

Tankan Summary (March 2017)

172nd Short-Term Economic Survey of Enterprises in Japan

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Research and Statistics Department
Bank of Japan

Number of Sample Enterprises

	Manufacturing	Nonmanufacturing	Total	Response rate
All Enterprises	4,391	6,408	10,799	99.4%
Large Enterprises	1,082	1,036	2,118	99.3%
Medium-sized Enterprises	1,159	1,852	3,011	99.2%
Small Enterprises	2,150	3,520	5,670	99.5%
Financial institutions	-	-	196	99.0%

Responding Period: February 27 to March 31

Ref.: Average of predicted exchange rates expected by large manufacturing enterprises

	FY 2016		FY 2017		(yen per US dollar)	
	1H	2H	1H	2H	1H	2H
Dec. 2016 Survey	104.90	106.52	103.36	-	-	-
March 2017 Survey	107.30	106.54	108.01	108.43	108.45	108.42

1. Business Conditions

(Diffusion index of "Favorable" minus "Unfavorable," % points)

	Large Enterprises						Medium-sized Enterprises						Small Enterprises					
	Dec. 2016 Survey		March 2017 Survey				Dec. 2016 Survey		March 2017 Survey				Dec. 2016 Survey		March 2017 Survey			
	Actual result	Forecast	Actual result	Forecast	Changes	Changes	Actual result	Forecast	Actual result	Forecast	Changes	Changes	Actual result	Forecast	Actual result	Forecast	Changes	Changes
Manufacturing	10	8	12	2	11	-1	6	2	11	5	4	-7	1	-4	5	4	0	-5
Textiles	-3	-3	0	3	-3	-3	-4	-15	-5	-1	-20	-15	-23	-32	-27	-4	-29	-2
Lumber & Wood products	41	29	47	6	24	-23	23	16	25	2	16	-9	6	-7	0	-6	-9	-9
Pulp & Paper	11	4	3	-8	-3	-6	10	5	5	-5	-10	-15	-11	-11	-19	-8	-11	8
Chemicals	7	10	13	6	15	2	15	8	16	1	9	-7	10	2	11	1	-2	-13
Petroleum & Coal products	22	11	6	-16	12	6	13	0	18	5	-5	-23	-5	-16	-4	1	-7	-3
Ceramics, Stone & Clay	6	12	13	7	18	5	14	15	17	3	15	-2	3	2	4	1	-6	-10
Iron & Steel	-7	-5	0	7	7	7	-6	-10	6	12	-2	-8	4	1	20	16	14	-6
Nonferrous metals	20	6	23	3	20	-3	13	10	20	7	16	-4	9	4	20	11	19	-1
Food & Beverages	24	12	20	-4	14	-6	7	2	6	-1	1	-5	5	1	3	-2	6	3
Processed metals	10	5	15	5	7	-8	-4	-7	4	8	-3	-7	-2	-4	13	15	10	-3
General-purpose machinery	14	12	25	11	20	-5	10	0	17	7	10	-7	1	0	5	4	7	2
Production machinery	10	10	17	7	21	4	5	9	16	11	17	1	-3	-9	16	19	8	-8
Business oriented machinery	10	10	4	-6	18	14	12	9	18	6	13	-5	2	1	6	4	7	1
Electrical machinery	4	10	10	6	13	3	2	0	10	8	9	-1	2	-1	5	3	1	-4
Shipbuilding & Heavy machinery, etc.	-25	-14	-21	4	-18	3	5	5	5	0	-7	-12	9	7	10	1	-1	-11
Motor vehicles	10	12	18	8	9	-9	5	2	19	14	4	-15	15	6	23	8	13	-10
Basic materials	8	8	12	4	12	0	9	3	12	3	3	-9	0	-7	2	2	-4	-6
Processing	10	9	12	2	12	0	5	2	11	6	5	-6	1	-2	7	6	3	-4
Nonmanufacturing	18	16	20	2	16	-4	16	9	17	1	10	-7	2	-2	4	2	-1	-5
Construction	40	29	43	3	30	-13	31	14	28	-3	19	-9	9	2	15	6	0	-15
Real estate	33	27	35	2	28	-7	26	16	29	3	21	-8	13	7	15	2	10	-5
Goods rental & Leasing	20	20	14	-6	11	-3	23	20	19	-4	14	-5	18	16	17	-1	9	-8
Wholesaling	9	8	11	2	7	-4	9	4	8	-1	5	-3	-7	-11	-6	1	-6	0
Retailing	3	13	5	2	11	6	11	10	13	2	7	-6	-10	-9	-8	2	-8	0
Transport & Postal activities	8	5	12	4	6	-6	8	4	12	4	3	-9	2	-3	5	3	-3	-8
Communications	44	39	31	-13	31	0	30	5	19	-11	9	-10	16	12	21	5	24	3
Information services	21	18	28	7	22	-6	25	18	28	3	19	-9	11	6	19	8	14	-5
Electric & Gas utilities	8	5	5	-3	-3	-8	18	9	23	5	14	-9	3	5	10	7	10	0
Services for businesses	33	27	30	-3	23	-7	22	16	21	-1	16	-5	6	1	7	1	3	-4
Services for individuals	23	18	30	7	27	-3	11	7	12	1	11	-1	-7	-4	-2	5	-5	-3
Accommodations, Eating & Drinking services	9	11	17	8	11	-6	7	4	2	-5	4	2	-2	-8	-6	-4	-6	0
All industries	14	13	16	2	14	-2	12	7	15	3	8	-7	2	-3	5	3	-1	-6

