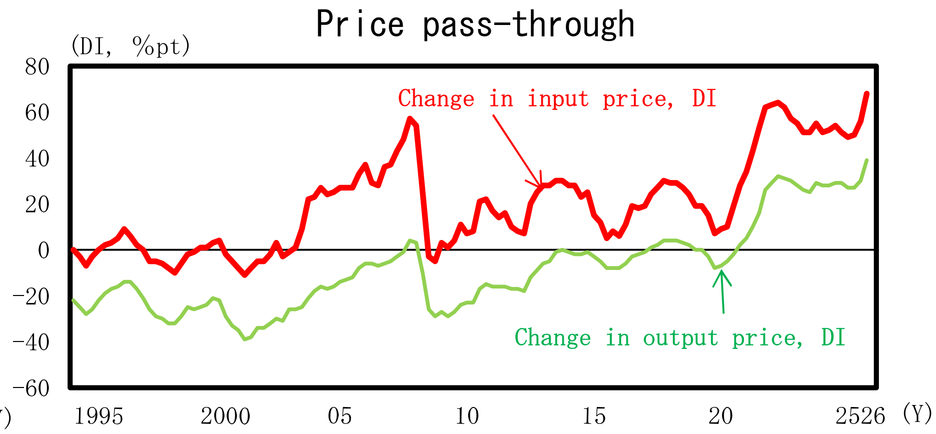


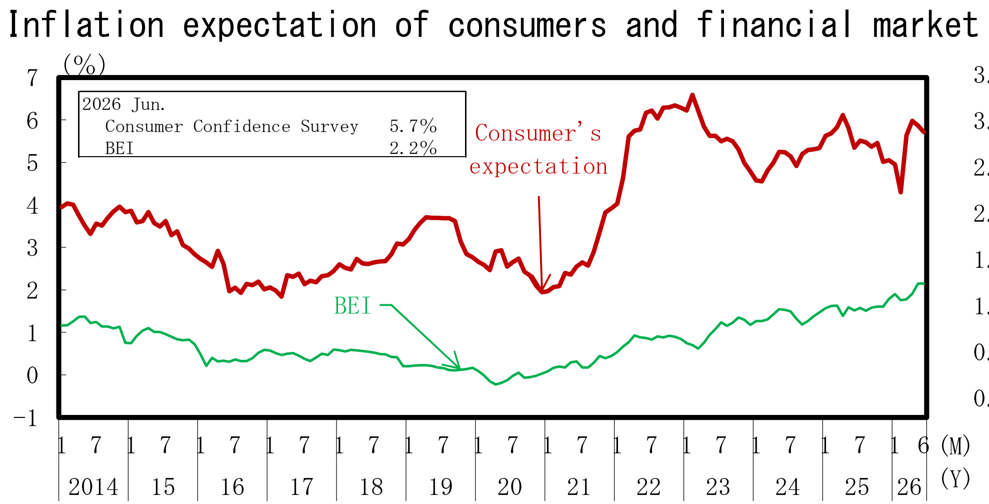
Unit labor cost

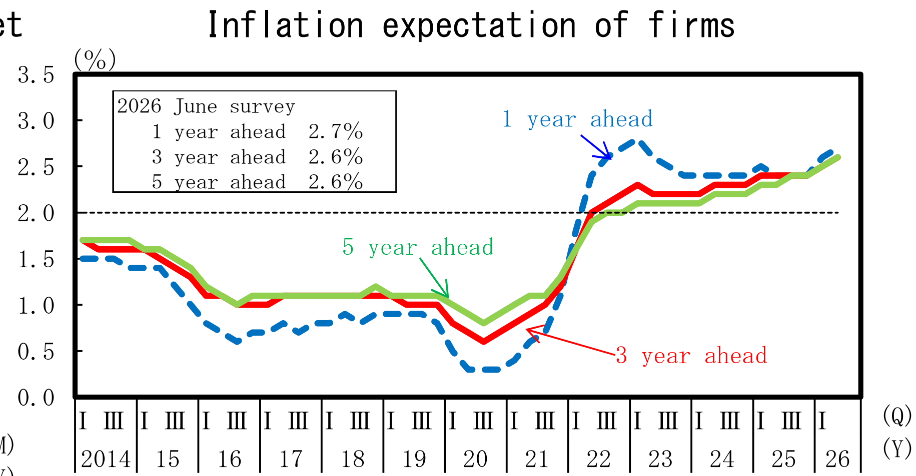


(Source) Ministry of Internal Affiers and Communications, Cabinet Office.









