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# Japan Economic Monthly

## ~ Positive Factors Raise Expectations for Near-Term Recovery Although Indicators Show Stalling Economy ~

Economic Research Office  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.

### 1 . The Real Economy

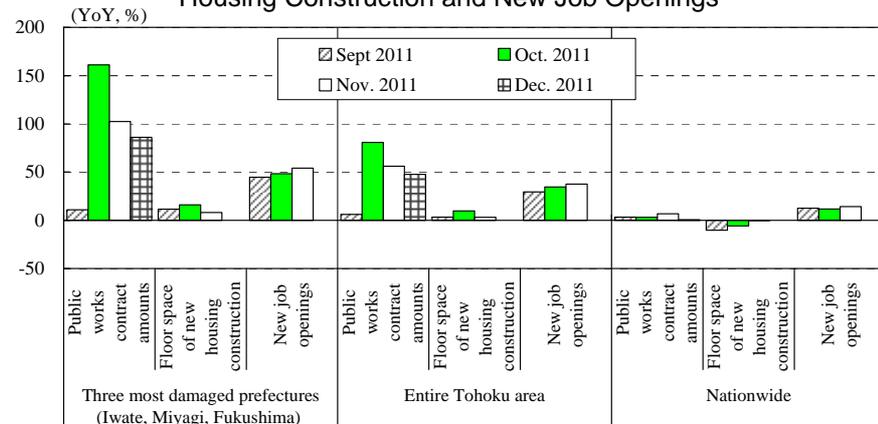
#### (1) Overview of the Economy

Despite recent  
seesawing, near-  
term recovery can  
be expected

Deteriorating overseas economies and the strong JPY have caused Japan's economy to stall. Export volume, mainly to Europe, decreased for two straight months in October and November 2011, and domestic industrial production has been seesawing since last summer.

On the other hand, recovery and reconstruction demand following the March 11 earthquake is clearly appearing. In fact, in the three most damaged prefectures by the earthquake—Iwate, Miyagi and Fukushima—public works contract amounts, floor space of new housing construction and new job openings have clearly increased the last several months (Figure 1). These are leading indicators, so final demand will likely be realized in the near future. The same trends are evident across the entire Tohoku area. Though, at this time, the forces are not powerful enough to boost nationwide indicators, the December Economy Watchers Survey suggests that expectations for recovery and reconstruction demand have appeared not only in Tohoku area but also in other widespread areas. Further economic recovery is expected from the Jan-Mar quarter, when the huge FY11 third supplementary budget passed in November is more fully implemented.

Figure 1: Public Works Construction Amounts, Floor Space of New Housing Construction and New Job Openings



Sources: Compiled by BTMU Economic Research Office from Hokkaido Construction Surety, East Japan and West Japan Construction Surety, MLIT, MHLW, and MIC data

## (2) Fiscal

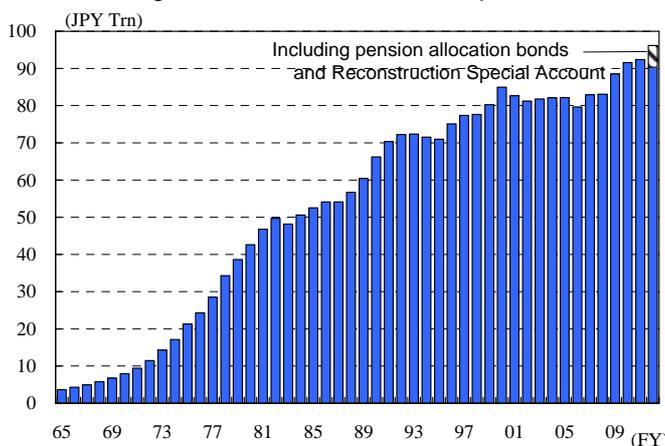
FY12 expenditures continue to increase

In the FY12 budget proposal drafted by the Cabinet on December 24, budget expenditures totaled JPY90.3 trillion, less than the JPY92.4 trillion figure in FY11 (Figure2, Table1). However, JPY2.6 trillion of pension expenditures will be covered by government compensation bonds, which are not included in the budget, and JPY3.8 trillion of reconstruction-related expenditures will be separated as a part of a special budget. Altogether, FY12 general budget expenditures are a record high, JPY96.2 trillion (not including overlaps). While public expenditures for recovery and reconstruction are expected to boost the economy, the further worsening in the budget situation cannot be overlooked.