	All Enterprises			
Manufacturing	4	1	8	-3
Nonmanufacturing	9	4	11	-6
All industries	7	2	10	-6

Notes: 1. Response rate = The number of enterprises that responded to the question on Business Conditions / 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 actual result = "Actual result of the current survey" minus "Actual result of the previous survey"

Changes in forecast = "Forecast of the current survey" minus "Actual result of the current survey"

3. "Shipbuilding & Heavy machinery, etc." indicates Transportation machinery excluding Motor vehicles.

1. Business Conditions (Continued)

<Ref.> Percentage share of the number of respondents choosing each alternative

(%, % points)

	Dec. 2016 Survey			March 2017 Survey					
	Actual result			Actual result			Forecast		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises	Large Enterprises	Medium-sized Enterprises	Small Enterprises	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Manufacturing	10	6	1	12	11	5	11	4	0
1. Favorable	17	19	20	19	23	23	16	16	17
2. Not so favorable	76	68	61	74	65	59	79	72	66
3. Unfavorable	7	13	19	7	12	18	5	12	17
Nonmanufacturing	18	16	2	20	17	4	16	10	-1
1. Favorable	24	24	18	25	24	20	20	18	14
2. Not so favorable	70	68	66	70	69	64	76	74	71
3. Unfavorable	6	8	16	5	7	16	4	8	15

(Note) Business Conditions DI = Diffusion index of "Favorable" minus "Unfavorable"

2. Supply and Demand Conditions, Inventories, and Prices

(% points)

		Large Enterprises					
		Dec. 2016 Survey		March 2017 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Domestic Supply & Demand Conditions for Products and Services: Diffusion index of "Excess demand" minus "Excess supply"	Manufacturing	-9	-9	-8	1	-9	-1
	Basic materials	-13	-12	-11	2	-11	0
	Processing	-7	-9	-7	0	-7	0
	Nonmanufacturing	-9	-11	-10	-1	-10	0
Overseas Supply & Demand Conditions for Products: Diffusion index of "Excess demand" minus "Excess supply"	Manufacturing	-6	-7	-4	2	-3	1
	Basic materials	-11	-9	-8	3	-8	0
	Processing	-3	-5	-1	2	-1	0

(% points)

		Small Enterprises					
		Dec. 2016 Survey		March 2017 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Domestic Supply & Demand Conditions for Products and Services: Diffusion index of "Excess demand" minus "Excess supply"	Manufacturing	-24	-24	-19	5	-22	-3
	Basic materials	-32	-32	-25	7	-28	-3
	Processing	-19	-19	-15	4	-18	-3
	Nonmanufacturing	-19	-19	-17	2	-19	-2
Overseas Supply & Demand Conditions for Products: Diffusion index of "Excess demand" minus "Excess supply"	Manufacturing	-17	-16	-12	5	-12	0
	Basic materials	-21	-21	-18	3	-18	0
	Processing	-14	-13	-9	5	-9	0

		Large Enterprises					
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Inventory Level of Finished Goods & Merchandise: Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Manufacturing	11	/	8	-3	/	/
	Basic materials	10	/	8	-2	/	/
	Processing	11	/	9	-2	/	/
Wholesalers' Inventory Level: Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Manufacturing	11	/	8	-3	/	/
	Basic materials	13	/	11	-2	/	/
	Processing	10	/	7	-3	/	/

		Small Enterprises					
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Inventory Level of Finished Goods & Merchandise: Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Manufacturing	12	/	10	-2	/	/
	Basic materials	14	/	12	-2	/	/
	Processing	9	/	9	0	/	/
Wholesalers' Inventory Level: Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Manufacturing	18	/	15	-3	/	/
	Basic materials	23	/	20	-3	/	/
	Processing	13	/	10	-3	/	/

		Large Enterprises					
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Change in Output Prices: Diffusion index of "Rise" minus "Fall"	Manufacturing	-7	-6	-3	4	-2	1
	Basic materials	-3	2	9	12	7	-2
	Processing	-9	-10	-8	1	-8	0
	Nonmanufacturing	1	0	3	2	2	-1
Change in Input Prices: Diffusion index of "Rise" minus "Fall"	Manufacturing	3	9	16	13	16	0
	Basic materials	7	15	26	19	19	-7
	Processing	0	7	12	12	14	2
	Nonmanufacturing	11	13	13	2	14	1

		Small Enterprises					
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Change in Output Prices: Diffusion index of "Rise" minus "Fall"	Manufacturing	-8	-8	-4	4	-3	1
	Basic materials	-6	-1	1	7	5	4
	Processing	-10	-12	-8	2	-8	0
	Nonmanufacturing	-6	-5	-4	2	-2	2
Change in Input Prices: Diffusion index of "Rise" minus "Fall"	Manufacturing	12	23	24	12	33	9
	Basic materials	12	28	27	15	33	6
	Processing	11	20	22	11	32	10
	Nonmanufacturing	15	21	19	4	23	4