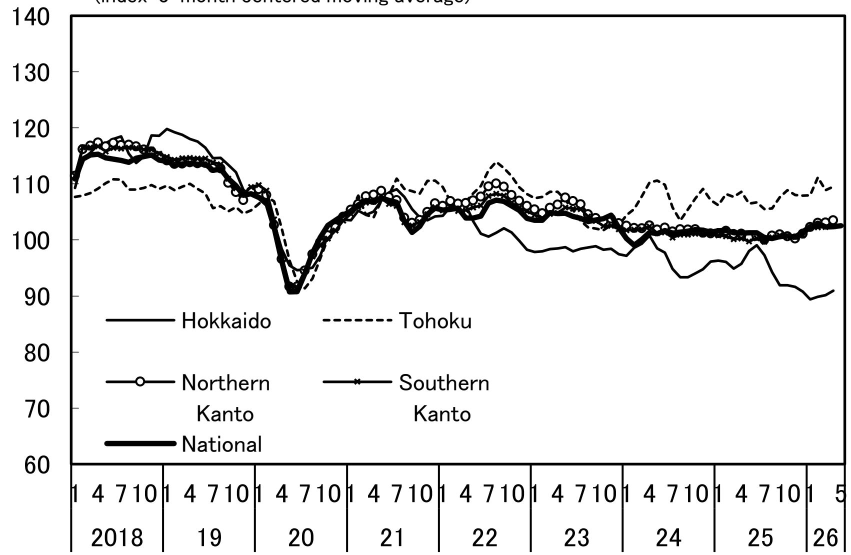
(Source)Ministry of Health, Labour and Welfare, Cabinet Office, Bank of Japan, Bloomberg.

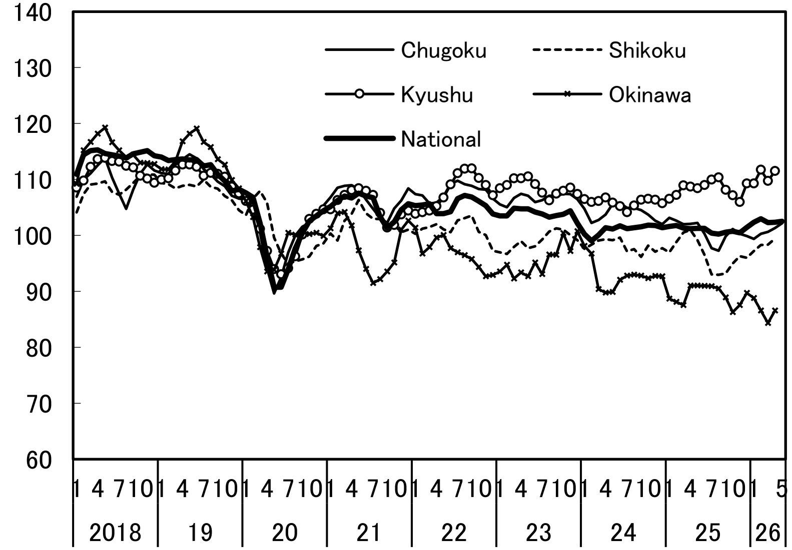
Definition of "deflation" and "overcoming deflation" (2006.03)

○ "Deflation" is the situation where the price level continuously declines.
○ "Overcoming deflation" means "there is not risk to go back to deflation".
○To judge whether we have overcome deflation, we need to assess not only the current situation of price level, but also overall economic situation and backgrounds, to assess whether there is risk to go back to deflation.