Table 1: FY12 Budget Main Points

- JPY42.3 tm of tax revenue anticipated (+JPY1.4 tm YoY). Corporate tax revenue projected to increase JPY1.0 tm.
- Other revenue (other than tax revenue, government bond funds) to decrease by JPY3.4 tm to JPY3.8 tm because 'buried treasure' at Kasumigaseki will not be tapped.
- JPY2.6 tm of national coffers basic pension to be covered by pension allocation bonds not in budget. These bonds to be redeemed using resources generated by tax system reform.
- A special framework to prioritize rebuilding Japan will be established. JPY1.1 tm will be injected into four fields, *New frontiers and new growth strategies*; *Training education (incl sports) and employment personnel*; *Regional revitalization (incl a new Okinawa revitalization policy)*; and *Creating a safe and secure society*.
- JPY3.8 tm in expenditures for Eastern Japan Rebuilding Special Account (tentative name). JPY1.8 tm total spending related to rebuilding in FY11 first-third supplementary budgets, nearly the amount outlined (JPY19 tm between FY11-FY15) in the rebuilding basic plan.
- New JGB issuance totaling JPY44.2 tm, largely in keeping with plan to cap issuance based on medium-term fiscal framework (not to exceed JPY44.3 tm of issuances in FY11 initial budget). However, some JGBs are not included in general account, like JPY2.6 tm in pension allocation bonds and JPY2.7 tm in reconstruction bonds.
- End-FY3/12 government bonds outstanding projected at JPY709 tm (straight JGBs, not including FILP bonds or government short-term securities)

Figure 2: General Account Expenditures



Note: Initial budget figures.

Source: Compiled by BTMU Economic Research Office from MoF materials.

Source: Compiled by BTMU Economic Research Office from MoF materials.

Draft proposal for comprehensive social security and tax system reforms approved

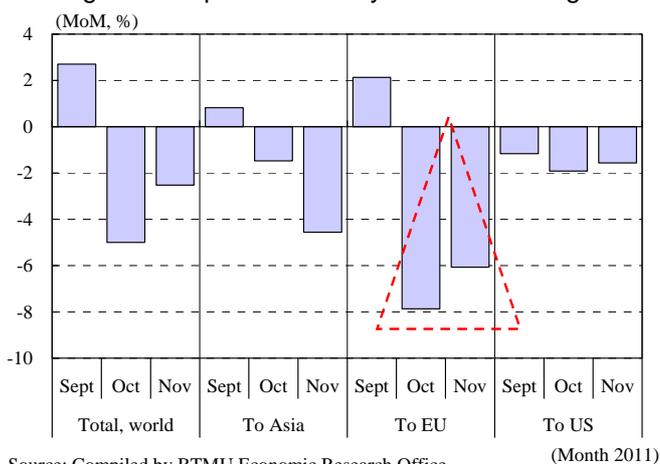
On January 6, the government agreed upon a draft proposal for the comprehensive reform of the social security and tax systems. This proposal is more concrete than the reform final draft in June 2011 and includes a timeline for the consumption tax hikes (to 8% in April 2014 and 10% in October 2015).

### (3) Corporate Sector Production, Exports

Exports plunge, especially to EU, while production seesaws

Export volume fell by a considerable margin for two straight months in October and November. By destination, decline of shipments to the EU was particularly sharp though export volume to all main export areas (Asia, EU, US) dropped (Figure 3). By item, drops in electric machinery, chemicals and general machinery shipments were significant (Table 2). Furthermore, transport equipment (including motor vehicles) exports increased from the previous year, but the pace slowed down rapidly. Recent production has also been seesawing due to the drop in exports.

Figure 3: Export Volume by Destination Region



Source: Compiled by BTMU Economic Research Office from Cabinet Office materials.

Table 2: Japanese Export Value to EU by Major Goods (YoY, %)

	2011					
	Jun	Jul	Aug	Sept	Oct	Nov
Total (100.0)	8.0	6.0	6.0	7.1	-2.9	-4.6
Chemicals (8.5)	3.4	4.3	-3.3	1.3	-6.2	-11.8
Manufactured goods (7.6)	8.6	1.8	6.8	15.8	0.6	-2.0
Machinery (26.0)	24.4	15.0	9.3	11.3	-4.4	-5.8
Electrical machinery (19.4)	5.3	12.7	2.6	-1.5	-15.8	-14.9
Transport equipment (21.6)	2.7	-9.0	3.6	20.4	21.1	5.9

Notes: 1. Shaded boxes indicate items that declined on-year.

2. Numbers in parentheses below items are share of total goods (Jan - Nov 2011).

Source: Compiled by BTMU Economic Research Office from MoF data.