3. Sales and Current Profits

Sales (Year-to-year % change)

		FY2016		FY2017	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	-3.4	0.3	1.4	-
	Domestic Sales	-2.3	0.2	1.8	-
	Exports	-5.8	0.5	0.6	-
	Nonmanufacturing	-5.0	-2.2	1.4	-
	All industries	-4.3	-1.2	1.4	-
Medium-sized Enterprises	Manufacturing	-0.2	0.2	2.4	-
	Nonmanufacturing	0.4	-0.9	2.6	-
	All industries	0.3	-0.7	2.6	-
Small Enterprises	Manufacturing	-0.8	0.0	1.3	-
	Nonmanufacturing	-0.5	0.0	-0.1	-
	All industries	-0.5	0.0	0.2	-
All Enterprises	Manufacturing	-2.4	0.2	1.6	-
	Nonmanufacturing	-2.3	-1.2	1.2	-
	All industries	-2.4	-0.7	1.3	-

(Year-to-year % change)

1H FY2016	2H FY2016		1H FY2017		2H FY2017	
	(Forecast)	Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
-6.1	-0.8	0.7	1.7	-	1.2	-
-4.3	-0.5	0.4	2.2	-	1.4	-
-10.1	-1.4	1.3	0.6	-	0.6	-
-7.9	-2.0	-2.1	1.6	-	1.3	-
-7.2	-1.5	-1.0	1.6	-	1.2	-
-1.3	0.8	0.1	2.4	-	2.4	-
0.0	0.8	-1.3	2.9	-	2.4	-
-0.3	0.8	-1.0	2.7	-	2.4	-
-1.9	0.2	0.1	2.2	-	0.4	-
-0.6	-0.3	-0.1	0.8	-	-0.8	-
-0.9	-0.2	0.0	1.1	-	-0.5	-
-4.6	-0.3	0.5	1.9	-	1.2	-
-3.9	-0.8	-1.3	1.6	-	0.9	-
-4.1	-0.7	-0.7	1.7	-	1.0	-

(Note) Revision rates are calculated as the percentage change of the figures between the current and the previous survey.

Current Profits (Year-to-year % change)

		FY2016		FY2017	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	-11.4	9.2	-0.3	-
	Basic materials	-4.0	6.7	0.0	-
	Processing	-14.4	10.3	-0.4	-
	Nonmanufacturing	-3.7	1.3	-0.1	-
	All industries	-7.4	4.7	-0.2	-
Medium-sized Enterprises	Manufacturing	0.1	5.7	-0.2	-
	Nonmanufacturing	2.7	3.0	-0.3	-
	All industries	1.9	3.8	-0.3	-
Small Enterprises	Manufacturing	9.3	5.2	1.0	-
	Nonmanufacturing	-0.6	3.7	-6.5	-
	All industries	1.8	4.1	-4.6	-
All Enterprises	Manufacturing	-7.6	8.1	-0.1	-
	Nonmanufacturing	-1.8	2.2	-1.8	-
	All industries	-4.1	4.4	-1.1	-

(Year-to-year % change)

1H FY2016	2H FY2016		1H FY2017		2H FY2017	
	(Forecast)	Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
-26.9	9.1	20.5	4.6	-	-4.6	-
-21.4	18.8	11.1	6.8	-	-6.0	-
-29.1	5.3	25.4	3.6	-	-4.0	-
-5.6	-1.4	5.2	-1.8	-	2.0	-
-15.8	3.6	12.3	0.9	-	-1.3	-
-8.2	8.1	9.7	0.7	-	-1.0	-
7.6	-1.1	4.1	-4.9	-	3.6	-
2.2	1.6	5.8	-3.2	-	2.2	-
-0.3	18.9	8.4	3.8	-	-1.4	-
6.7	-6.6	6.0	-9.3	-	-3.9	-
4.9	-1.0	6.6	-6.2	-	-3.2	-
-22.1	10.3	17.1	4.0	-	-3.7	-
-0.8	-2.8	5.2	-4.1	-	0.7	-
-9.8	2.2	9.8	-1.1	-	-1.1	-

3. Sales and Current Profits (Continued)

Ratio of Current Profit to Sales (% , % points)

		FY2016		FY2017	
		(Forecast)	Changes	(Forecast)	Changes
Large Enterprises	Manufacturing	6.55	0.53	6.44	-
	Nonmanufacturing	5.42	0.19	5.34	-
	All industries	5.88	0.33	5.79	-
Medium-sized Enterprises	Manufacturing	5.11	0.26	4.98	-
	Nonmanufacturing	3.36	0.13	3.26	-
	All industries	3.76	0.16	3.66	-
Small Enterprises	Manufacturing	4.34	0.21	4.33	-
	Nonmanufacturing	3.48	0.12	3.26	-
	All industries	3.67	0.15	3.49	-
All Enterprises	Manufacturing	5.92	0.43	5.83	-
	Nonmanufacturing	4.31	0.14	4.18	-
	All industries	4.82	0.24	4.70	-

(% , % points)

