

# TANKAN Summary (September 2000)

106th Short-Term Economic Survey of All Enterprises in Japan

173rd Short-Term Economic Survey of Principal Enterprises in Japan

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October 3, 2000

Research and Statistics Department  
Bank of Japan

Number of sample enterprises

	Manufacturing	Nonmanufacturing	Total	Response rate
All Enterprises	3,827	5,242	9,069	94.9%
Large enterprises	772	651	1,423	96.6%
Medium-sized enterprises	1,102	1,776	2,878	95.3%
Small enterprises	1,953	2,815	4,768	94.2%
Principal Enterprises	380	311	691	99.4%
(Memo) Financial institutions	-	-	184	100.0%

Responding Period: August 31st to October 2nd.

Memo: Average of predicted exchange rates expected by large manufacturing enterprises

(yen per US dollar)

	FY1999			FY2000		
		1H	2H		1H	2H
June 2000 survey	112.06	116.96	107.31	104.09	104.32	103.87
Sept 2000 survey	-	-	-	104.64	105.10	104.18

## 1. Business Conditions

(Net percentage of respondents who reported "Favorable")

	Large enterprises						Medium-sized enterprises						Small enterprises					
	June 2000 survey			Sept 2000 survey			June 2000 survey			Sept 2000 survey			June 2000 survey			Sept 2000 survey		
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Manufacturing	3	6	10	7	11	1	-5	-1	0	5	4	4	-21	-18	-17	4	-15	2
Textiles	-26	-13	-30	-4	-23	7	-32	-31	-47	-15	-36	11	-50	-54	-55	-5	-56	-1
Lumber & wood products	-10	-20	-20	-10	-10	10	-38	-17	-38	0	-21	17	-46	-37	-39	7	-34	5
Pulp & paper	20	40	33	13	46	13	10	9	17	7	13	-4	-12	-20	-14	-2	-14	0
Chemicals	7	11	8	1	11	3	5	0	12	7	9	-3	1	4	3	2	7	4
Petroleum & coal products	-50	-50	-57	-7	-43	14	-33	-8	-18	15	9	27	0	-14	0	0	0	0
Ceramics, stone & clay	-8	-22	4	12	0	-4	-16	-11	-27	-11	-9	18	-33	-30	-30	3	-27	3
Iron & steel	-18	-11	-11	7	-7	4	-36	-13	-5	31	10	15	-39	-23	-17	22	-6	11
Nonferrous metals	-4	-5	10	14	30	20	4	8	34	30	29	-5	-3	0	-2	1	3	5
Food & beverages	11	19	9	-2	11	2	-1	3	-3	-2	1	4	-17	-12	-21	-4	-15	6
Processed metals	-14	0	8	22	10	2	-10	-15	-12	-2	-1	11	-25	-20	-20	5	-15	5
Industrial machinery	-6	5	12	18	9	-3	-17	-10	-5	12	1	6	-19	-15	-6	13	-3	3
Electrical machinery	27	29	41	14	37	-4	20	27	29	9	27	-2	0	2	8	8	5	-3
Shipbuilding & heavy machinery	-30	-30	-30	0	-30	0	-67	-67	-67	0	-67	0	-34	-45	-46	-12	-45	1
Motor vehicles	4	-9	14	10	9	-5	-11	-4	-4	7	-8	-4	-3	-12	-3	0	-14	-11
Precision machinery	-15	-8	-8	7	-3	5	0	3	3	3	7	4	5	11	3	-2	8	5
Basic materials	-6	-2	-1	5	4	5	-14	-8	-9	5	-1	8	-30	-28	-27	3	-24	3
Processing	6	9	15	9	15	0	-1	2	4	5	6	2	-15	-13	-11	4	-9	2
Nonmanufacturing	-12	-7	-9	3	-4	5	-21	-15	-21	0	-14	7	-27	-24	-24	3	-22	2
Construction	-27	-28	-24	3	-22	2	-17	-21	-19	-2	-17	2	-26	-30	-26	0	-28	-2
Real estate	17	33	42	25	33	-9	15	19	22	7	15	-7	-10	-12	-4	6	-10	-6
Wholesaling	2	12	5	3	9	4	-20	-7	-20	0	-10	10	-26	-22	-28	-2	-21	7
Retailing	-18	-7	-20	-2	-7	13	-28	-18	-27	1	-18	9	-44	-39	-44	0	-35	9
Transportation	-24	-18	-12	12	-12	0	-24	-28	-27	-3	-25	2	-30	-27	-23	7	-22	1
Communications	17	25	18	1	27	9	45	45	38	-7	25	-13	37	38	37	0	38	1
Electric & gas utilities	6	12	12	6	0	-12	20	10	10	-10	10	0	0	0	-4	-4	0	4
Services	1	3	2	1	4	2	-15	-15	-17	-2	-14	3	-22	-18	-18	4	-17	1
Leasing	0	-11	11	11	11	0	-15	-25	-2	13	-6	-4	-34	-21	-21	13	-10	11
All industries	-4	1	2	6	4	2	-14	-9	-12	2	-7	5	-24	-22	-22	2	-18	4

	All Enterprises					
Manufacturing	-12	-8	-7	5	-5	2
Nonmanufacturing	-23	-19	-21	2	-17	4
All industries	-18	-15	-15	3	-11	4

(Notes) 1. Response rate = The number of enterprises responding to the question of Business Conditions (or that of financial institutions responding to the question of Fixed Investments) / The number of sample enterprises \* 100

2. Actual result: Judgement at the time of the survey, Forecast: Judgement at the time of three months hence.

Changes in revision of actual results = "Actual results of current survey" minus "Actual results of the previous survey".

Changes of forecast = "Forecast of current survey" minus "Actual results of current survey".

## 1. Business Conditions (Continued)

(Net percentage of respondents who reported "Favorable")

	Principal Enterprises					
	June 2000 survey		Sept 2000 survey			
	Actual result	Forecast	Actual result	Changes in revision		Forecast
						Changes
Manufacturing	-9	-1	0	9	6	6
Textiles	-35	-26	-26	9	-23	3
Pulp & paper	27	55	36	9	36	0
Chemicals	-3	4	7	10	8	1
Petroleum refining	-56	-44	-63	-7	-38	25
Ceramics, stone & clay	-12	-6	-6	6	0	6
Iron & steel	-21	-4	-8	13	9	17
Nonferrous metals	-5	0	5	10	30	25
Food & beverages	12	15	6	-6	12	6
Processed metals	0	0	0	0	0	0
Industrial machinery	-19	0	0	19	5	5
Electrical machinery	17	23	34	17	32	-2
Shipbuilding & heavy machinery	-50	-50	-50	0	-50	0
Motor vehicles	-7	-14	4	11	0	-4
Precision machinery	-10	0	-20	-10	-10	10
Basic materials	-14	-4	-4	10	4	8
Processing	-4	2	4	8	7	3
Nonmanufacturing	-11	-3	-4	7	-2	2
Construction	-37	-34	-27	10	-27	0
Real estate	9	12	18	9	12	-6
Wholesaling	-13	6	2	15	6	4
Retailing	-21	-7	-21	0	-14	7
Transportation	-18	-13	-9	9	-14	-5
Communications	0	11	-14	-14	0	14
Electric & gas utilities	0	0	7	7	0	-7
Services	11	14	12	1	19	7
Leasing	6	7	21	15	21	0
All industries	-9	-2	-1	8	2	3

