

Recent Economic Developments

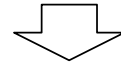
- Monthly Economic Report, June 11 2025 -

**Cabinet Office
Government of Japan**

<Assessment of the current state of the Japanese economy>

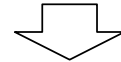
April

The Japanese economy is recovering at a moderate pace, while the uncertainty arising from the U.S. trade policies and so on exists.



May

The Japanese economy is recovering at a moderate pace, while the uncertainty arising from the U.S. trade policies and so on exists.



June

The Japanese economy is recovering at a moderate pace, while the uncertainty arising from the U.S. trade policies and so on exists.

(Unchanged since April)

<Assessment of the current state of the Japanese economy>

	April	May	June
Private consumption	Private consumption shows movements of picking up with the movement of improvement in the employment and income situation continuing, although consumer sentiment is in a weak tone.	Unchanged	Unchanged
Business investment	Business investment shows movements of picking up.	Unchanged	Unchanged
Exports	Exports have been showing movements of picking up recently.	Unchanged	Unchanged
Industrial production	Industrial production is flat.	Unchanged	Unchanged
Corporate profits	Corporate profits are improving.	Unchanged	Corporate profits are improving, although attention should be given to the effects of trade issues.(→)
Firms' judgments on business conditions	Firms' judgments on current business conditions have been almost flat recently.	Unchanged	Unchanged
Employment situation	The employment situation shows movements of improvement.	Unchanged	Unchanged
Prices	Consumer prices have been rising.	Unchanged	Unchanged

Note: ↑ denotes upward revision and ↓ denotes downward revision.

Export

Figure 1. Export by region

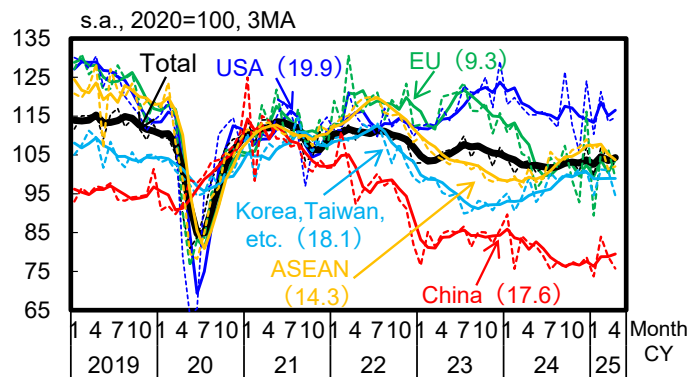
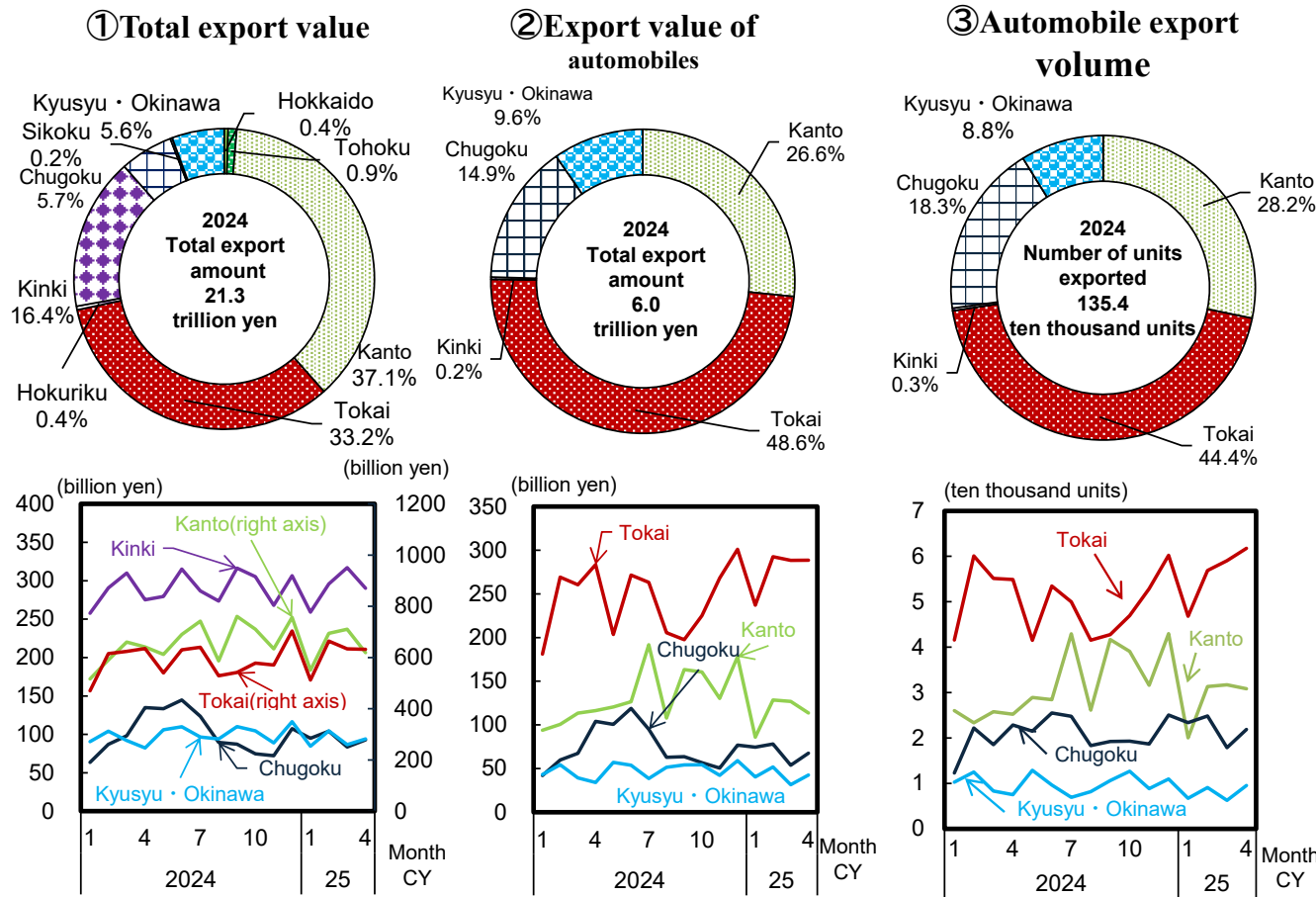