1H FY2016	2H FY2016		1H FY2017		2H FY2017	
	(Forecast)	Changes	(Forecast)	Changes	(Forecast)	Changes
6.42	6.68	1.11	6.61	-	6.29	-
6.22	4.67	0.32	6.02	-	4.70	-
6.31	5.49	0.65	6.26	-	5.35	-
4.73	5.47	0.48	4.65	-	5.29	-
3.18	3.52	0.18	2.94	-	3.56	-
3.54	3.96	0.25	3.33	-	3.95	-
4.07	4.60	0.35	4.13	-	4.52	-
3.52	3.45	0.20	3.17	-	3.34	-
3.64	3.69	0.23	3.38	-	3.59	-
5.72	6.11	0.87	5.84	-	5.81	-
4.64	4.01	0.25	4.38	-	4.00	-
4.98	4.67	0.45	4.84	-	4.57	-

Net Income (Year-to-year % change)

		FY2016		FY2017	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	2.6	5.7	-1.7	-
	Basic materials	34.5	6.6	-5.8	-
	Processing	-7.9	5.3	0.3	-
	Nonmanufacturing	15.1	1.5	3.0	-
	All industries	8.7	3.5	0.7	-
Medium-sized Enterprises	Manufacturing	12.8	5.2	3.5	-
	Nonmanufacturing	9.7	3.3	0.2	-
	All industries	10.7	3.9	1.2	-
Small Enterprises	Manufacturing	16.1	3.1	9.3	-
	Nonmanufacturing	-2.1	1.0	-1.5	-
	All industries	1.9	1.5	1.2	-
All Enterprises	Manufacturing	5.2	5.3	0.3	-
	Nonmanufacturing	9.3	1.7	1.3	-
	All industries	7.6	3.2	0.9	-

(Year-to-year % change)

1H FY2016	2H FY2016		1H FY2017		2H FY2017	
	(Forecast)	Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
-22.1	54.9	15.2	0.7	-	-4.2	-
-8.4	178.3	12.8	-8.9	-	-2.4	-
-27.5	28.3	16.4	5.4	-	-5.0	-
-9.6	83.1	6.9	3.1	-	2.8	-
-15.8	67.3	11.1	2.0	-	-0.8	-
-9.0	42.2	7.0	1.8	-	5.0	-
14.0	6.0	4.4	-6.6	-	6.7	-
6.0	15.5	5.2	-4.0	-	6.1	-
2.9	31.8	4.6	8.9	-	9.6	-
9.2	-12.3	1.0	-10.2	-	8.4	-
7.6	-3.5	2.0	-5.8	-	8.7	-
-18.6	49.8	12.6	1.8	-	-1.2	-
-2.2	27.4	4.8	-1.7	-	5.1	-
-9.3	36.3	8.0	-0.4	-	2.3	-

4. Fixed Investment, etc.

Fixed Investment including Land Purchasing Expenses* (Year-to-year % change)

		FY2016		FY2017	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	6.2	-4.5	5.3	-
	Nonmanufacturing	-1.1	-3.5	-2.0	-
	All industries	1.4	-3.9	0.6	-
Medium-sized Enterprises	Manufacturing	-1.3	-3.6	16.5	-
	Nonmanufacturing	-6.4	-0.5	18.1	-
	All industries	-4.6	-1.7	17.5	-
Small Enterprises	Manufacturing	-9.4	2.0	-10.6	-
	Nonmanufacturing	6.3	10.5	-27.5	-
	All industries	1.1	7.8	-22.6	-
All Enterprises	Manufacturing	2.1	-3.3	4.4	-
	Nonmanufacturing	-0.5	-0.4	-4.4	-
	All industries	0.4	-1.4	-1.3	-

* Excludes software and R&D investment.

R&D Investment (Year-to-year % change)

		FY2016		FY2017	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	1.2	0.5	0.8	-
	Nonmanufacturing	8.8	5.6	0.3	-
	All industries	1.8	0.9	0.7	-
Medium-sized Enterprises	Manufacturing	10.2	1.4	7.2	-
	Nonmanufacturing	31.2	16.0	11.0	-
	All industries	12.9	3.3	7.8	-
Small Enterprises	Manufacturing	11.1	4.4	3.4	-
	Nonmanufacturing	37.1	3.8	11.4	-
	All industries	12.9	4.3	4.1	-
All Enterprises	Manufacturing	1.7	0.6	1.0	-
	Nonmanufacturing	10.6	6.1	1.2	-
	All industries	2.5	1.1	1.1	-

Software Investment (Year-to-year % change)

		FY2016		FY2017	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	-1.8	-0.9	3.7	-
	Nonmanufacturing	5.9	-1.9	0.7	-
	All industries	3.1	-1.5	1.8	-
Medium-sized Enterprises	Manufacturing	-7.4	-3.4	25.6	-
	Nonmanufacturing	-6.2	-4.1	0.6	-
	All industries	-6.4	-4.0	4.3	-
Small Enterprises	Manufacturing	9.1	3.3	11.5	-
	Nonmanufacturing	10.0	3.3	15.2	-
	All industries	9.7	3.3	14.1	-
All Enterprises	Manufacturing	-1.5	-0.7	5.7	-
	Nonmanufacturing	4.0	-1.9	1.9	-
	All industries	2.2	-1.5	3.1	-

Software, R&D and Fixed Investment excluding Land

Purchasing Expenses (Year-to-year % change)