<Memo> Percentage share of the number of respondents choosing each alternatives (Actual result)

(%,% points)

	June 2000 survey			Sept 2000 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises	Large enterprises	Medium-sized enterprises	Small enterprises
Manufacturing	3	-5	-21	10	0	-17
1.Favorable	19	17	13	24	22	16
2.Not so favorable	65	61	53	62	56	51
3.Unfavorable	16	22	34	14	22	33
Nonmanufacturing	-12	-21	-27	-9	-21	-24
1.Favorable	10	10	8	13	10	9
2.Not so favorable	68	59	57	65	59	58
3.Unfavorable	22	31	35	22	31	33

(Note) Business Conditions DI = Percentage share of enterprises responding for "Favorable" minus "Unfavorable"

## 2. Supply and Demand Conditions for Products, Inventories, and Prices

(% points)

		Large enterprises					
		June 2000 survey		Sept 2000 survey			
		Actual result	Forecast	Actual result	Changes in revision		Forecast
							Changes
Supply and demand conditions for products:	Manufacturing	-24	-22	-18	6	-20	-2
Diffusion index of "Excess demand" minus	Basic materials	-34	-33	-29	5	-29	0
"Excess supply"	Processing	-19	-18	-14	5	-17	-3
Supply and demand conditions for products overseas:	Manufacturing	-9	-9	-8	1	-11	-3
Diffusion index of "Excess demand" minus	Basic materials	-17	-16	-17	0	-19	-2
"Excess supply"	Processing	-6	-8	-4	2	-7	-3

Inventory level of finished goods and merchandise:	Manufacturing	22	13	19	-3	14	-5
Diffusion index of "Excessive or somewhat excessive"	Basic materials	28	16	22	-6	15	-7
minus "Insufficient or somewhat insufficient"	Processing	20	12	18	-2	13	-5
Wholesalers' inventory level:	Manufacturing	21	18	20	-1	18	-2
Diffusion index of "Excessive or somewhat excessive"	Basic materials	28	22	27	-1	24	-3
minus "Insufficient or somewhat insufficient"	Processing	19	17	17	-2	15	-2

Change in output prices:	Manufacturing	-22	-20	-18	4	-20	-2
Diffusion index of "Rise" minus "Fall"	Basic materials	-6	-1	-3	3	-5	-2
	Processing	-28	-27	-24	4	-25	-1
Change in input prices:	Manufacturing	3	0	5	2	6	1
Diffusion index of "Rise" minus "Fall"	Basic materials	19	11	25	6	18	-7
	Processing	-3	-4	-2	1	0	2

(% points)

		Small enterprises					
		June 2000 survey		Sept 2000 survey			
		Actual result	Forecast	Actual result	Changes in revision		Forecast
							Changes
Supply and demand conditions for products:	Manufacturing	-45	-43	-41	4	-40	1
Diffusion index of "Excess demand" minus	Basic materials	-56	-53	-53	3	-51	2
"Excess supply"	Processing	-38	-36	-33	5	-33	0
Supply and demand conditions for products overseas:	Manufacturing	-28	-28	-26	2	-28	-2
Diffusion index of "Excess demand" minus	Basic materials	-41	-40	-40	1	-40	0
"Excess supply"	Processing	-20	-21	-19	1	-20	-1

Inventory level of finished goods and merchandise:	Manufacturing	22	17	23	1	17	-6
Diffusion index of "Excessive or somewhat excessive"	Basic materials	30	24	29	-1	26	-3
minus "Insufficient or somewhat insufficient"	Processing	18	13	19	1	10	-9
Wholesalers' inventory level:	Manufacturing	33	30	32	-1	30	-2
Diffusion index of "Excessive or somewhat excessive"	Basic materials	44	41	43	-1	42	-1
minus "Insufficient or somewhat insufficient"	Processing	25	24	25	0	23	-2

Change in output prices:	Manufacturing	-30	-29	-25	5	-26	-1
Diffusion index of "Rise" minus "Fall"	Basic materials	-27	-22	-23	4	-22	1
	Processing	-32	-33	-26	6	-29	-3
Change in input prices:	Manufacturing	1	5	4	3	7	3
Diffusion index of "Rise" minus "Fall"	Basic materials	6	9	9	3	12	3
	Processing	-2	2	1	3	4	3

### 3. Sales and Current Profits

#### Sales

		FY1999		FY2000	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	1.0	-	5.1	1.3
	Domestic Sales	1.5	-	5.3	1.0
	Exports	-0.6	-	4.6	2.3
	Nonmanufacturing	-5.7	-	2.3	0.6
Medium-sized enterprises	Manufacturing	2.2	-	5.0	0.7
	Nonmanufacturing	-1.1	-	3.7	0.8
Small enterprises	Manufacturing	-1.5	-	3.1	0.7
	Nonmanufacturing	-1.8	-	-0.9	-1.4
All Enterprises	All industries	-2.1	-	2.9	0.5
Principal Enterprises	Manufacturing	-0.4	-	4.7	1.2
	Nonmanufacturing	-5.7	-	-1.1	0.1

(Year-to-year growth rate, %)

1H FY1999	2H FY1999	1H FY2000		2H FY2000	
		Adjustment ratio	(Forecast)	Adjustment ratio	(Forecast)
-2.2	4.2	-	5.2	1.3	5.1
-1.2	4.1	-	5.3	0.9	5.2
-5.4	4.5	-	4.9	2.5	4.4
-8.1	-3.4	-	1.4	0.2	3.0
0.0	4.2	-	4.2	-0.1	5.6
-3.1	0.9	-	4.0	0.9	3.3
-3.8	0.9	-	3.1	0.5	3.0
-1.5	-2.1	-	-1.6	-1.8	-0.2
-4.1	-0.1	-	2.6	0.3	3.1
-3.4	2.4	-	4.9	1.3	4.6
-8.8	-2.7	-	-1.5	0.0	-0.8

#### Current Profits

		FY1999		FY2000	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	20.3	-	24.8	3.1
	Basic materials	29.1	-	17.6	1.2
	Processing	16.2	-	28.5	4.0
	Nonmanufacturing	15.3	-	3.2	0.6
Medium-sized enterprises	Manufacturing	24.2	-	32.4	1.2
	Nonmanufacturing	34.1	-	10.2	-3.6
Small enterprises	Manufacturing	75.5	-	24.9	-0.7
	Nonmanufacturing	24.3	-	1.6	-2.8
All Enterprises	All industries	24.2	-	13.1	0.0
Principal Enterprises	Manufacturing excluding petroleum refining	10.3	-	30.4	4.0
	Nonmanufacturing excluding electric & gas utilities	13.7	-	-6.1	0.1