Figure 2. Trends in Exports to the U.S. by Japanese region



Source :Ministry of Finance; Japan Machine Tool Builder's Association

Corporate sector

Figure 1. Manufacturing Production

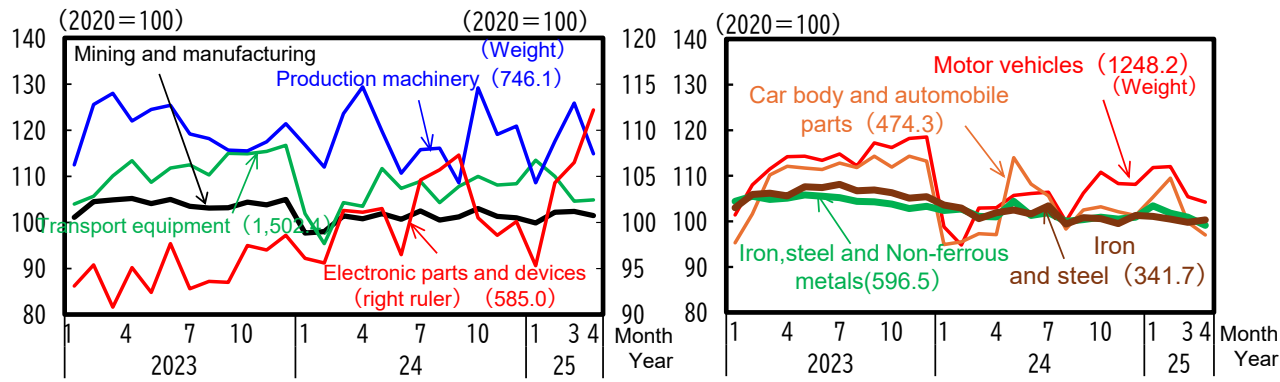


Figure 2. Operating profits

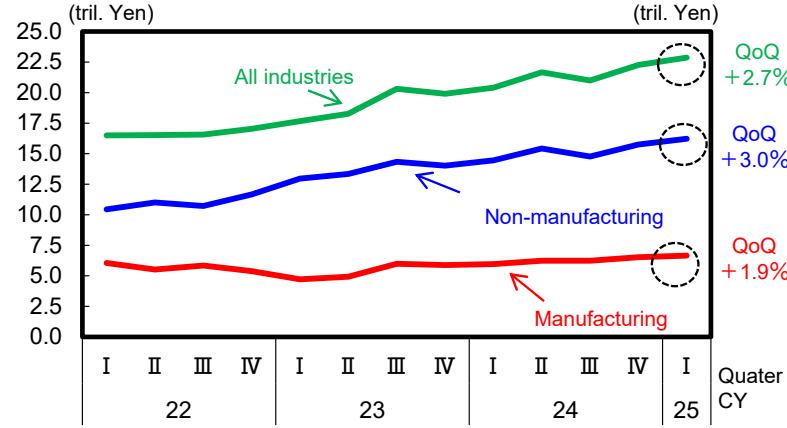


Figure 3. Capital Investments

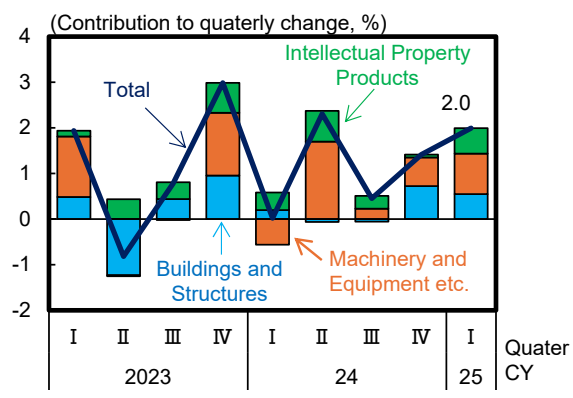
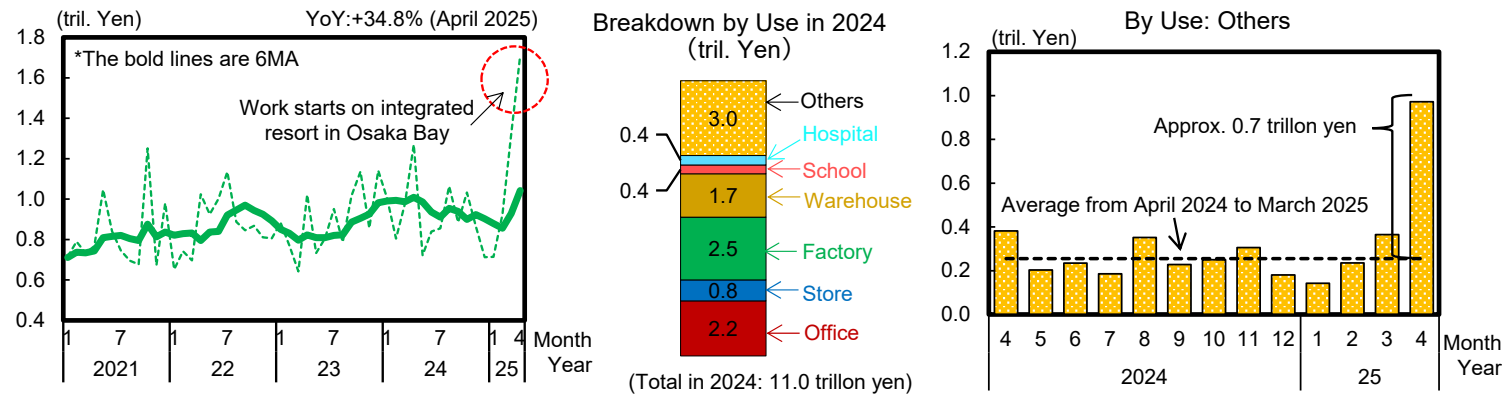


Figure 4. Construction starts



Source: Cabinet Office; Ministry of Finance; Ministry of Economy, Trade and Industry; Ministry of Land, Infrastructure, Transport and Tourism