### Capital Expenditures

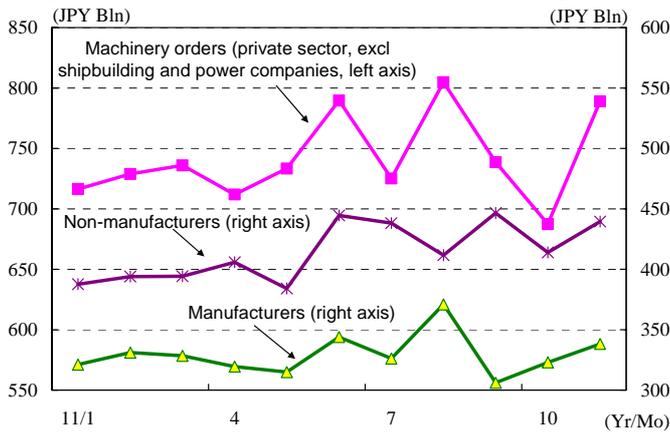
Machinery orders rise for first time in three months, reconstruction demand gradually picking up

Machinery orders (private demand, excluding shipbuilding and power generating companies), a leading indicator of capital expenditures, jumped +14.8% MoM in November (Figure 4). Capital expenditures appear to be gradually recovering despite concerns about a slowdown as consecutive drops in September and October. While corporate profits remain severe, new non-residential floor space and projected construction costs have climbed up recently in Iwate, Miyagi and Fukushima prefectures, the regions hardest hit by the March 11 earthquake. Reconstruction demand in the disaster area thus

seems to be firmly supporting recent capital expenditures (Figure 5). Looking forward, capital expenditures are expected to gain momentum with accelerating reconstruction demand. However, basic corporate investment demand could be cut down due to the strong JPY and slowing overseas economies, so the direction of capital spending will bear close watching.

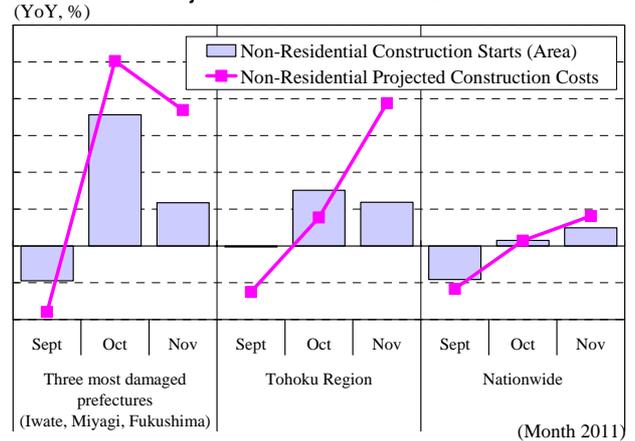
Figure 4: Machinery Orders

(private sector, excl shipbuilding and power companies)



Source: Compiled by BTMU Economic Research Office from Cabinet Office data.

Figure 5: Non-Residential Construction Starts (Area) and Projected Construction Costs



Source: Compiled by BTMU Economic Research Office from MLIT data.

## (4) Household Sector

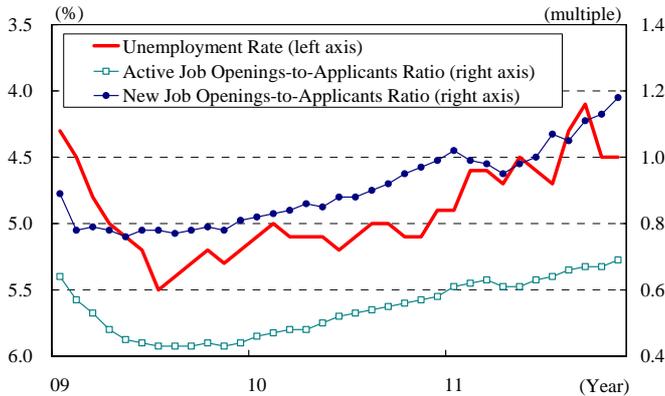
### Employment, Private Consumption

Employment conditions improving while seesawing private consumption raises expectations

Employment indices are improving overall. For example, the October and November unemployment rates were lower than January and February before the March 11 earthquake, although the October rose +0.4% points MoM and November remained unchanged (Figure 6). Further, the New Job Openings to Applicants ratio rose for three months running and the Active Job Openings to Applicants ratio for five straight months.

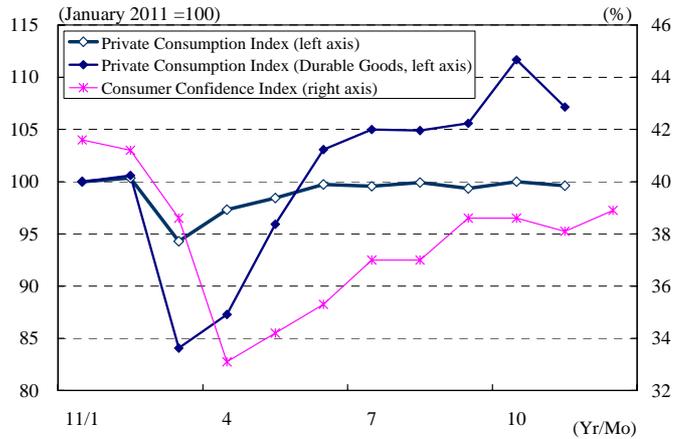
Amidst these conditions, consumption appears to have been seesawing. In fact, the consumption composite index alternately rose and fell between June and November though only slightly (Figure 7). In November, the index stood at -0.4% MoM because of a decrease in expenditures for durable goods such as automobiles and home electronics (-0.4% MoM). Further, the Consumer Sentiment Index rose again in December, reversing the decline in November. We believe that private consumption, including reconstruction-related spending, can be expected to improve.