(Year-to-year growth rate, %)

1H FY1999	2H FY1999	1H FY2000		2H FY2000	
		Adjustment ratio	(Forecast)	Adjustment ratio	(Forecast)
-6.2	53.0	-	21.6	9.6	27.2
8.8	50.3	-	18.8	4.4	16.7
-12.6	54.5	-	23.1	12.5	32.6
14.3	16.1	-	11.1	3.4	-3.1
3.8	39.0	-	46.7	2.0	24.7
50.0	24.9	-	5.3	-6.2	13.6
111.5	61.4	-	41.5	-3.6	16.4
23.1	25.2	-	1.7	-6.3	1.5
15.5	31.2	-	15.2	1.6	11.6
-16.5	43.9	-	24.0	12.6	35.0
15.2	12.4	-	-12.1	0.0	-0.8

#### Ratio of Current Profit to Sales

		FY1999		FY2000	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	3.66	-	4.34	0.08
	Nonmanufacturing	2.57	-	2.59	0.00
Medium-sized enterprises	Manufacturing	3.37	-	4.26	0.03
	Nonmanufacturing	1.70	-	1.81	-0.08
Small enterprises	Manufacturing	2.49	-	3.01	-0.05
	Nonmanufacturing	2.17	-	2.22	-0.04
All Enterprises	All industries	2.50	-	2.75	-0.01
Principal Enterprises	Manufacturing excluding petroleum refining	3.37	-	4.23	0.12
	Nonmanufacturing excluding electric & gas utilities	1.99	-	1.91	0.00

(%, % points)

1H FY1999	2H FY1999	1H FY2000		2H FY2000	
		Adjustment ratio	(Forecast)	Adjustment ratio	(Forecast)
3.30	3.98	-	3.81	0.29	4.82
2.39	2.72	-	2.62	0.08	2.56
2.48	4.19	-	3.49	0.07	4.95
1.45	1.93	-	1.47	-0.11	2.12
1.74	3.18	-	2.39	-0.10	3.59
1.82	2.49	-	1.88	-0.09	2.54
2.17	2.80	-	2.44	0.03	3.03
2.97	3.73	-	3.55	0.36	4.84
1.98	2.00	-	1.79	0.01	2.02

(Note) Adjustment ratios are calculated as the percentage change of the figures between present and previous surveys.

## 4. Fixed Investments

Fixed Investments		(Year-to-year growth rate, %)			
		FY1999		FY2000	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	-15.1	-	13.8	2.3
	Nonmanufacturing	-13.6	-	1.4	0.7
	All industries	-14.2	-	6.0	1.3
Medium-sized enterprises	Manufacturing	-12.1	-	10.1	5.2
	Nonmanufacturing	-2.1	-	-1.4	1.6
	All industries	-3.3	-	-0.2	2.0
Small enterprises	Manufacturing	-19.9	-	5.2	7.1
	Nonmanufacturing	-3.6	-	-10.3	-1.0
	All industries	-8.0	-	-6.6	1.1
All Enterprises	Manufacturing	-15.4	-	11.8	3.5
	Nonmanufacturing	-6.9	-	-1.9	0.8
	All industries	-9.2	-	1.5	1.5
Principal Enterprises	Manufacturing	-15.7	-	9.3	2.2
	Nonmanufacturing	-7.0	-	-0.3	-0.2
	All industries	-10.0	-	2.8	0.6

Production Capacity (Manufacturing)		(Net percentage of respondents who reported "Excessive capacity")				
		June 2000 survey		Sept 2000 survey		
		Actual result	Forecast	Actual result	Forecast	Changes
Large enterprises		20	17	16	-4	-2
Medium-sized enterprises		16	14	14	-2	-3
Small enterprises		18	16	17	-1	-2
All Enterprises		18	15	15	-3	-1
Principal Enterprises		23	19	19	-4	-2

## 5. Overseas Activities (special survey for June and December)

Overseas Production (Manufacturing)		(Year-to-year growth rate, %)			
		FY1999		FY2000	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Overseas production	-	-	-	-
	Share of overseas production	-	-	-	-
Principal Enterprises	Overseas production	-	-	-	-
	Share of overseas production	-	-	-	-

Overseas Investments (Manufacturing)		(Year-to-year growth rate, %)			
		FY1999		FY2000	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Overseas investments	-	-	-	-
	Share of overseas investments	-	-	-	-
Principal Enterprises	Overseas investments	-	-	-	-
	Share of overseas investments	-	-	-	-

## 6. Employment

Employment Conditions		(Net percentage of respondents who reported "Excessive employment")					
		June 2000 survey		Sept 2000 survey			
		Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	Manufacturing	30	25	26	-4	22	-4
	Nonmanufacturing	18	14	15	-3	12	-3
	All industries	25	19	21	-4	17	-4
Medium-sized enterprises	Manufacturing	18	13	13	-5	11	-2
	Nonmanufacturing	7	2	5	-2	2	-3
	All industries	11	6	8	-3	6	-2
Small enterprises	Manufacturing	16	14	13	-3	11	-2
	Nonmanufacturing	11	7	9	-2	6	-3
	All industries	14	10	11	-3	8	-3
All Enterprises	Manufacturing	20	16	16	-4	13	-3
	Nonmanufacturing	11	6	9	-2	6	-3
	All industries	14	11	11	-3	9	-2
Principal Enterprises	Manufacturing	33	29	30	-3	27	-3
	Nonmanufacturing	14	13	16	2	13	-3
	All industries	24	22	23	-1	21	-2

Number of Employees (All industries)		(Year-to-year growth rate, %)			
		Sept 1999	Dec 1999	Mar 2000	June 2000
Large enterprises		-2.6	-2.2	-1.4	-1.7
Medium-sized enterprises		-1.1	0.2	-0.5	0.2
Small enterprises		-2.8	-2.4	-1.9	-0.2
All Enterprises		-2.2	-1.5	-1.3	-0.7
Principal Enterprises		-3.2	-3.1	-3.3	-3.4

Hiring New Graduates \*(All industries)(special survey for December)

	(Year-to-year growth rate, %)		
	FY1998	FY1999	FY2000
Large enterprises	-	-	-
Medium-sized enterprises	-	-	-
Small enterprises	-	-	-
All Enterprises	-	-	-
Principal Enterprises	-	-	-

\*Percentage change of scheduled figures against the actual figures of the previous year.

(Notes) 1. In principle, overseas production and investments of affiliates are aggregated.