Employment

Figure 1. Unemployment rate Figure 2. Long term Employment rate

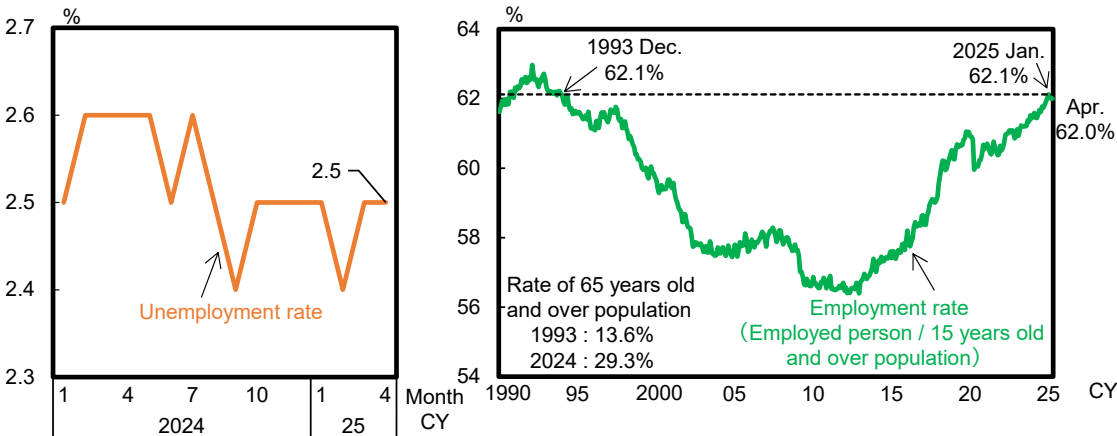


Figure 3. Share of employees by industry

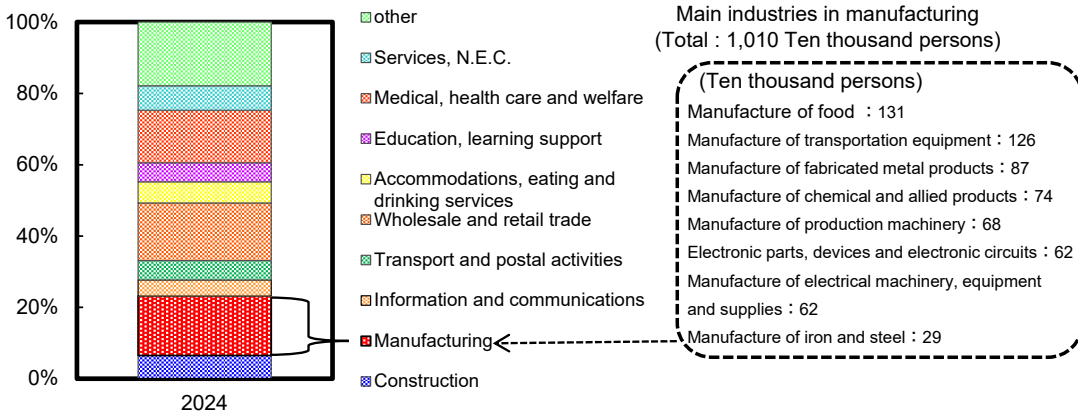


Figure 4. Trends in Manufacturing Job openings

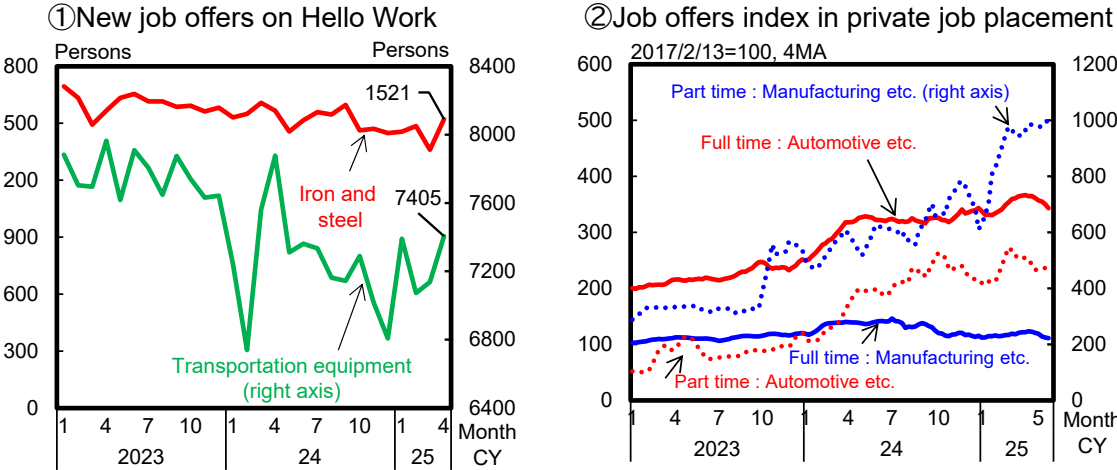
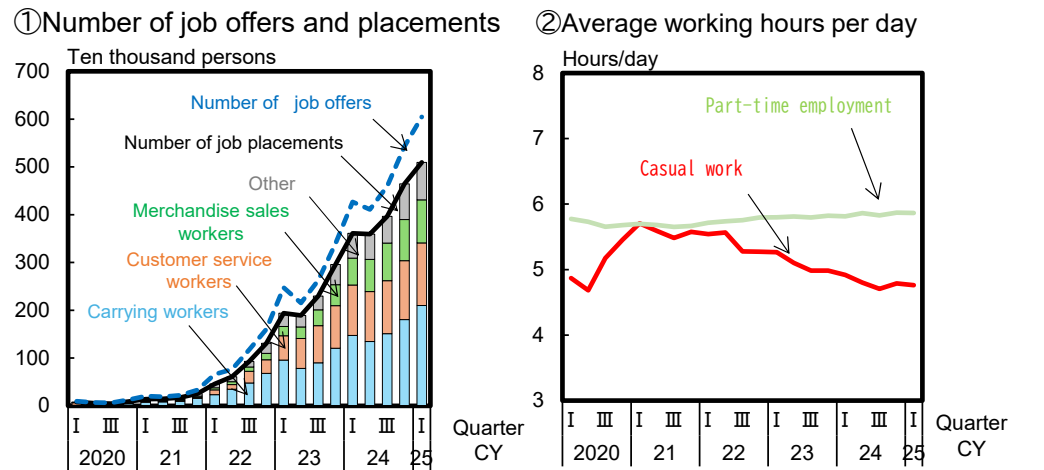


Figure 5. Spot-work app usage



Source : Ministry of Internal Affairs and Communications; Ministry of Health, Labour and Welfare; Nowcast Inc.; Timee, Inc.
Note : (figure below right) Quarters I to IV correspond to the periods of November of the previous year to January, February to April, May to July, and August to October, respectively.