Figure 6: Unemployment Rate and Job Openings-to-Applicants Ratio



Note: *Unemployment Rate* from March to August excludes Iwate, Miyagi, Fukushima Prefectures.  
Source: Compiled by BTMU Economic Research Office from MHLW and MIC Survey

Figure 7: Private Consumption Index and Consumer Confidence index



Source: Compiled by BTMU Economic Research Office based on CAO data.

## Residential Investment

Housing starts recovering, especially subdivided nationwide and owner-occupied homes in the quake damaged regions

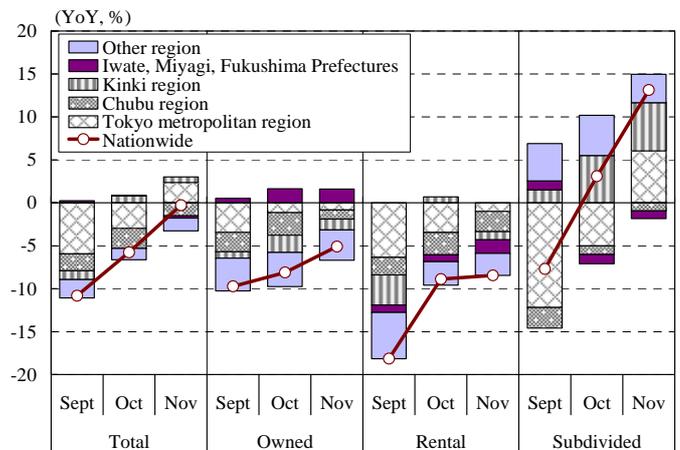
Housing starts increased +9.1% MoM, an annualized rate of 845,000 homes, in November, the second straight month of growth (Figure 8). Although November housing starts fell -0.3% YoY, the margin of decline has been steadily shrinking, following drops of -10.8% YoY in September and -5.8% YoY in October. By type of occupancy, the increase in subdivided home starts has been striking, turning positive in October ahead of other dwelling types (Figure 9). On the other hand, owner-occupied home starts (much bigger in scale) are still falling, but in Iwate, Miyagi, Fukushima prefectures, where the March 11 earthquake damage was enormous, construction has been recovering. This suggests that reconstruction activity is likely to gain strength.

Figure 8: New Housing Starts



Source: Compiled by BTMU Economic Research Office from MLIT

Figure 9: New Housing Starts by Type of Occupancy



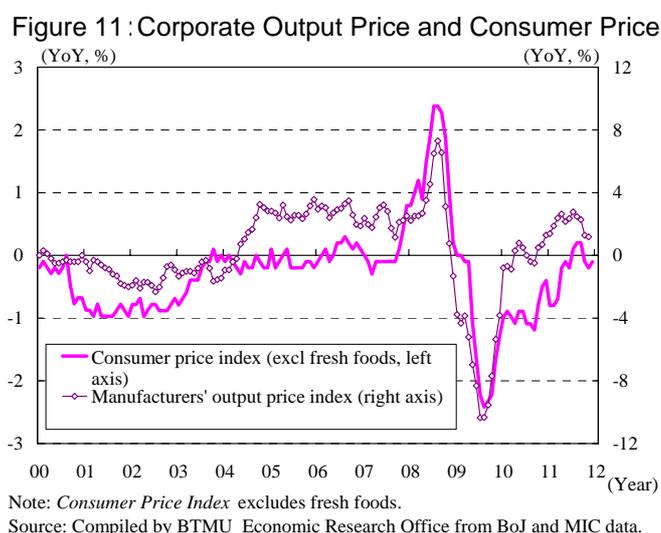
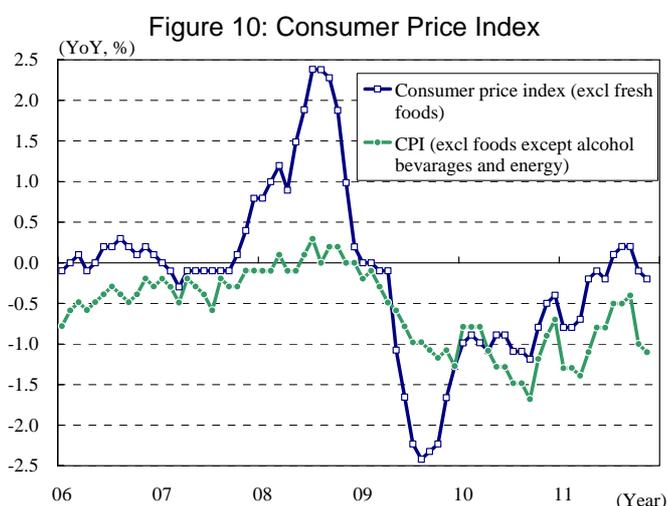
Source: Compiled by BTMU Economic Research Office from MLIT data