		FY2016		FY2017	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	2.9	-1.5	3.1	-
	Nonmanufacturing	1.0	-3.4	0.5	-
	All industries	2.0	-2.4	1.9	-
Medium-sized Enterprises	Manufacturing	0.5	-3.4	16.3	-
	Nonmanufacturing	-8.5	-1.5	20.4	-
	All industries	-5.0	-2.3	18.7	-
Small Enterprises	Manufacturing	-8.8	0.7	-4.9	-
	Nonmanufacturing	8.1	6.5	-21.7	-
	All industries	1.7	4.5	-15.9	-
All Enterprises	Manufacturing	1.5	-1.5	3.7	-
	Nonmanufacturing	0.7	-1.5	-0.7	-
	All industries	1.1	-1.5	1.5	-

Land Purchasing Expenses (Year-to-year % change)

		FY2016		FY2017	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	21.7	-16.8	-50.1	-
	Nonmanufacturing	-11.7	2.9	-23.8	-
	All industries	-9.5	0.7	-26.2	-
Medium-sized Enterprises	Manufacturing	-1.9	24.3	-25.3	-
	Nonmanufacturing	11.7	8.0	-16.9	-
	All industries	9.6	10.0	-18.0	-
Small Enterprises	Manufacturing	33.7	33.6	-58.6	-
	Nonmanufacturing	-6.1	35.6	-48.8	-
	All industries	-1.4	35.2	-50.4	-
All Enterprises	Manufacturing	21.0	6.3	-49.2	-
	Nonmanufacturing	-7.1	11.7	-30.1	-
	All industries	-4.4	11.0	-32.4	-

Production Capacity (Diffusion index of "Excessive capacity" minus "Insufficient capacity," % points)

		Dec. 2016 Survey		March 2017 Survey			
		Actual result	Forecast	Actual result		Forecast	
				Changes	Changes	Changes	Changes
Large Enterprises	Manufacturing	1	2	1	0	1	0
	Nonmanufacturing	-2	-1	-1	1	-1	0
	All industries	0	0	0	0	0	0
Medium-sized Enterprises	Manufacturing	3	1	2	-1	-1	-3
	Nonmanufacturing	-3	-3	-4	-1	-5	-1
	All industries	-1	-2	-1	0	-3	-2
Small Enterprises	Manufacturing	2	0	0	-2	-3	-3
	Nonmanufacturing	-2	-6	-4	-2	-6	-2
	All industries	-1	-3	-3	-2	-5	-2
All Enterprises	Manufacturing	2	1	0	-2	-1	-1
	Nonmanufacturing	-3	-5	-4	-1	-5	-1
	All industries	0	-2	-2	-2	-4	-2

5. Fixed Investment of Financial institutions

Fixed Investment including Land Purchasing Expenses of Financial institutions* (Year-to-year % change)

	FY2016		FY2017	
	(Forecast)	Revision rate	(Forecast)	Revision rate
Financial institutions	-0.2	-9.2	17.0	-
Banks	-9.5	-10.4	19.8	-
<i>Shinkin</i> banks & Other financial institutions for small businesses	29.3	-8.6	-10.8	-
Financial products transaction dealers	34.8	4.3	-18.8	-
Insurance companies	-5.6	-11.8	41.3	-
Non-deposit money corporations	9.1	-3.0	10.3	-
(Memo) All industries including Financial institutions	0.4	-1.7	-0.9	-
Nonmanufacturing including Financial institutions	-0.5	-0.8	-3.6	-

* Excludes software and R&D investment.

Software Investment of Financial institutions (Year-to-year % change)

	FY2016	Revision rate	FY2017	Revision rate
Financial institutions	12.1	-3.4	4.9	-
Banks	10.7	-5.0	0.6	-
<i>Shinkin</i> banks & Other financial institutions for small businesses	8.3	-16.2	-9.8	-
Financial products transaction dealers	-1.0	4.6	7.1	-
Insurance companies	21.0	-4.7	17.7	-
Non-deposit money corporations	22.8	7.0	4.2	-
(Memo) All industries including Financial institutions	4.8	-2.0	3.6	-
Nonmanufacturing including Financial institutions	6.7	-2.4	2.9	-

Land Purchasing Expenses of Financial institutions (Year-to-year % change)

	FY2016	Revision rate	FY2017	Revision rate
Financial institutions	-24.2	-2.6	8.5	-
Banks	52.5	-8.8	-42.9	-
<i>Shinkin</i> banks & Other financial institutions for small businesses	-24.7	31.0	-52.6	-
Financial products transaction dealers	-	14.3	-100.0	-
Insurance companies	-42.4	-11.3	74.4	-
Non-deposit money corporations	-100.0	-	-	-
(Memo) All industries including Financial institutions	-4.7	10.8	-31.8	-
Nonmanufacturing including Financial institutions	-7.4	11.4	-29.5	-

Software, R&D and Fixed Investment excluding Land Purchasing Expenses of Financial institutions (Year-to-year % change)