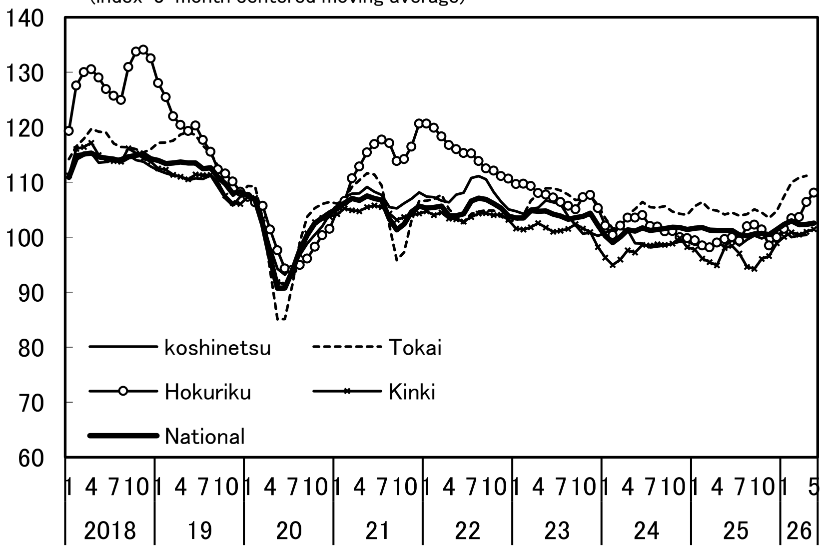
(Reference 4) Regional economies

(1) Industrial production





(Notes) 1. Indices of Industrial Production, Ministry of Economy, Trade and Industry.
2. Seasonally Adjusted.
3. 2020 average=100



(Reference) Geographic division

	Geographical division
Hokkaido	Hokkaido
Tohoku	Aomori, Iwate, Miyagi, Akita, Yamagata, Fukushima
Northern Kanto	Ibaraki, Tochigi, Gunma,
Southern Kanto	Saitama, Chiba, Tokyo, Kanagawa
Koshinetsu	Niigata, Yamanashi, Nagano
Tokai	Shizuoka, Gifu, Aichi, Mie
Hokuriku	Toyama, Ishikawa, Fukui
Kinki	Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama
Chugoku	Tottori, Shimane, Okayama, Hiroshima, Yamaguchi
Shikoku	Tokushima, Kagawa, Ehime, Kochi
Kyushu	Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima
Okinawa	Okinawa