## (5) Inflation

Core CPI and core-core CPI both further in negative territory

Both the core consumer price index (excluding fresh foods) and the core-core CPI (excluding foods except alcohol beverages and energy) dropped further into negative territory (Figure 10). Although the July-Sept average core CPI rose above zero, the first positive core CPI in 11 quarters, it immediately fell into negative territory again when the upward impact of hiked cigarette taxes and casualty insurance premiums fell away in October.

The core CPI is likely to remain in negative territory because of a persisting deflationary gap and a slower rise in manufacturers' output prices, which affect consumer prices downstream. Manufacturers' output prices have been rising more slowly since last summer, though they are still in positive territory (Figure 11). Further, following a reactionary drop after high energy prices a year earlier, larger year-on-year falls may even be possible.



## 2 . Financial Markets

### (1) Monetary Policy & Long-term Interest Rates

BoJ downgrades assessments for seven of nine regions

According to the Bank of Japan's January Regional Economic Report (the *Sakura Report*) released January 16, the economic assessments of seven regions, excluding Tohoku and Shikoku, were downgraded because of deteriorating overseas economies. BoJ Governor Shirakawa commented, "The economy will be flat for a while" at the quarterly branch managers' meeting the same day. If economic downside risks grow due to the European sovereign debt problems, additional monetary easing is possible.

Long-term interest rates pushed down further

Increasing cautiousness about the European sovereign debt problems pushed long-term interest rates down further (Figure 12). On January 16, the newly-issued 10Yr JGB yield hit 0.935%, the lowest level since November 2010.

Figure12: Newly-issued ten-year government bond yields



Source: Compiled by BTMU Economic Research Office based on Bloomberg data.

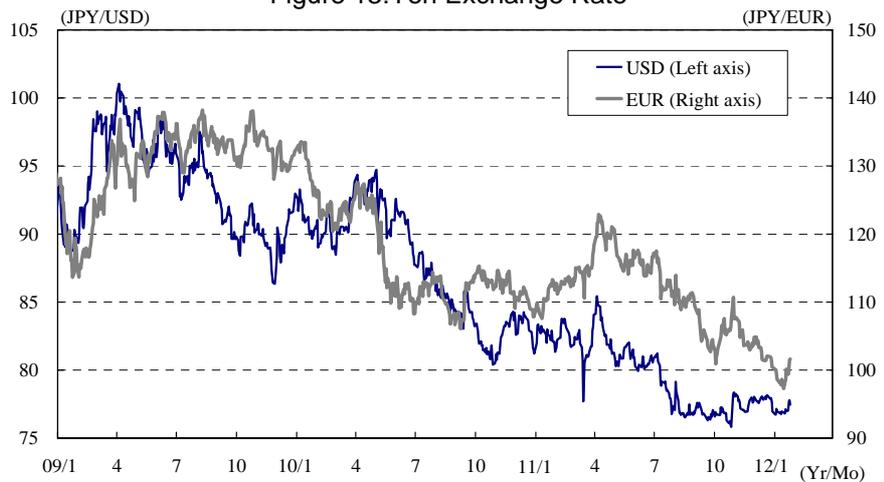
## (2) Exchange Rates

JPY appreciation against EUR clearer since end-2011

In foreign exchange markets, downgraded ratings for the government bonds of several European countries, including France, accelerated the JPY's appreciation against the EUR from the end of 2011 (Figure 13). Indeed, on January 16, the EUR dropped to the lower 97 level against the JPY for the first time in about 11 years. The EUR, however, has appeared to be bought back since then reflecting smooth European government bond auctions. Even that said, attention is still warranted.

The USD dropped slightly against the JPY, but the drop was limited due to strong recent US economic indicators. The USD/JPY is currently hovering around 77, nearly JPY1 lower than the average level in December.

Figure 13: Yen Exchange Rate



Source: Compiled by BTMU Economic Research Office based on Bloomberg data.