Prices(1)

Figure 1. Consumer Price Index

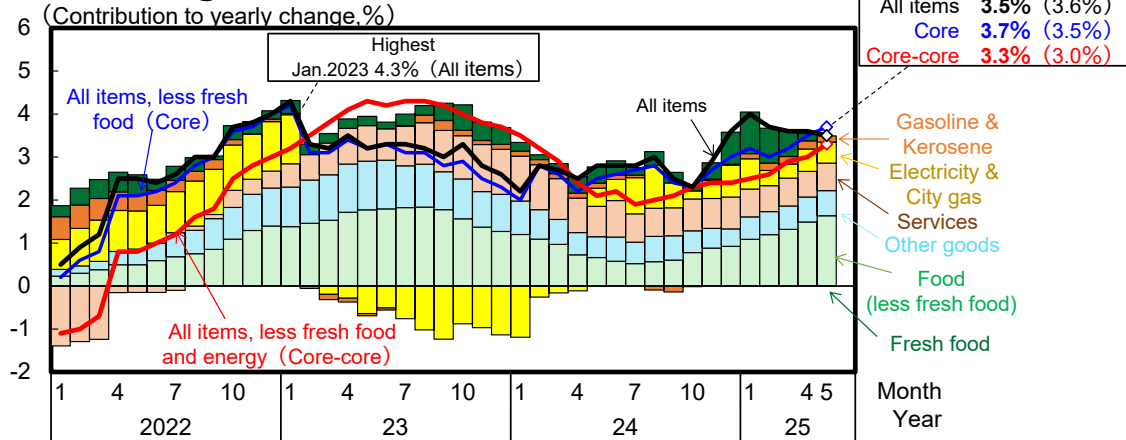


Figure 2. Import Price Index and Exchange Rate

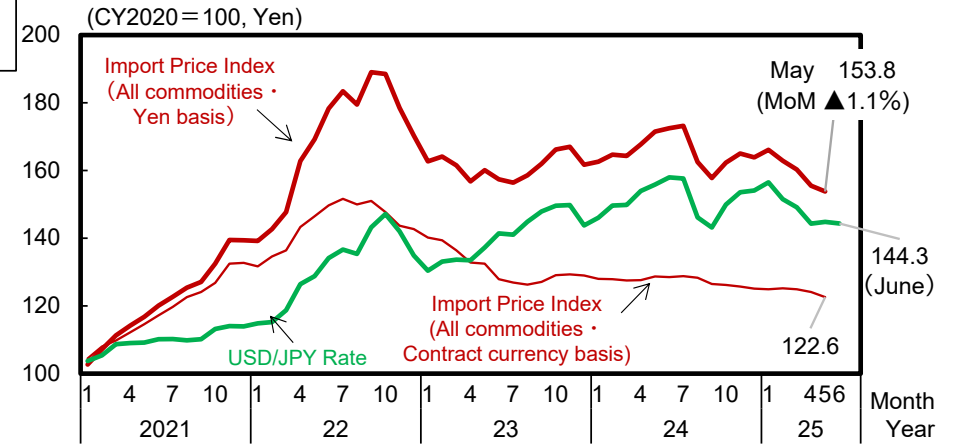


Figure 3. Producer Price Index

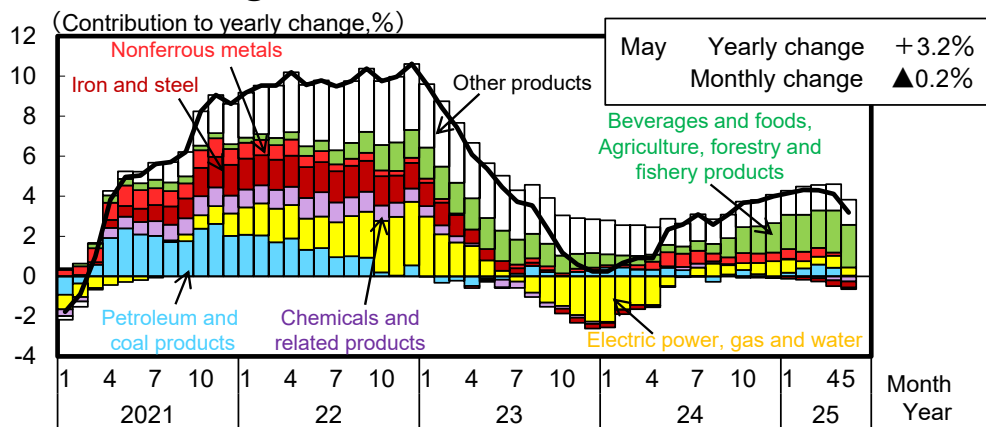
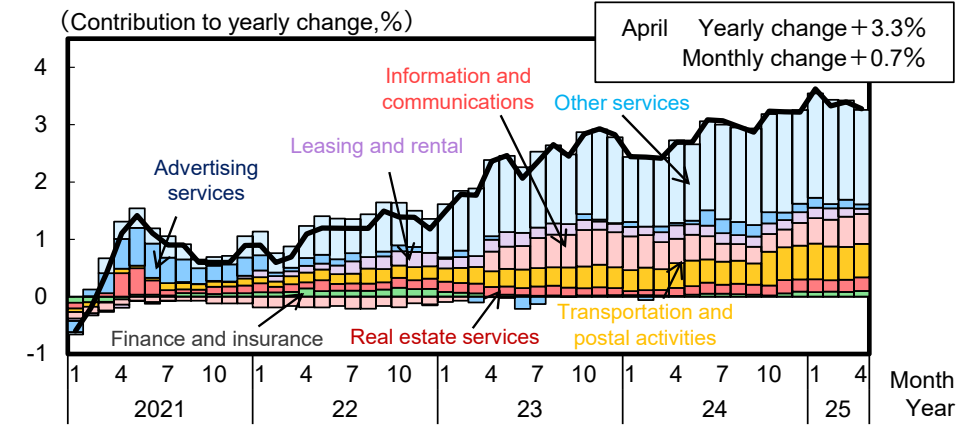


Figure 4. Prices for B2B services Index



Source: Ministry of Internal Affairs and Communications; Bank of Japan; Bloomberg

Note : (figure above right) USD/JPY rate for June 2025 are averaged through June 19.

(figure below left) PPI excludes extra charge for summer electricity. (figure below right) SPPI excludes international transportation. Month-over-month figures are seasonally adjusted by the Cabinet Office.

Prices(2)

Figure 1. Consumer Price Index(Food)