(4) Comparison of eonomic indicators by prefecture

		Hokkaido	Aomori	Iwate	Miyagi	Akita	Yamagata	Fukushima	Ibaraki	Tochigi	Gunma	Saitama	Chiba	Tokyo	Kanagawa	Niigata	Toyama	Ishikawa	Fukui	Yamanashi	Nagano	Gifu	Shizuoka	Aichi
Population(ten thousand, CY2024) (total 123.80 million)		504.3	116.5	114.5	224.8	89.7	101.1	174.3	280.6	188.5	189.0	733.2	625.1	1417.8	922.5	209.9	99.7	109.8	73.9	79.1	198.7	191.6	352.7	746.0
Share of national total(%)		4.1	0.9	0.9	1.8	0.7	0.8	1.4	2.3	1.5	1.5	5.9	5.0	11.5	7.5	1.7	0.8	0.9	0.6	0.6	1.6	1.5	2.8	6.0
Rank		9	31	32	14	39	36	21	11	19	18	5	6	1	2	15	37	33	43	41	16	17	10	4
Population aged 65 years old and over(%) (average 29.3)		33.3	35.7	35.4	29.6	39.5	35.6	33.7	30.9	30.6	31.2	27.5	28.1	22.7	26.0	34.1	33.3	30.7	31.8	32.0	32.9	31.4	31.2	25.8
Population aged 75 years old and over(%) (average 16.8)		18.8	19.5	19.7	15.9	22.1	19.6	17.9	17.0	16.4	17.6	15.9	16.3	13.2	15.3	19.2	19.8	17.9	18.0	18.1	19.3	18.1	17.8	15.0
Employed persons(ten thousand, CY2025) (total 68.28 million)		264.1	61.9	60.1	122.3	46.6	55.3	93.8	153.2	104.9	103.4	411.7	347.4	862.0	527.9	114.3	54.9	60.2	41.2	44.8	111.2	107.4	197.0	424.9
Share of national total(%)		3.9	0.9	0.9	1.8	0.7	0.8	1.4	2.2	1.5	1.5	6.0	5.1	12.6	7.7	1.7	0.8	0.9	0.6	0.7	1.6	1.6	2.9	6.2
Rank		9	31	33	14	39	35	21	11	18	19	5	6	1	2	15	36	32	43	41	16	17	10	4
Gross Prefectural Domestic Product(trillion yen, FY2022)※current prices		20.9	4.4	4.8	9.6	3.6	4.3	7.9	14.6	9.6	9.8	24.7	21.4	120.2	35.2	9.0	4.9	4.7	3.5	3.7	8.9	8.2	18.3	43.1
Share of national total(%)		3.5	0.7	0.8	1.6	0.6	0.7	1.3	2.4	1.6	1.6	4.1	3.6	20.2	5.9	1.5	0.8	0.8	0.6	0.6	1.5	1.4	3.1	7.2
Rank		8	34	30	15	41	35	21	11	16	14	5	7	1	4	17	28	31	42	40	18	20	10	3
Share of Gross Prefectural Domestic Product by economic activities(%)	Primary industry	4.3	4.5	3.1	1.4	2.6	2.7	1.4	1.9	1.4	1.2	0.3	0.9	0.0	0.1	1.6	0.8	0.8	0.9	1.8	1.8	0.8	0.7	0.4
	Secondary industry	16.7	20.0	25.9	21.5	28.3	32.0	34.8	39.5	44.6	42.7	26.0	24.1	11.2	22.9	30.4	37.7	29.3	35.6	38.5	36.9	36.8	43.4	40.8
	Tertiary industry	79.0	75.4	70.9	77.0	69.1	65.3	63.8	58.6	54.0	56.1	73.7	75.1	88.8	77.0	68.0	61.5	69.9	63.5	59.7	61.3	62.4	55.8	58.8
Value of manufactured goods shipments(trillion yen, CY2023)		6.8	1.7	3.1	5.5	1.6	3.4	5.7	15.0	9.9	10.1	15.3	15.3	8.6	18.5	5.5	4.1	3.2	2.6	2.7	7.0	6.7	19.8	58.0
Rank		19	42	31	25	43	29	23	8	13	12	6	7	16	4	26	27	30	35	34	18	20	2	1
Top 3 industries based on the share	1st	Food	Food	Transpor-tation equipment	Transpor-tation equipment	Electronic parts, devices and electronic circuits	Electronic parts, devices and electronic circuits	Chemical and allied products	Chemical and allied products	Transpor-tation equipment	Transpor-tation equipment	Transpor-tation equipment	Petroleum and coal products	Transpor-tation equipment	Transpor-tation equipment	Chemical and allied products	Chemical and allied products	Production machinery	Electronic parts, devices and electronic circuits	Production machinery	Information and communication electronics equipment	Transpor-tation equipment	Transpor-tation equipment	Transpor-tation equipment
	2nd	Petroleum and coal products	Non-ferrous metals and products	Electronic parts, devices and electronic circuits	Food	Production machinery	Chemical and allied products	Transpor-tation equipment	Production machinery	Beverages, tobacco and feed	Food	Food	Chemical and allied products	Food	Petroleum and coal products	Food	Non-ferrous metals and products	Electronic parts, devices and electronic circuits	Electrical machinery, equipment and supplies	Food	Electronic parts, devices and electronic circuits	Production machinery	Electrical machinery, equipment and supplies	Electrical machinery, equipment and supplies
	3rd	Iron and steel	Electronic parts, devices and electronic circuits	Food	Electronic parts, devices and electronic circuits	Food	Food	Electronic parts, devices and electronic circuits	Food	Electrical machinery, equipment and supplies	Chemical and allied products	Chemical and allied products	Iron and steel	Printing and allied industries	Chemical and allied products	Fabricated metal products	Fabricated metal products	Chemical and allied products	Chemical and allied products	Electronic parts, devices and electronic circuits	Production machinery	Fabricated metal products	Chemical and allied products	Iron and steel
Total number of overnight guests (ten thousand, CY2024)		4463	451	588	1027	315	488	954	727	1168	975	558	2829	11035	2610	1052	376	1149	403	948	2011	836	2300	2132
Rank		3	35	28	17	42	33	19	27	14	18	30	6	1	7	16	39	15	37	20	11	23	9	10
International visitors(CY2024, ten thousand)		1031	41	39	78	12	26	33	28	48	43	23	441	5680	442	53	25	220	9	255	234	193	189	391