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## MAIN ECONOMIC AND FINANCIAL INDICATORS (JAPAN)

### 1 . Main Economic Indicators

As of Feb. 1, 2012

	Fiscal 2009	Fiscal 2010	2011			2011				
			2Q	3Q	4Q	AUG	SEP	OCT	NOV	DEC
Real GDP Growth Rate <% changes from previous period at SA annual rate>	-2.1	3.1	-2.0 (-1.7)	5.6 (-0.7)		***	***	***	***	***
Index of All Industries Activity	-4.2	2.0	-0.4 (-1.7)	2.0 (-0.4)		-0.3 (0.2)	-0.8 (-0.7)	0.8 (0.1)	-1.1 (-1.3)	
Industrial Production Index	-8.8	8.9	-4.0 (-6.8)	4.3 (-2.1)	-0.4 (-2.7)	0.6 (0.4)	-3.3 (-3.3)	2.2 (0.1)	-2.7 (-4.2)	4.0 (-4.1)
Production										
Shipments	-8.3	9.3	-5.9 (-8.4)	6.6 (-2.0)	-0.6 (-2.7)	0.2 (0.2)	-2.0 (-2.9)	0.2 (-0.3)	-1.6 (-4.6)	4.5 (-3.1)
Inventory	-6.1	3.5	3.2 (4.0)	1.9 (5.5)	-2.6 (3.4)	2.1 (5.8)	-0.1 (5.5)	0.9 (7.0)	-0.6 (8.2)	-2.9 (3.4)
Inventory/Shipments Ratio (2005=100)	120.4	108.2	119.1 [106.5]	116.8 [108.7]	115.4 [111.0]	114.8 [108.0]	119.2 [109.1]	118.1 [117.0]	116.2 [108.0]	112.0 [108.0]
Domestic Corporate Goods Price Index	-5.2	0.7	1.2 (2.5)	-0.1 (2.6)	-0.9 (1.5)	-0.2 (2.6)	-0.1 (2.5)	-0.8 (1.6)	0.0 (1.6)	0.1 (1.3)
Consumer Price Index(SA, total, excl.fresh foods)	-1.6	-0.8	0.5 (-0.2)	-0.1 (-0.3)	-0.2 (-0.1)	0.0 (0.2)	-0.1 (0.2)	-0.1 (-0.1)	0.0 (-0.2)	0.0 (-0.1)
Index of Capacity Utilization (2005=100)	80.0	88.0	80.4 [89.8]	87.2 [88.4]		89.0 [88.5]	85.8 [88.1]	89.3 [86.7]	86.7 [88.2]	90.2
Machinery Orders(Private Demand, Excl.Electric Power and Ship building)	-20.4	9.1	2.5 (9.8)	1.5 (5.8)		11.0 (2.1)	-8.2 (9.8)	-6.9 (1.5)	14.8 (12.5)	
Manufacturing	-27.9	18.3	-0.2 (17.2)	2.5 (4.4)		13.7 (5.0)	-17.5 (4.8)	5.5 (2.4)	4.7 (7.1)	
Non-manufacturing Excl.Electric Power & Ship building	-14.7	2.7	5.0 (4.2)	5.0 (7.2)		-6.1 (-0.1)	8.5 (13.2)	-7.3 (1.0)	6.2 (16.0)	
Shipments of Capital Goods (Excl.Transport Equipment)	-24.2	21.3	6.1 (9.0)	-0.1 (4.1)	-0.7 (2.3)	-3.0 (8.1)	-6.0 (-1.3)	3.5 (1.0)	0.7 (3.1)	1.7 (2.7)
Construction Orders	-14.2	-5.2								
Private	-15.3	-2.6	(18.0)	(-0.6)	(13.1)	(9.3)	(-9.3)	(24.3)	(21.0)	(1.5)
Public	-11.1	-12.1	(20.1)	(-2.1)	(9.7)	(5.7)	(-14.0)	(7.1)	(18.0)	(5.8)
Public Works Contracts	4.9	-8.8	(15.1)	(21.7)	(19.6)	(13.5)	(31.1)	(115.8)	(-10.7)	(-0.6)
Housing Starts 10,000 units at Annual Rate, SA	77.5 (-25.4)	81.8 (5.6)	82.4 (4.1)	88.3 (7.9)	79.6 (-4.5)	93.9 (14.0)	74.9 (-10.8)	78.1 (-5.8)	82.4 (-0.3)	78.3 (-7.3)
Total floor	(-21.5)	(9.0)	(3.8)	(8.6)	(-4.4)	(14.5)	(-10.3)	(-5.8)	(-0.1)	(-7.3)
Sales at Retailers	-0.4	0.8	(-1.7)	(-1.0)	(0.8)	(-2.6)	(-1.1)	(1.9)	(-2.2)	(2.5)
Real Consumption Expenditures of Households over 2 persons (SA)	1.0	-0.9	-2.8 (-3.0)	0.4 (-2.1)	0.9 (-2.8)	-0.1 (-4.1)	0.9 (-1.9)	0.3 (-0.4)	-1.3 (-3.2)	-1.0 (0.5)
Propensity to Consume (SA,%)	74.7	73.4	71.9 [74.1]	74.1 [72.4]	73.0 [75.2]	73.8 [75.5]	74.3 [75.1]	71.8 [70.8]	73.7 [75.6]	74.0 [74.1]
Overtime Hours Worked (All Industries, 5 employees or more)	-8.5	6.8	-2.6 (-2.0)	1.3 (-0.6)	0.5 (0.3)	-1.0 (-2.1)	1.1 (1.0)	-0.1 (1.0)	0.0 (0.0)	0.5 (0.0)
Total Cash Earnings (Regular Employees Only; All Industries, 5 employees or more)	-3.3	0.6	(0.1)	(-0.4)	(-0.3)	(-0.4)	(-0.4)	(0.0)	(-0.2)	(-0.2)
Employment Index(Regular Employees Only;All Industries, 5 employees or more ) (Change over the M/Q/Y)	-77,894	23,384	28,033 10,188	27,711 21,464	24,575 28,038	29,735 18,928	24,538 24,836	21,493 28,054	28,986 28,971	23,246 27,087
Ratio of Job Offers to Applicants (SA,Times)	0.45	0.56	0.62 [0.50]	0.66 [0.54]	0.69 [0.57]	0.66 [0.54]	0.67 [0.55]	0.67 [0.56]	0.69 [0.57]	0.71 [0.58]
Unemployment Rate (SA,%)	5.2	5.0	4.7	4.7	4.5	4.3	4.1	4.5	4.5	4.6
Economy Watcher Survey (Judgment of the present condition D.I,%)	39.9	44.2	38.0 [48.3]	48.4 [45.4]	46.0 [40.2]	47.3 [45.1]	45.3 [41.2]	45.9 [40.2]	45.0 [43.6]	47.0 [45.10]
Bankruptcies (Number of cases)	14,732 (-8.7)	13,065 (-11.3)	3,312 (-0.3)	3,108 (-3.8)	3,103 (-5.9)	1,026 (-3.5)	1,001 (-9.1)	976 (-14.0)	1,095 (3.2)	1,032 (-6.3)