2. Partly includes yen conversion estimates in the case of foreign currency dominated transaction.

3. Percentages share of overseas production = Value of overseas production / (Value of sales + Value of overseas production) \* 100

Percentages share of overseas investments = Value of overseas investments / (Value of domestic investments + Value of overseas investments) \* 100

4. The figures include respondents with no overseas affiliates.

## 7. Corporate Finance

Financial Position (All industries) (Diffusion index of "Easy" minus "Tight", % points)

	June 2000 survey		Sept 2000 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	16	8	13	-3	9	-4
Medium-sized enterprises	-4	-9	-4	0	-9	-5
Small enterprises	-11	-17	-11	0	-18	-7
All Enterprises	-4	-11	-5	-1	-11	-6
Principal Enterprises	12	5	9	-3	6	-3

Lending Attitude of Financial Institutions(All industries)

(Diffusion index of "Accommodative" minus "Severe", % points)

	June 2000 survey		Sept 2000 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	16	13	19	3	14	-5
Medium-sized enterprises	3	-1	3	0	-1	-4
Small enterprises	-3	-8	-2	1	-7	-5
All Enterprises	2	-3	3	1	-1	-4
Principal Enterprises	7	3	7	0	4	-3

Change in Interest Rate on Loan (All industries) (Diffusion index of "Rise" minus "Fall", % points)

	June 2000 survey		Sept 2000 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	1	19	50	49	54	4
Medium-sized enterprises	2	15	42	40	54	12
Small enterprises	2	14	32	30	50	18
All Enterprises	2	15	38	36	52	14
Principal Enterprises	0	20	54	54	53	-1

Liquidity Ratio (All industries) (months)

	Sept 1999	Dec 1999	Mar 2000	June 2000
Large enterprises	1.47	1.48	1.45	1.28
Medium-sized enterprises	1.28	1.34	1.34	1.19
Small enterprises	1.80	1.87	1.87	1.78
All Enterprises	1.48	1.52	1.50	1.36
Principal Enterprises	1.45	1.44	1.40	1.22
(Seasonally adjusted)	1.44	1.45	1.37	1.25

Liquidity Ratio

$$= \frac{\text{Quarter-end balance of cash, deposits, and short-term investment in securities}}{\text{Monthly average sales during the fiscal year which covers the related quarter}}$$

## Appendix: Fixed Investments of Financial Institutions

Fixed Investments (Year-to-year growth rate, %)

		FY1999	Adjustment ratio	FY2000	
				(Forecast)	Adjustment ratio
Financial institutions	< 184 >	-6.3	-	17.7	-1.4
Banks	< 139 >	-25.0	-	41.0	3.7
Securities companies	< 20 >	32.6	-	10.2	-33.5
Insurance companies	< 25 >	12.2	-	0.4	-2.1

Investments for Computerizing (special survey for June and December)

(Year-to-year growth rate, %)

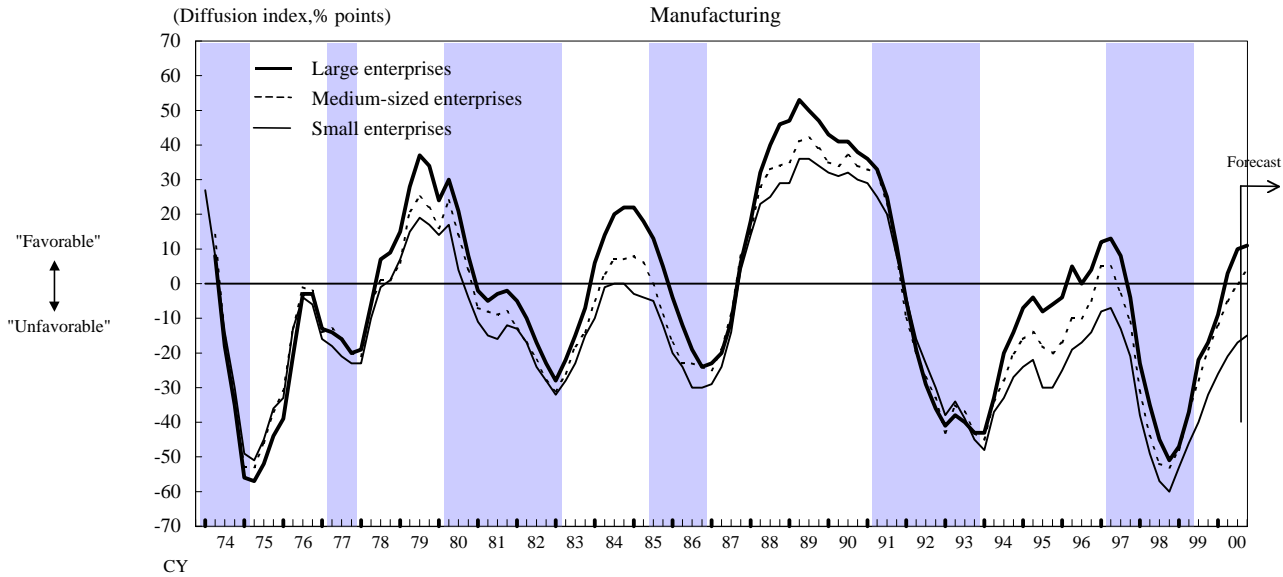
		FY1999	Adjustment ratio	FY2000	
				(Forecast)	Adjustment ratio
Financial institutions	< - >	-	-	-	-
Banks	< - >	-	-	-	-
Securities companies	< - >	-	-	-	-
Insurance companies	< - >	-	-	-	-

(Note) Figures in parentheses are the number of respective financial institutions.

Reference Charts

[Business Conditions]

Note: Shaded areas indicate periods of recession (according to the Economic Planning Agency), unless otherwise noted.

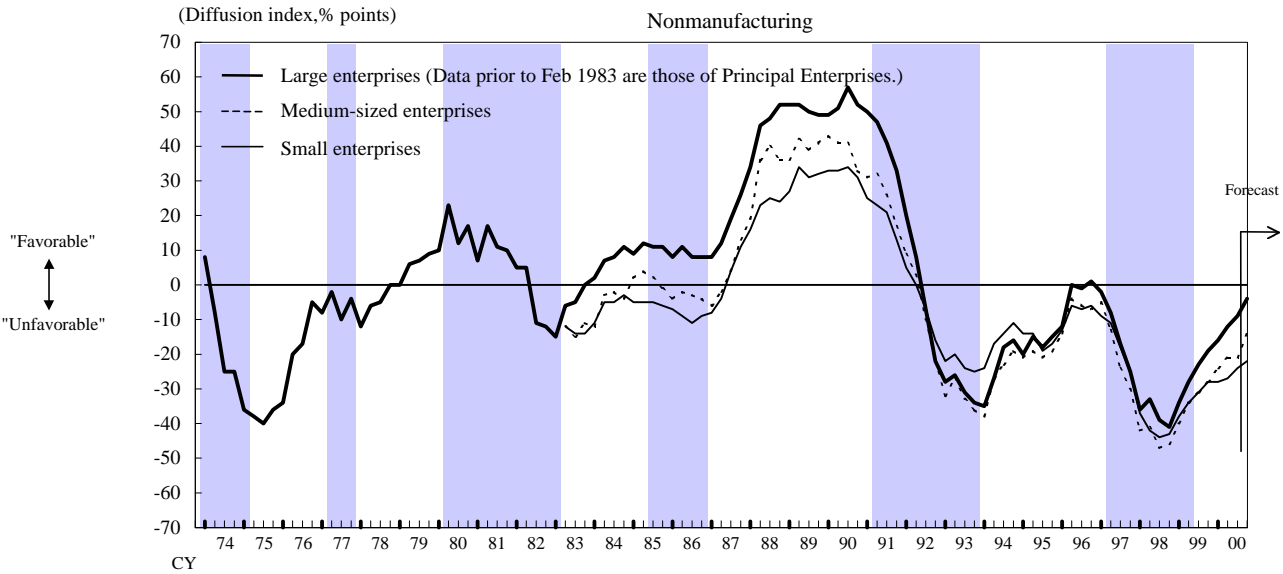


Peaks and Bottoms of Business Conditions

(Net percentage of respondents who reported "Favorable")

Manufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	-57 (5/75)		-53 (2,5/75)		-51 (5/75)
-3 (8,11/76)	-20 (11/77)	-1 (8/76)	-21 (2/78)	-4 (8/76)	-23 (11/77,2/78)
37 (8/79)	-28 (2/83)	25 (8/79)	-31 (2/83)	19 (8/79)	-32 (2/83)
22 (11/84,2/85)	-24 (11/86)	8 (2/85)	-25 (2/87)	0 (8,11/84)	-30 (8,11/86)
53 (5/89)	-43 (11/93,2/94)	42 (8/89)	-45 (2/94)	36 (5,8/89)	-48 (2/94)
13 (6/97)	-51 (12/98)	5 (3,6/97)	-53 (12/98)	-7 (6/97)	-60 (12/98)

	September 2000 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	10	0	-17
Forecast	11	4	-15



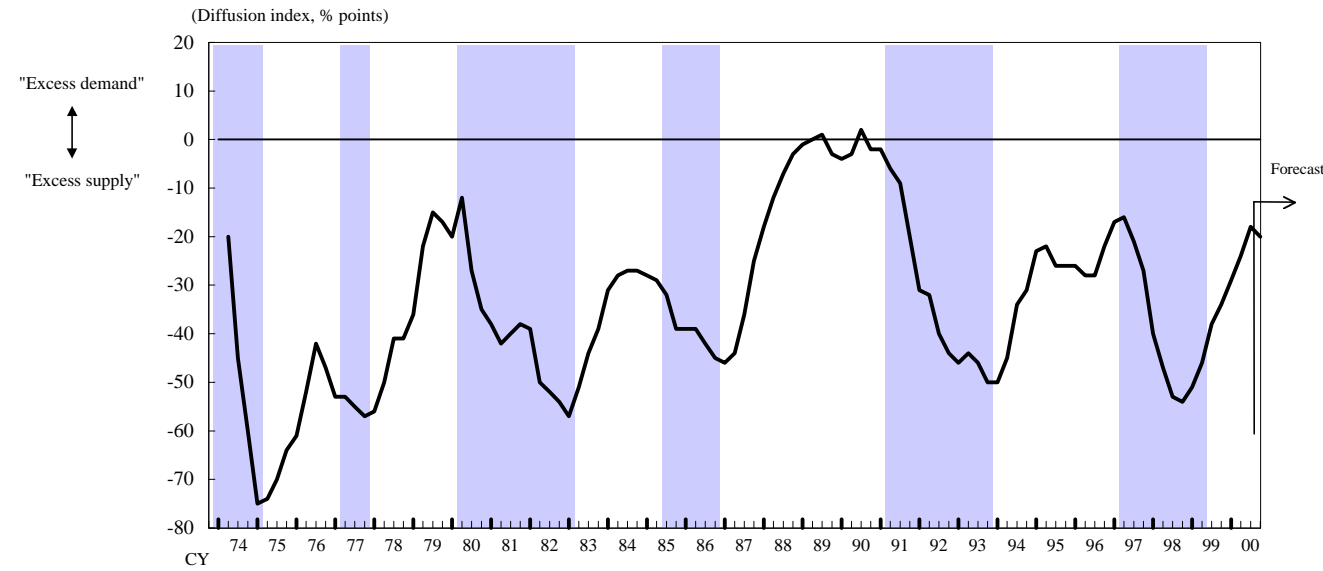
(Net percentage of respondents who reported "Favorable")

Nonmanufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	-6 (5/83)		-15 (8/83)		-14 (8,11/83)
12 (5/85)	8 (2,8,11/86,2/87)	4 (5/85)	-6 (2/87)	-3 (11/84)	-11 (8/86)
57 (8/90)	-35 (2/94)	43 (2/90)	-38 (2/94)	34 (5/89,8/90)	-25 (11/93)
1 (11/96)	-41 (12/98)	-4 (5/96)	-47 (9/98)	-6 (5,11/96)	-44 (9/98)

	September 2000 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	-9	-21	-24
Forecast	-4	-14	-22

# [Supply and Demand Conditions and Prices (Large Manufacturing Enterprises of All Enterprises)]

## Supply and Demand Conditions for Products



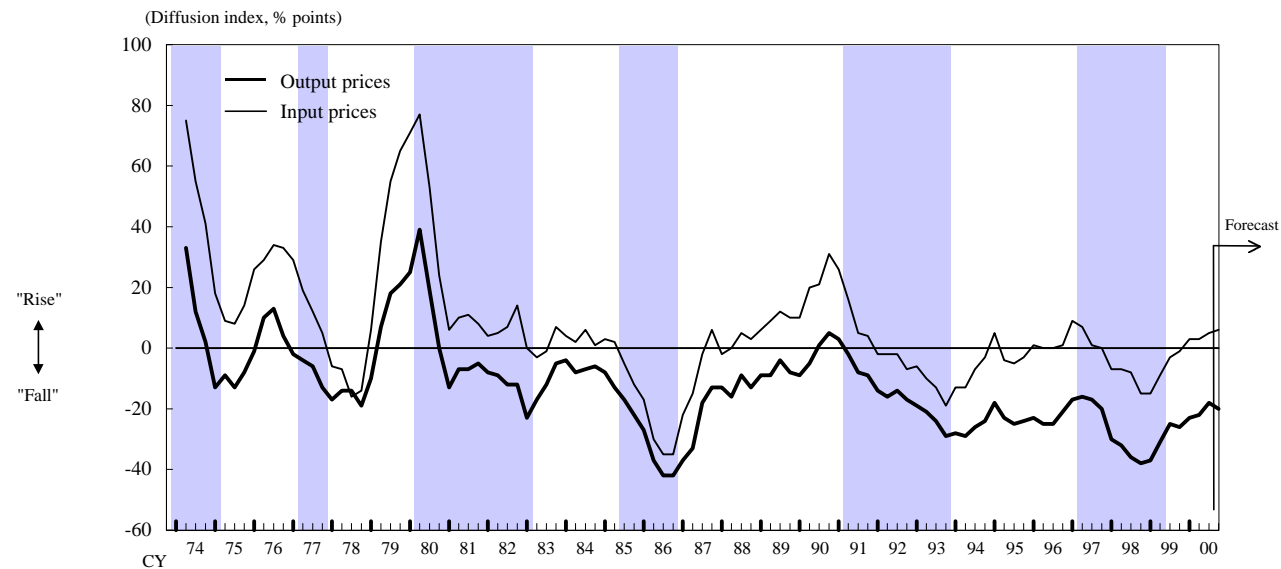
## Peaks and Bottoms of Supply and Demand Conditions for Products