	FY2016	Revision rate	FY2017	Revision rate
Financial institutions	7.0	-6.1	10.3	-
Banks	1.4	-7.2	8.7	-
<i>Shinkin</i> banks & Other financial institutions for small businesses	28.9	-11.9	-8.2	-
Financial products transaction dealers	4.7	4.5	1.8	-
Insurance companies	9.9	-8.0	26.6	-
Non-deposit money corporations	15.6	1.9	7.2	-
(Memo) All industries including Financial institutions	1.3	-1.7	1.9	-
Nonmanufacturing including Financial institutions	1.2	-1.8	0.2	-

6. Employment

Employment Conditions (Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

		Dec. 2016 Survey		March 2017 Survey			
		Actual result	Forecast	Actual result		Forecast	
				Changes	Changes	Changes	Changes
Large Enterprises	Manufacturing	-6	-6	-8	-2	-9	-1
	Nonmanufacturing	-19	-20	-22	-3	-22	0
	All industries	-13	-13	-15	-2	-15	0
Medium-sized Enterprises	Manufacturing	-12	-13	-17	-5	-17	0
	Nonmanufacturing	-29	-30	-32	-3	-33	-1
	All industries	-23	-23	-26	-3	-27	-1
Small Enterprises	Manufacturing	-14	-17	-19	-5	-19	0
	Nonmanufacturing	-31	-35	-34	-3	-37	-3
	All industries	-24	-27	-28	-4	-30	-2
All Enterprises	Manufacturing	-12	-13	-16	-4	-16	0
	Nonmanufacturing	-29	-30	-31	-2	-33	-2
	All industries	-21	-23	-25	-4	-26	-1

Number of New Graduates Hired (All industries)

(Surveyed only in June and December)

(Year-to-year % change)

	FY2015		FY2016		FY2017	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	-	-	-	-	-	-
Medium-sized Enterprises	-	-	-	-	-	-
Small Enterprises	-	-	-	-	-	-
All Enterprises	-	-	-	-	-	-
All Enterprises & Financial institutions	-	-	-	-	-	-
Manufacturing	-	-	-	-	-	-
Nonmanufacturing	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-

7. Corporate Finance

Financial Position (All industries)

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

	Dec. 2016 Survey		March 2017 Survey	
	Actual result	Forecast	Actual result	Changes
			Actual result	Changes
Large Enterprises	24	/	24	0
Medium-sized Enterprises	22		24	2
Small Enterprises	9		9	0
All Enterprises	15		16	1
Manufacturing	14		15	1
Nonmanufacturing	17		17	0

Lending Attitude of Financial institutions (All industries)

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

	Dec. 2016 Survey		March 2017 Survey	
	Actual result	Forecast	Actual result	Changes
			Actual result	Changes
Large Enterprises	27	/	27	0
Medium-sized Enterprises	28		28	0
Small Enterprises	21		20	-1
All Enterprises	24		24	0
Manufacturing	23		23	0
Nonmanufacturing	25		25	0

Change in Interest Rate on Loans (All industries)

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

	Dec. 2016 Survey		March 2017 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
			Actual result	Changes	Changes	
Large Enterprises	-11	2	-4	7	4	8
Medium-sized Enterprises	-16	-3	-9	7	1	10
Small Enterprises	-16	-3	-12	4	0	12
All Enterprises	-15	-2	-9	6	2	11
Manufacturing	-15	-1	-9	6	2	11
Nonmanufacturing	-15	-3	-10	5	0	10

Conditions for CP Issuance (All industries) <Based on CP-Issuing Enterprises>

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

	Dec. 2016 Survey		March 2017 Survey	
	Actual result	Forecast	Actual result	Changes
			Actual result	Changes
Large Enterprises	41	/	40	-1

8. Business Conditions of Financial institutions

Business Conditions

(Diffusion index of "Favorable" minus "Unfavorable," % points)

	Dec. 2016 Survey		March 2017 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
			Actual result	Changes	Changes	
Banks	4	-1	7	3	-3	-10
<i>Shinkin</i> banks & Other financial institutions for small businesses	6	0	5	-1	-2	-7
Financial products transaction dealers	0	20	20	20	14	-6
Insurance companies	24	21	29	5	32	3
Non-deposit money corporations	15	15	15	0	15	0
Financial institutions	8	7	14	6	8	-6

Production Capacity

(Diffusion index of "Excessive capacity" minus "Insufficient capacity," % points)

	Dec. 2016 Survey		March 2017 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
			Actual result	Changes	Changes	
Banks	0	0	0	0	0	0
<i>Shinkin</i> banks & Other financial institutions for small businesses	0	0	-3	-3	-5	-2
Financial products transaction dealers	-6	-6	-3	3	-3	0
Insurance companies	-8	-8	-3	5	-8	-5
Non-deposit money corporations	0	0	0	0	0	0
Financial institutions	-2	-2	-2	0	-3	-1