(4) Comparison of eonomic indicators by prefectu

		Mie	Shiga	Kyoto	Osaka	Hyogo	Nara	Wakayama	Tottori	Shimane	Okayama	Hiroshima	Yamaguchi	Tokushima	Kagawa	Ehime	Kochi	Fukuoka	Saga	Nagasaki	Kumamoto	Oita	Miyazaki	Kagoshima	Okinawa
Population(ten thousand, CY2024) (total 123.80 million)		171.1	140.2	252.0	875.7	533.7	128.5	88.0	53.1	64.2	183.1	271.4	128.1	68.5	91.7	127.6	65.6	509.2	78.8	125.2	169.7	108.5	103.3	153.2	146.6
Share of national total(%)		1.4	1.1	2.0	7.1	4.3	1.0	0.7	0.4	0.5	1.5	2.2	1.0	0.6	0.7	1.0	0.5	4.1	0.6	1.0	1.4	0.9	0.8	1.2	1.2
Rank		22	26	13	3	7	27	40	47	46	20	12	28	44	38	29	45	8	42	30	23	34	35	24	25
Population aged 65 years old and over(%) (average 29.3)		30.9	27.2	29.8	27.6	30.2	33.0	34.5	33.7	35.2	31.2	30.4	35.5	35.9	32.8	34.6	36.6	28.6	32.0	34.6	32.5	34.4	34.1	34.2	24.3
Population aged 75 years old and over(%) (average 16.8)		17.8	15.3	18.0	16.6	17.6	19.5	20.1	19.0	20.4	18.4	17.8	20.9	20.3	19.1	19.8	21.6	15.9	17.4	18.9	18.0	19.5	18.8	18.4	11.8
Employed persons(ten thousand, CY2025) (total 68.28 million)		92.0	77.1	136.1	481.6	280.3	65.9	45.4	28.8	34.0	98.6	145.8	67.1	35.2	48.0	65.8	34.4	269.3	42.7	64.4	90.8	57.1	53.3	79.2	76.8
Share of national total(%)		1.3	1.1	2.0	7.0	4.1	1.0	0.7	0.4	0.5	1.4	2.1	1.0	0.5	0.7	1.0	0.5	3.9	0.6	0.9	1.3	0.8	0.8	1.2	1.1
Rank		22	25	13	3	7	28	40	47	46	20	12	27	44	38	29	45	8	42	30	23	34	37	24	26
Gross Prefectural Domestic Product(trillion yen, FY2022)※current prices		8.5	7.0	11.1	43.1	23.5	3.9	4.0	1.9	2.8	7.3	12.5	6.3	3.3	4.0	5.1	2.4	20.2	3.1	4.7	6.6	4.9	3.8	6.0	4.5
Share of national total(%)		1.4	1.2	1.9	7.2	3.9	0.7	0.7	0.3	0.5	1.2	2.1	1.1	0.5	0.7	0.9	0.4	3.4	0.5	0.8	1.1	0.8	0.6	1.0	0.7
Rank		19	23	13	2	6	38	36	47	45	22	12	25	43	37	27	46	9	44	32	24	29	39	26	33
Share of Gross Prefectural Domestic Product by economic activities(%)	Primary industry	0.9	0.5	0.3	0.0	0.4	0.5	1.7	2.5	1.6	1.1	0.6	0.7	1.7	1.3	1.9	3.6	0.6	2.6	2.6	2.9	1.8	4.9	4.8	1.0
	Secondary industry	44.3	47.1	33.5	22.5	33.0	22.9	36.6	21.6	27.4	30.6	32.3	42.1	35.1	26.6	30.3	18.1	19.6	30.2	24.6	29.7	35.3	25.0	23.5	13.1
	Tertiary industry	54.8	52.4	66.2	77.5	66.6	76.6	61.6	76.0	70.9	68.4	67.0	57.2	63.2	72.2	67.8	78.4	79.8	67.3	72.8	67.5	62.9	70.1	71.6	85.9
Value of manufactured goods shipments(trillion yen, CY2023)		12.3	9.2	6.5	19.3	18.5	2.0	2.9	0.9	1.4	9.6	11.5	7.8	2.3	3.1	5.6	0.7	11.6	2.3	1.9	3.5	5.7	1.8	2.4	0.5
Rank		9	15	21	3	5	39	33	45	44	14	11	17	37	32	24	46	10	38	40	28	22	41	36	47