(Diffusion index of "Excess demand" minus "Excess supply", % points)

Large manufacturing enterprises	
Peak	Bottom
	-75 (2/75)
-42 (8/76)	-57 (11/77)
-12 (5/80)	-57 (2/83)
-27 (8,11/84)	-46 (2/87)
2 (8/90)	-50 (11/93,2/94)
-16 (6/97)	-54 (12/98)

September 2000 survey	
Actual result	Forecast
-18	-20

## Prices



## Peaks and Bottoms of Prices

(Diffusion index of "Rise" minus "Fall", % points)

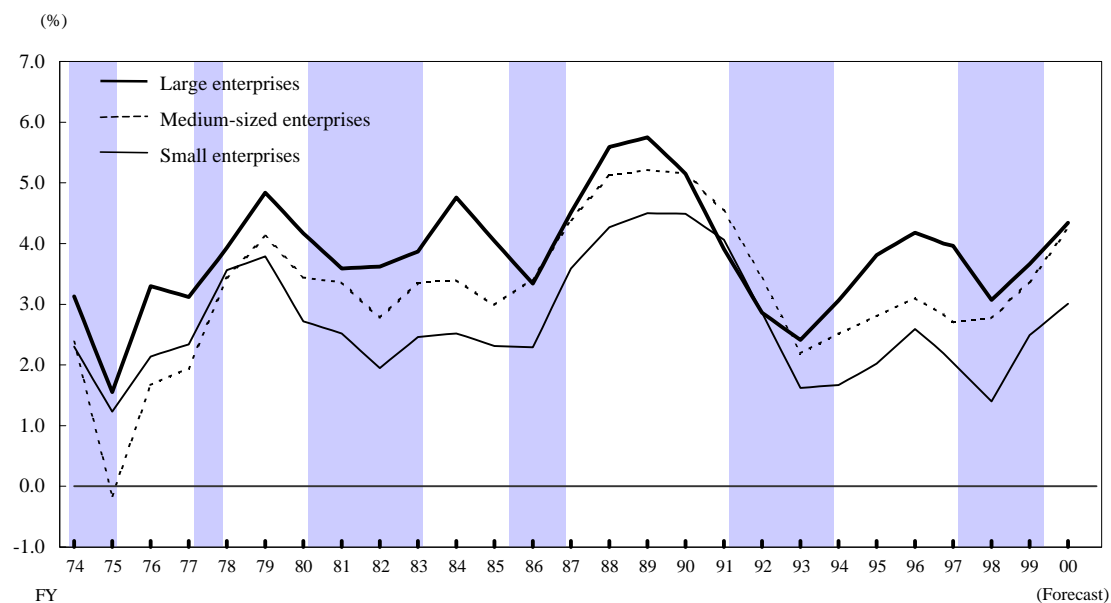
Large manufacturing enterprises			
Output prices		Input prices	
Peak	Bottom	Peak	Bottom
	-13 (2,8/75)		8 (8/75)
13 (8/76)	-19 (11/78)	34 (8/76)	-16 (8/78)
39 (5/80)	-23 (2/83)	77 (5/80)	4 (2/82)
-4 (2/84)	-42 (8,11/86)	14 (11/82)	-35 (8,11/86)
5 (11/90)	-29 (11/93,5/94)	31 (11/90)	-19 (11/93)
-16 (6/97)	-38 (12/98)	9 (3/97)	-15 (12/98,3/99)

September 2000 survey		
	Output prices	Input prices
Actual result	-18	5
Forecast	-20	6

# [Ratio of Current Profit to Sales]

## Manufacturing

Note: There is no continuity between the figures before FY1997 and those after FY1998, as the calculation method of the All Enterprises TANKAN was changed from simple aggregates to population estimates from the March 1999 survey.

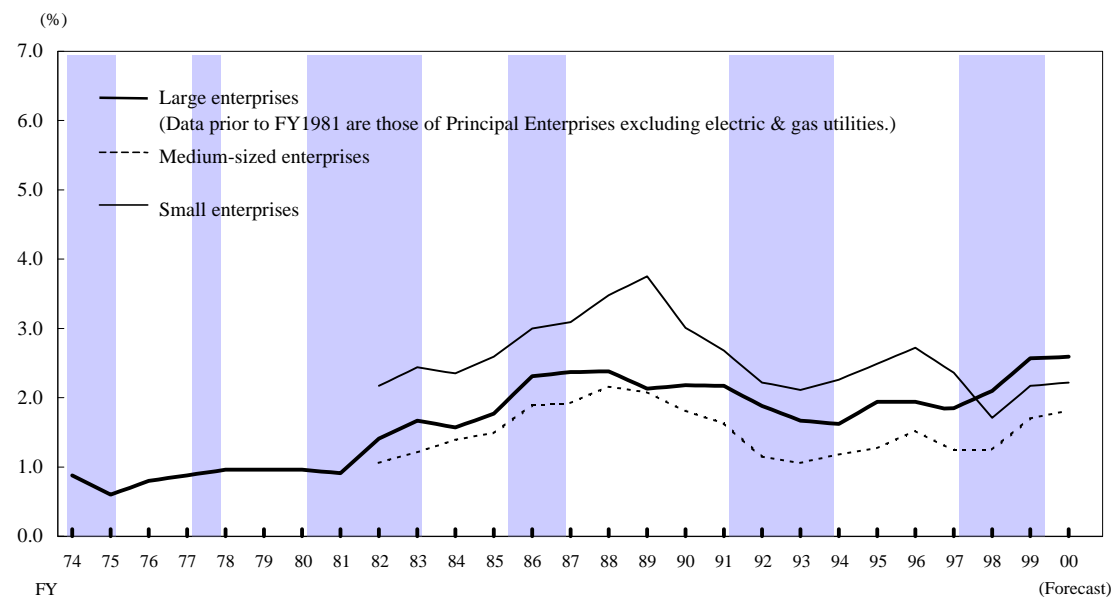


## Peaks and Bottoms of Ratio of Current Profit to Sales

Manufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	1.55 (FY75)		-0.16 (FY75)		1.23 (FY75)
4.84 (FY79)	3.59 (FY81)	4.12 (FY79)	2.78 (FY82)	3.79 (FY79)	1.95 (FY82)
4.76 (FY84)	3.34 (FY86)	3.40 (FY84)	2.99 (FY85)	2.52 (FY84)	2.29 (FY86)
5.75 (FY89)	2.41 (FY93)	5.21 (FY89)	2.19 (FY93)	4.50 (FY89)	1.62 (FY93)
4.18 (FY96)	3.07 (FY98)	3.10 (FY96)	2.70 (FY97)	2.59 (FY96)	1.40 (FY98)