(Notes)

Unless otherwise indicated, tabulated figures and those in parentheses show % changes from previous quarter/month as applicable.

The figures in ( ) indicate % changes from previous year.

[ ] show the comparable figure of the previous year.

Unemployment Rate excludes Iwate, Miyagi, and Fukushima prefectures from March to August 2011.

## 2 . Balance of Payments

As of Feb. 1, 2012

	Fiscal	Fiscal	2011			2011				
	2009	2010	2Q	3Q	4Q	AUG	SEP	OCT	NOV	DEC
Customs Clearance(Exports in Yen Terms)	-17.1	14.9	(-8.1)	(0.5)	(-5.5)	(2.8)	(2.3)	(-3.8)	(-4.5)	(-8.0)
Value	-7.0	0.2	(0.2)	(1.6)	(-0.5)	(1.9)	(0.9)	(0.2)	(-0.1)	(-1.5)
Volumes	-9.9	14.6	(-8.3)	(-1.1)	(-5.0)	(0.9)	(1.5)	(-3.9)	(-4.4)	(-6.6)
Imports(In Yen terms)	-25.2	16.0	(10.4)	(13.8)	(12.3)	(19.2)	(12.2)	(17.9)	(11.4)	(8.1)
Value	-18.4	3.3	(7.4)	(12.1)	(10.9)	(12.5)	(11.1)	(11.3)	(12.6)	(8.9)
Volumes	-7.3	12.4	(2.8)	(1.5)	(1.3)	(6.0)	(1.0)	(6.0)	(-1.0)	(-0.7)
Current Balance(100 mil. yen)	157,817	161,255	15,372	31,007		4,363	16,107	5,624	1,385	
Trade Balance(100 mil. yen)	65,996	64,955	-10,534	-1,762		-6,903	3,723	-2,061	-5,851	
Services(100 mil. yen)	-18,185	-12,730	-5,040	-5,146		-1,578	-904	-2,754	-1,151	
Capital and Financial Accounts(100 mil. yen)	-123,113	-97,221	8,947	4,590		31,591	-19,171	-5,277	77,048	
Gold & Foreign Exchange Reserves(\$1mil.)	1,042,715	1,116,025	1,137,809	1,200,593	1,295,840	1,218,501	1,200,593	1,209,882	1,304,763	1,295,840
Exchange Rate(V/\$)	92.80	85.69	81.70	77.84	77.39	77.22	76.84	76.77	77.54	77.85

