

Economy Watchers Survey
November 2020

OVERVIEW OF THE MONTH

The DI for current economic conditions in November (seasonally adjusted) went down by 8.9 points from the previous month to 45.6.

The household activity-related DI went down mainly because the food and beverage-related DI decreased. The corporate activity-related DI went down mainly because the DI for the manufacturing sector decreased. The employment-related DI decreased.

The DI for future economic conditions in November (seasonally adjusted) went down by 12.6 points from the previous month to 36.5.

The household activity-, corporate activity-, and employment-related DIs all fell.

On a not seasonally adjusted basis, the DI for current economic conditions fell by 7.5 points from the previous month to 46.1 and the DI for future economic conditions fell by 12.3 points from the previous month to 36.1.

The assessment of Economy Watchers indicated in this survey can be summarized as follows: The economic rebound is somewhat weak as difficulties remain under the impact of the Novel Coronavirus infection. As for the future, concerns are growing about the infection trend.

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Cabinet Office

Nagata-cho 1-6-1, Chiyoda-ku, Tokyo 100-8914

Telephone: 03-6257-1576

Internet: <https://www.cao.go.jp>

SUMMARY OF CHARACTERISTIC REASONS**FOR THE ASSESSMENT OF THE ECONOMY**

National

(Assessments) **A**, Better; **B**, Slightly better; **C**, Unchanged; **D**, Slightly worse; **E**, Worse**1. Current conditions**

<i>Household activity</i>	
B	<ul style="list-style-type: none"> Abundant visitors, including tourists, are seen on weekends. During November's three-day weekend, taxis were busy coping with this year's most abundant visitors, including tourists. Taxi users on weekdays are recovering gradually. (Hokuriku: Taxi driver)
C	<ul style="list-style-type: none"> In the first half of November, which included a national holiday, sales were recovering. In the second half, sales growth was limited despite a three-day weekend and higher temperatures. Business conditions remain difficult. (Southern Kanto: Convenience store)
D	<ul style="list-style-type: none"> Visitors have sharply decreased since Novel Coronavirus infections began to increase on November 10. Although demand is seen for seasonally necessary items, such as cold-proof outer wear, the daily number of their buyers has been declining. (Tohoku: Clothing shop) Visitors are scarce due to the third wave of Novel Coronavirus infections. Year-end parties have already been canceled. (Koshinetsu: High-class restaurant)
<i>Corporate activity</i>	
B	<ul style="list-style-type: none"> Automobile parts sales posted a sharp increase after stagnation, recovering to the year-before level in November. (Kinki: Fabricated metal products)
D	<ul style="list-style-type: none"> While construction is peaking for projects to be completed at the ends of calendar and fiscal years, construction volume has been decreasing due to scarce construction starts. (Hokkaido: Construction)
<i>Employment</i>	
C	<ul style="list-style-type: none"> Classified ad orders remain less than the year-before level. New job offers are stagnant in industries other than nursing care and janitorial sectors where labor shortages have become chronic. (Hokuriku: Newspaper publishing company [Job placement ads])

2. Future conditions

<i>Household activity</i>	
B	<ul style="list-style-type: none"> While the third wave of Novel Coronavirus infections is a matter of concern, new car sales are likely to improve thanks to a new model effect. (Koshinetsu: Auto dealer)
D	<ul style="list-style-type: none"> As Novel Coronavirus infections have been increasing at an unprecedented pace in this region, elderly visitors, who are our important customers, are likely to decline further. (Kinki: Department store)
E	<ul style="list-style-type: none"> Due to increasing Novel Coronavirus infections, reservations have been cancelled one after another, inflicting considerable damage on us in the season where we are usually busy receiving reservations for year-end and new-year parties. We are uncertain and insecure. (Shikoku: General restaurant) Due to the third wave of Novel Coronavirus infections, hotel reservations have increasingly been cancelled. As for wining and dining services, we see few reservations for year-end and new-year parties. (Okinawa: Tourist hotel)
<i>Corporate activity</i>	
B	<ul style="list-style-type: none"> As people stay at home due to Novel Coronavirus infections, demand for transportation of daily necessities and food is likely to increase. (Chugoku: Transporter)
D	<ul style="list-style-type: none"> In the season when our shipments usually peak, the impact of growing Novel Coronavirus

	infections is likely to restrict human traffic across prefectural borders and substantially reduce orders from food service providers. (Koshinetsu: Food manufacturer)
<i>Employment</i>	
D	<ul style="list-style-type: none">· Due to the sharp increase in Novel Coronavirus infections, entertainment business job offers are decreasing after their gradual recovery and companies are expected to reconsider their employment sizes. (Kinki: Private-sector job placement service)