Employment Conditions

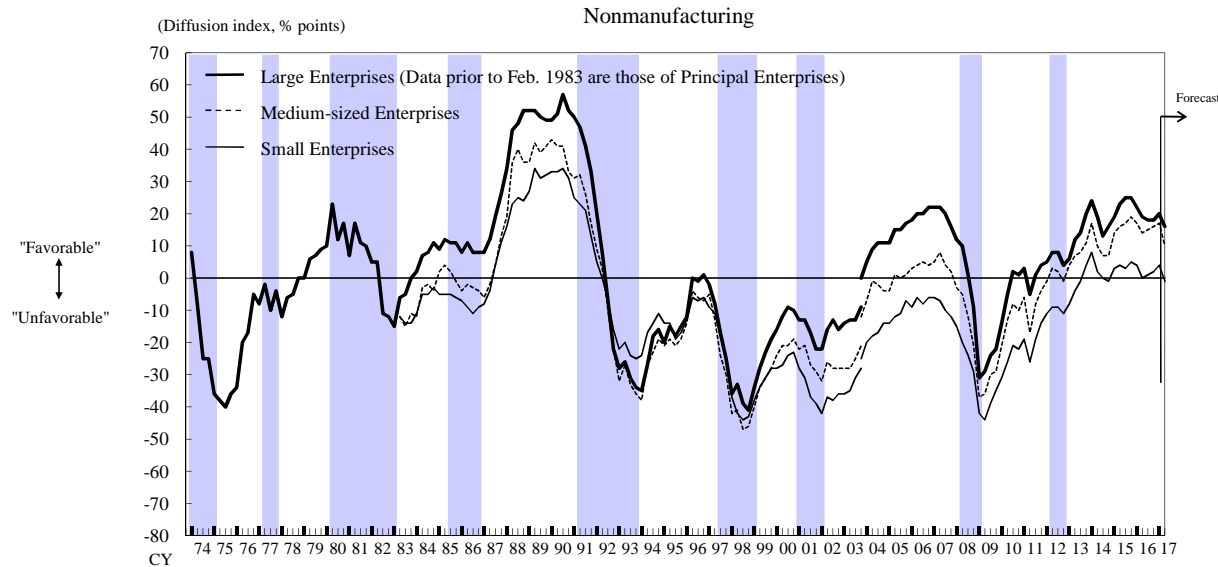
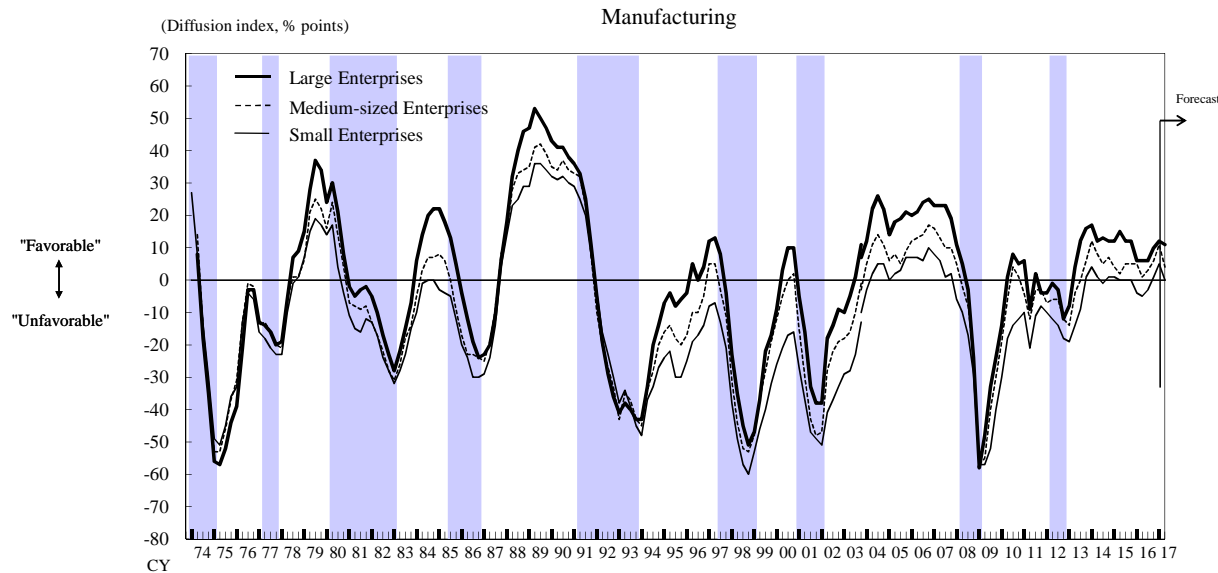
(Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

	Dec. 2016 Survey		March 2017 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
			Actual result	Changes	Changes	
Banks	-2	-6	-3	-1	-3	0
<i>Shinkin</i> banks & Other financial institutions for small businesses	-21	-19	-24	-3	-6	18
Financial products transaction dealers	-20	-23	-24	-4	-20	4
Insurance companies	-15	-10	-13	2	-10	3
Non-deposit money corporations	0	0	-15	-15	-8	7
Financial institutions	-11	-11	-12	-1	-8	4

(Reference Charts)

- Notes: 1. Unless otherwise noted, shaded areas indicate periods of recession (according to the Cabinet Office).
- 2. There is a discontinuity between the figures up to the December 2003 survey and those from the March 2004 survey (as for the December 2003 survey, the results of preliminary survey based on "Capital" are also shown).
- 3. The "Principal Enterprises" survey was discontinued after the December 2003 survey.