## 3 . Financial Market Indicators

	Fiscal	Fiscal	2011			2011						
	2009	2010	2Q	3Q	4Q	AUG	SEP	OCT	NOV	DEC		
Uncollateralized Overnight Call Rates	0.102	0.091	0.067 [0.093]	0.078 [0.093]	0.079 [0.090]	0.081 [0.095]	0.080 [0.091]	0.081 [0.091]	0.077 [0.091]	0.078 [0.087]		
Euro Yen TIBOR (3 Months)	0.516	0.356	0.332 [0.388]	0.330 [0.364]	0.329 [0.336]	0.329 [0.363]	0.329 [0.355]	0.329 [0.336]	0.329 [0.335]	0.329 [0.335]		
Newly Issued Japanese Government Bonds Yields (10 Years)	1.353	1.127	1.160 [1.208]	1.043 [0.987]	1.030 [1.072]	1.030 [0.975]	1.020 [0.930]	1.045 [0.920]	1.065 [1.185]	0.980 [1.110]		
Average Contracted Interest Rates on Loans and Discounts(City Banks) (% changes from previous period)	1.449	1.357	1.349 (-0.008)	1.315 (-0.034)	1.265 (-0.050)	1.337 (-0.001)	1.315 (-0.022)	1.317 (0.002)	1.313 (-0.004)	1.265 (-0.048)		
The Nikkei Stock Average (TSE 225 Issues)	11,090	9,755	9,816 [9,383]	8,700 [9,369]	8,455 [10,229]	8,955 [8,824]	8,700 [9,369]	8,988 [9,202]	8,435 [9,937]	8,455 [10,229]		
M2(Average)	(2.9)	(2.7)	(2.8)	(2.8)	(3.0)	(2.7)	(2.7)	(2.8)	(3.0)	(3.1)		
Broadly-defined Liquidity(Average)	(0.5)	(0.6)	(-0.0)	(0.5)	(0.3)	(0.4)	(0.3)	(0.1)	(0.3)	(0.4)		
Principal Figures of Financial Institutions												
Loans and Discount (Average)	Banks & Shinkin	Banks & Shinkin	(0.8)	(-1.9)	(-0.8)	(-0.5)	(0.2)	(-0.5)	(-0.3)	(-0.0)	(0.2)	(0.4)
		Banks	(0.8)	(-2.0)	(-0.8)	(-0.5)	(0.3)	(-0.5)	(-0.3)	(0.1)	(0.2)	(0.5)
		City Banks etc.	(-0.4)	(-4.2)	(-2.8)	(-2.6)	(-1.3)	(-2.6)	(-2.3)	(-1.6)	(-1.4)	(-1.0)
		Regional Banks	(2.4)	(0.6)	(1.5)	(1.9)	(2.1)	(1.8)	(1.9)	(2.0)	(2.1)	(2.2)
		Regional Banks	(1.3)	(-0.4)	(0.9)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.1)	(1.1)
	Shinkin	(0.8)	(-1.3)	(-0.7)	(-0.5)	(-0.3)	(-0.5)	(-0.4)	(-0.4)	(-0.4)	(-0.3)	
Deposits and CDs (Average)	Total(3 Business Condition)		(2.9)	(2.6)	(2.7)	(2.3)	(3.0)	(2.1)	(2.3)	(2.5)	(3.0)	(3.3)
	City Banks	(3.0)	(2.6)	(2.3)	(1.0)	(2.1)	(0.6)	(0.9)	(1.2)	(2.2)	(3.0)	
	Regional Banks	(3.1)	(3.1)	(3.4)	(3.9)	(4.0)	(3.8)	(4.0)	(4.1)	(4.0)	(3.8)	
	Regional Banks	(1.8)	(0.6)	(2.0)	(2.8)	(3.1)	(2.7)	(2.9)	(3.2)	(3.1)	(3.1)	

(Notes)

Interest rates are averages. The Nikkei Stock Average is as of month-end.

Unless otherwise indicated, tabulated figures and those in parentheses show % changes from previous quarter/month as applicable.

The figures in ( ) indicate % changes from previous year.

[ ] show the comparable figure of the previous year.

(Sources) Cabinet Office, National Accounts, Machinery Orders; METI, Indices of Tertiary Industry Activity, Industrial Production, Current Survey of Commerce; MOF, Trade Statistics, Balance of Payments; MPMHAPT, Consumer Price Index, Family Income and Expenditure Survey, Labour Force Survey; MHLW, Monthly Labour Survey; Ministry of Land, Infrastructure, and Transport, Economic Construction Statistics; BOJ, Corporate Price Index, Financial and Economic Statistics Monthly, etc.