	September 2000 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
FY 1999	3.66	3.37	2.49
FY 2000 (Forecast)	4.34	4.26	3.01

## Nonmanufacturing

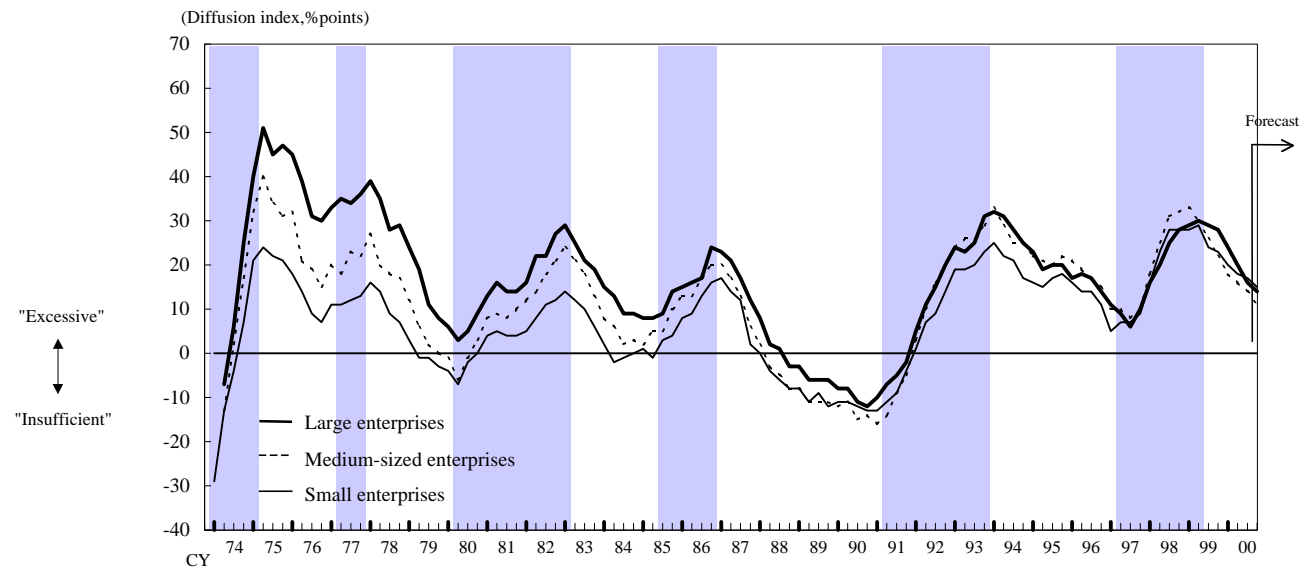


Nonmanufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	1.41 (FY82)		1.06 (FY82)		2.17 (FY82)
1.67 (FY83)	1.57 (FY84)	2.16 (FY88)	1.06 (FY93)	2.44 (FY83)	2.35 (FY84)
2.38 (FY88)	1.62 (FY94)	1.52 (FY96)	1.25 (FY97,98)	3.75 (FY89)	2.11 (FY93)
1.94 (FY95,96)	1.85 (FY97)			2.72 (FY96)	1.71 (FY98)

	September 2000 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
FY 1999	2.57	1.70	2.17
FY 2000 (Forecast)	2.59	1.81	2.22



## [Production Capacity (Manufacturing)]



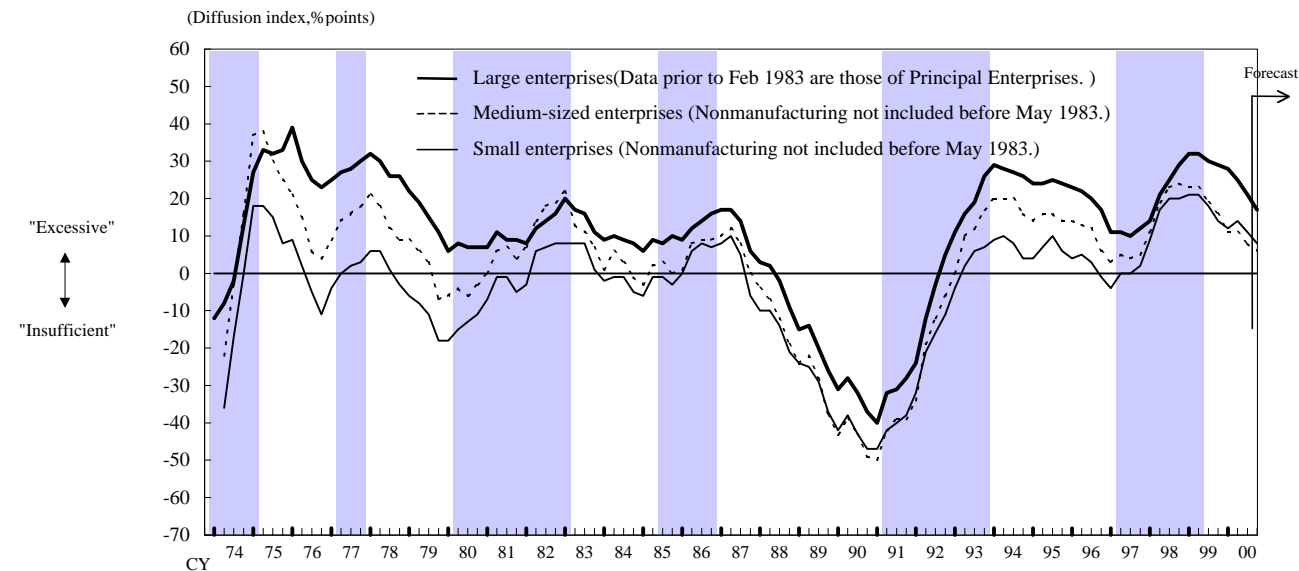
## Peaks and Bottoms of Production Capacity

(Net percentage of respondents who reported "Excessive capacity")

Manufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
51 (5/75)	30 (11/76)	40 (5/75)	15 (11/76)	24 (5/75)	7 (11/76)
39 (2/78)	3 (5/80)	27 (2/78)	-6 (5/80)	16 (2/78)	-7 (5/80)
29 (2/83)	8 (2,5/85)	24 (2/83)	2 (8/84,2/85)	14 (2/83)	-2 (5/84)
24 (11/86)	-12 (11/90)	20 (11/86,2/87)	-16 (2/91)	17 (2/87)	-13 (11/90,2/91)
32 (2/94)	6 (9/97)	33 (2/94)	8 (9/97)	25 (2/94)	5 (3/97)
30 (6/99)		33 (3/99)		29 (6/99)	