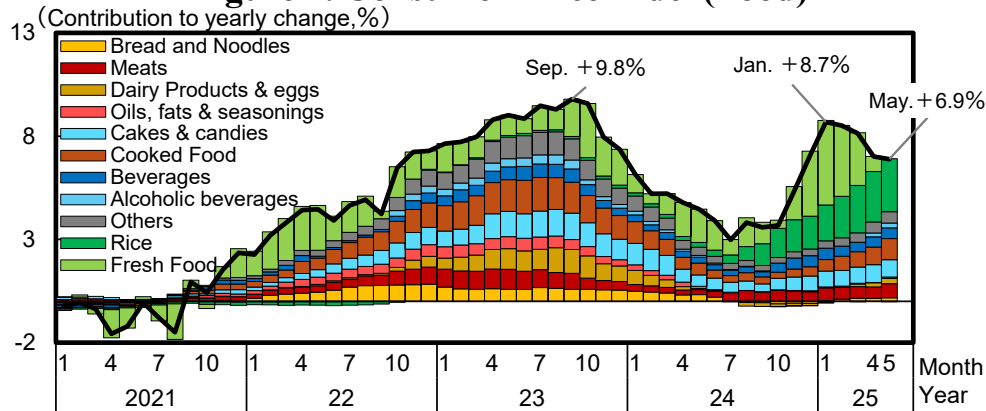


Figure 2. Supermarket Rice Price

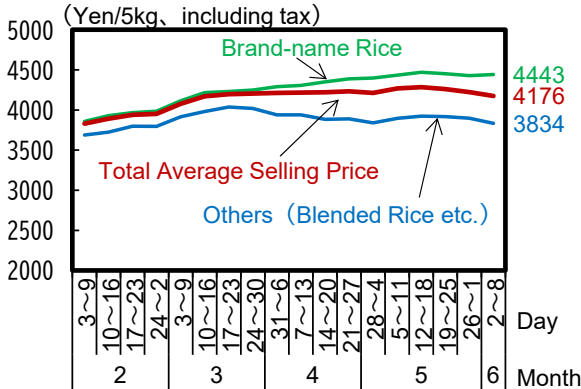


Figure 3. Fresh Vegetables

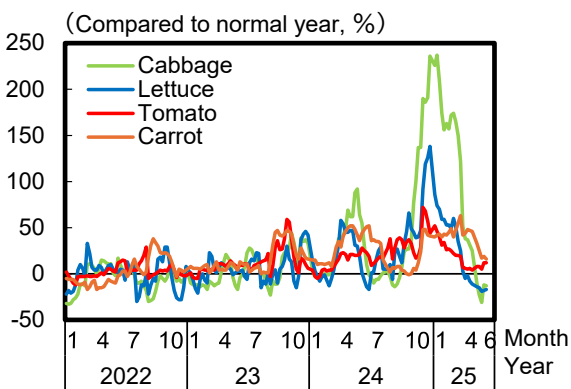


Figure 4. Import Price Index (Meats, Yen basis)

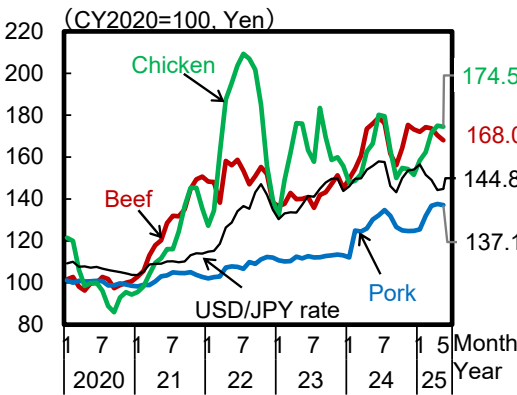


Figure 5. Consumer Price Index (Meats)

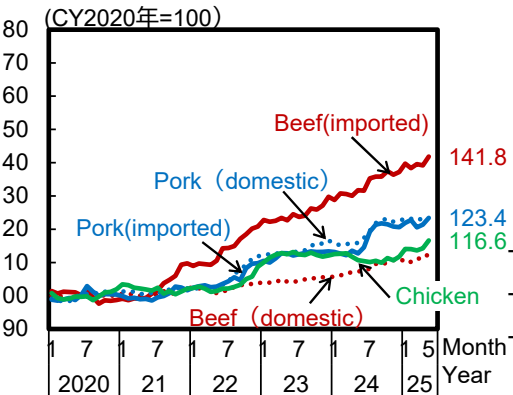
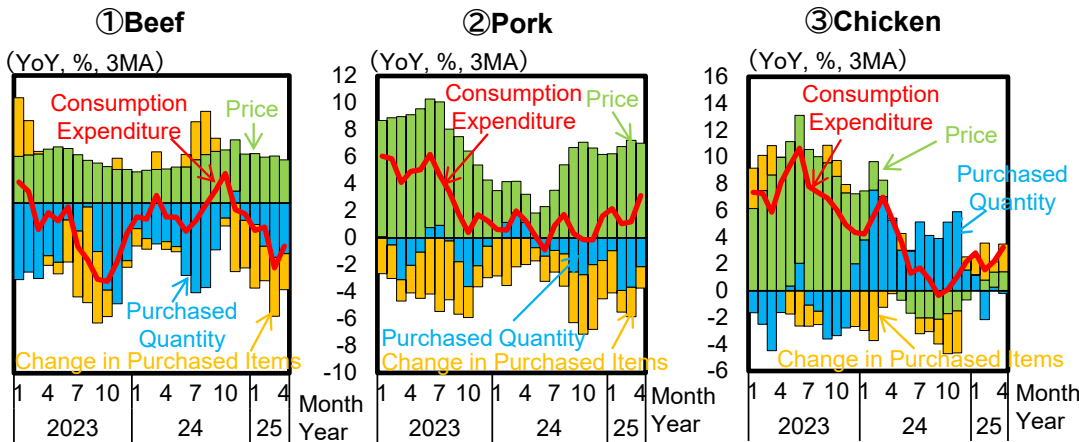


Figure 6. Unit Price and Quantity of Meat Purchased



Sources: Ministry of Internal Affairs and Communications; Ministry of Agriculture, Forestry and Fisheries; KSP-SP Inc.; Bank of Japan;
Note; (figure 6) We decompose as $\Delta \text{Consumption expenditure} = \Delta \text{Purchased Quantity} + \Delta \text{Purchase Unit Price} = \Delta \text{Purchased Quantity} + (\Delta \text{Price} + \Delta \text{Change in Purchased items})$. $\Delta \text{Change in purchased items}$ is the residual of the rate of change in unit purchase prices minus the rate of change in the price index.