Top 3 industries based on the share	1st	Transpor-tation equipment	Chemical and allied products	Beverages, tobacco and feed	Production machinery	Iron and steel	Food	Iron and steel	Electronic parts, devices and electronic circuits	Electronic parts, devices and electronic circuits	Petroleum and coal products	Transpor-tation equipment	Chemical and allied products	Chemical and allied products	Non-ferrous metals and products	Non-ferrous metals and products	Ceramic, stone and clay products	Transpor-tation equipment	Food	Transpor-tation equipment	Production machinery	Non-ferrous metals and products	Food	Food	Food
	2nd	Electronic parts, devices and electronic circuits	Electrical machinery, equipment and supplies	Production machinery	Chemical and allied products	Chemical and allied products	Transpor-tation equipment	Petroleum and coal products	Food	Iron and steel	Iron and steel	Iron and steel	Transpor-tation equipment	Electrical machinery, equipment and supplies	Food	Petroleum and coal products	Food	Iron and steel	Electronic parts, devices and electronic circuits	Electronic parts, devices and electronic circuits	Food	Iron and steel	Beverages, tobacco and feed	Beverages, tobacco and feed	Beverages, tobacco and feed
	3rd	Chemical and allied products	Transpor-tation equipment	Food	Iron and steel	Transpor-tation equipment	Plastic products	Chemical and allied products	Electrical machinery, equipment and supplies	Information and communication electronics equipment	Chemical and allied products	Production machinery	Petroleum and coal products	Electronic parts, devices and electronic circuits	Transpor-tation equipment	Pulp, paper and paper products	Production machinery	Food	Transpor-tation equipment	Food	Transpor-tation equipment	Petroleum and coal products	Electronic parts, devices and electronic circuits	Electronic parts, devices and electronic circuits	Ceramic, stone and clay products
Total number of overnight guests (ten thousand, CY2024)		837	490	3421	5743	1651	283	501	260	344	578	1207	379	254	475	437	292	2395	234	764	808	833	361	838	3128
Rank		22	32	4	2	12	44	31	45	41	29	13	38	46	34	36	43	8	47	26	25	24	40	21	5
International visitors(CY2024, ten thousand)		24	34	1694	2539	151	40	79	12	8	51	196	13	17	91	45	13	739	23	64	147	157	21	62	694

Soueces: Ministry of Internal Affairs and Communications; Cabinet Office; Japan Tourism Agency.

Note1: The total number of employed persons by prefecture (model estimate) is used as the national value to calculate the national share of employed persons.