	September 2000 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	16	14	17
Forecast	14	11	15

## [Employment Conditions (All industries)]



## Peaks and Bottoms of Employment Conditions

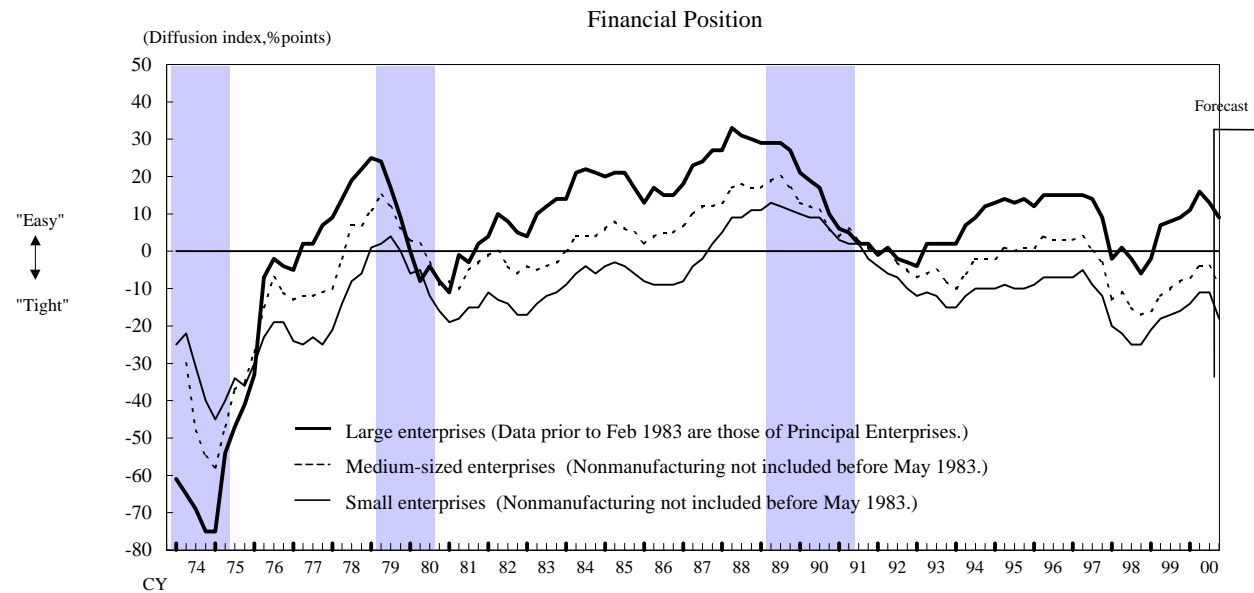
(Net percentage of respondents who reported "Excessive employment")

All industries					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
17 (5/83)	6 (2/85)	13 (5/83)	-3 (2/85)	8 (5,8/83)	-6 (2/85)
17 (2,5/87)	-40 (2/91)	12 (5/87)	-50 (2/91)	10 (5/87)	-47 (11/90,2/91)
29 (2/94)	10 (9/97)	20 (2,5,8/94)	3 (3/97)	10 (5/94,8/95)	-4 (3/97)
32 (3,6/99)		24 (12/98)		21 (3,6/99)	

	September 2000 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	21	8	11
Forecast	17	6	8

[Corporate Finance (All industries)]

Note: Shaded areas indicate periods in which the official discount rate had been raised.

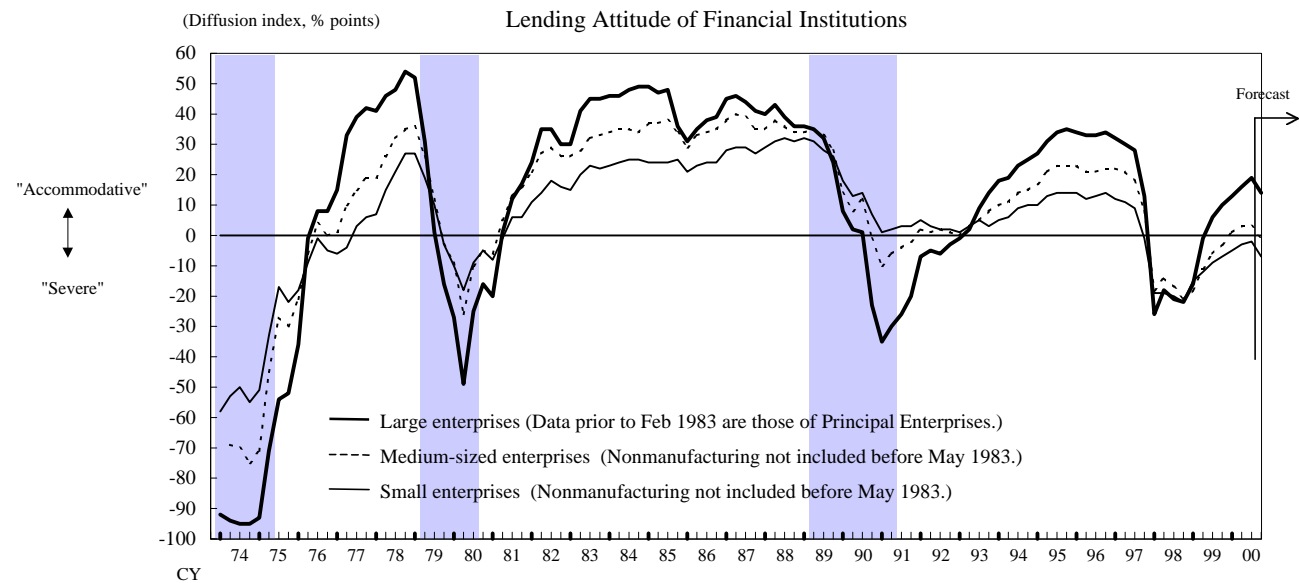


**Peaks and Bottoms of Financial Position**

(Diffusion index of "Easy" minus "Tight", % points)

All industries					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
22 (8/84)	13 (2/86)	8 (5/85)	2 (2/86)	-3 (5/85)	-9 (5,8,11/86)
33 (5/88)	-4 (2/93)	20 (8/89)	-10 (2/94)	13 (5/89)	-15 (11/93,2/95)

	September 2000 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	13	-4	-11
Forecast	9	-9	-18



**Peaks and Bottoms of Lending Attitude of Financial Institutions**

(Diffusion index of "Accommodative" minus "Severe", % points)

All industries					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
49 (11/84,2/85)	31 (2/86)	38 (8/85)	29 (2/86)	25 (8,11/84,11/85)	21 (2/86)
46 (5/87)	-35 (2/91)	40 (5/87)	-10 (2/91)	32 (8/88,2/89)	1 (2/91,2/93)

	September 2000 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	19	3	-2
Forecast	14	-1	-7