Private Consumption

Figure 1. Private consumption

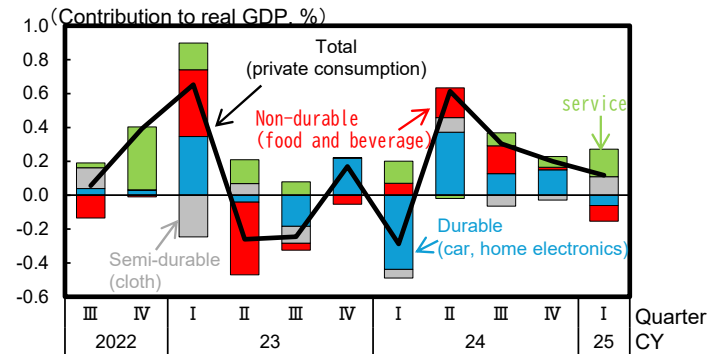
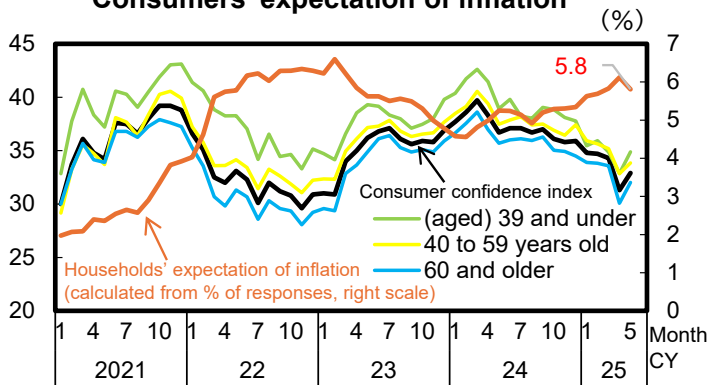


Figure 2. Consumer confidence index

① Consumer confidence index and Consumers' expectation of inflation



② Weekly business confidence

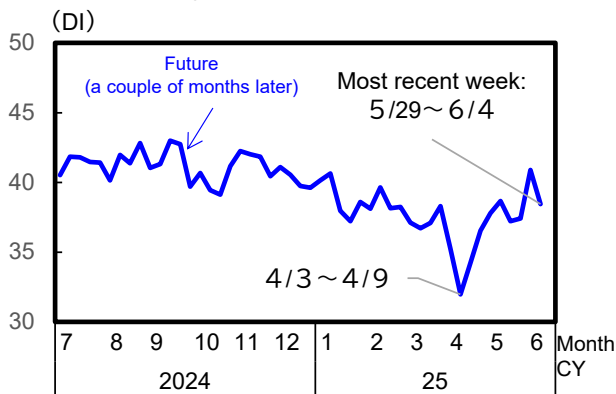
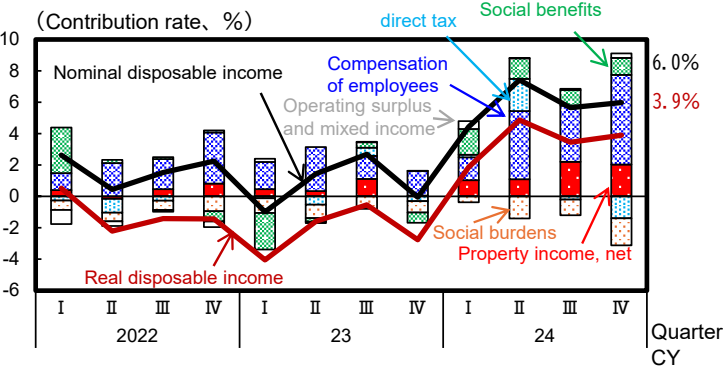


Figure 3. Household Disposable Income



Source : Cabinet Office; MACROMILL, INC; Bank of Japan.

Interest Rates on Time Deposits

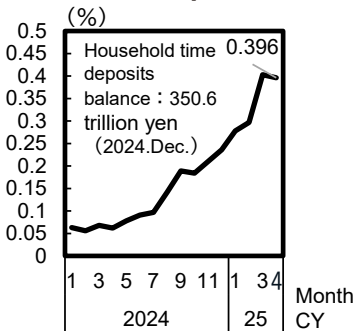
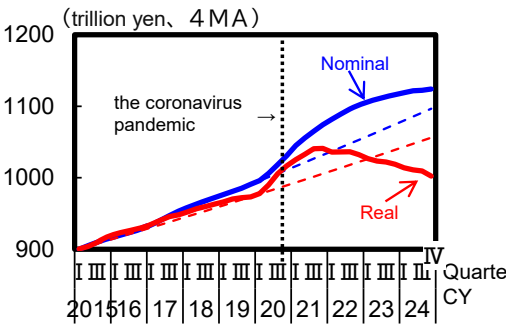


Figure 4. Household financial assets

① Household cash and deposits balance



② Net financial assets balance