[Business Conditions]



Peaks and Bottoms of Business Conditions (from May 1974)

(Diffusion index of "Favorable" minus "Unfavorable," % points)

Manufacturing					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	-57 (75/5)		-53 (75/2,5)		-51 (75/5)
-3 (76/8, 11)	-20 (77/11)	-1 (76/8)	-21 (78/2)	-4 (76/8)	-23 (77/11, 78/2)
37 (79/8)	-28 (83/2)	25 (79/8)	-31 (83/2)	19 (79/8)	-32 (83/2)
22 (84/11, 85/2)	-24 (86/11)	8 (85/2)	-25 (87/2)	0 (84/8, 11)	-30 (86/8, 11)
53 (89/5)	-43 (93/11, 94/2)	42 (89/8)	-45 (94/2)	36 (89/5,8)	-48 (94/2)
13 (97/6)	-51 (98/12)	5 (97/3, 6)	-53 (98/12)	-7 (97/6)	-60 (98/12)
10 (00/9, 12)	-38 (01/12, 02/3)	2 (00/12)	-48 (01/12)	-16 (00/12)	-51 (02/3)
26 (04/9)	-58 (09/3)	17 (06/12)	-57 (09/3)	10 (06/12)	-57 (09/3,6)
8 (10/9)	-12 (12/12)	4 (10/9)	-14 (13/3)	-8 (11/12)	-19 (13/3)

	March 2017 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	12	11	5
Forecast	11	4	0

Peaks and Bottoms of Business Conditions (from May 1983)

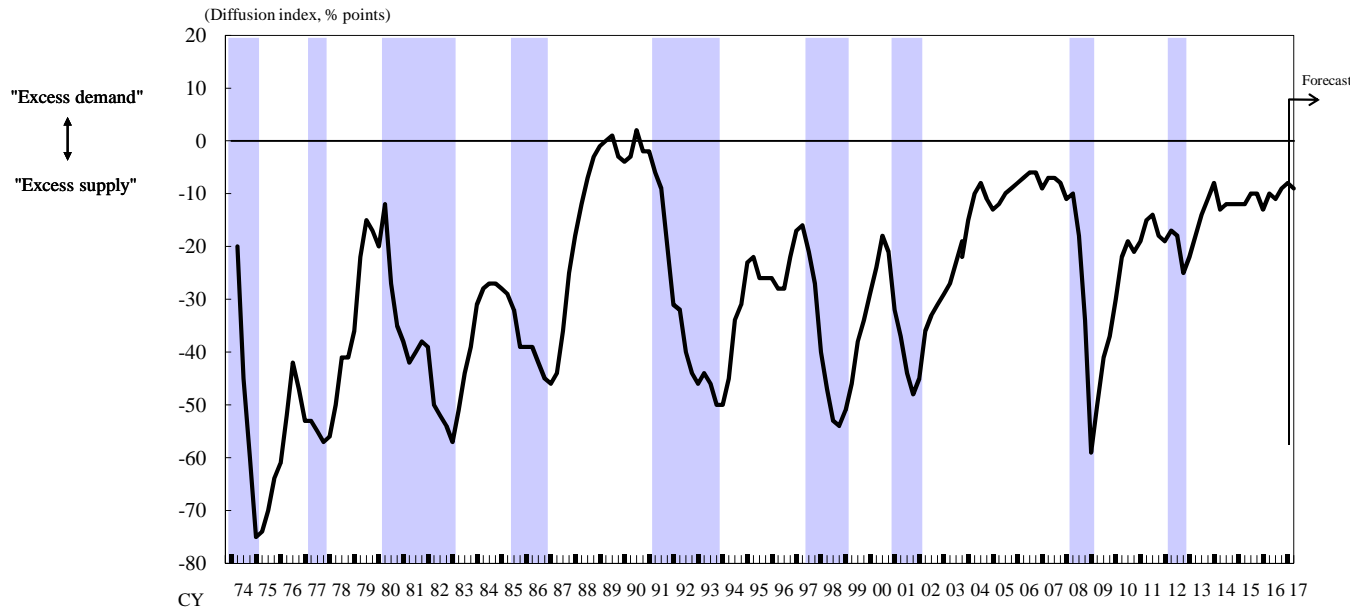
(Diffusion index of "Favorable" minus "Unfavorable," % points)

Nonmanufacturing					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	-6 (83/5)		-15 (83/8)		-14 (83/8, 11)
12 (85/5)	8 (86/2, 8, 11, 87/2)	4 (85/5)	-6 (87/2)	-3 (84/11)	-11 (86/8)
57 (90/8)	-35 (94/2)	43 (90/2)	-38 (94/2)	34 (89/5, 90/8)	-25 (93/11)
1 (96/11)	-41 (98/12)	-4 (96/5)	-47 (98/9)	-6 (96/5, 11)	-44 (98/9)
-9 (00/9)	-22 (01/12, 02/3)	-19 (00/12)	-32 (02/3)	-23 (00/12)	-42 (02/3)
22 (06/12, 07/3, 6)	-31 (09/3)	8 (07/6)	-37 (09/3)	-6 (06/6, 12, 07/3)	-44 (09/6)
8 (12/6, 9)	4 (12/12)	3 (12/6)	-1 (12/12)	-9 (12/6, 9)	-11 (12/12)

	March 2017 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	20	17	4
Forecast	16	10	-1

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

Domestic Supply and Demand Conditions for Products and Services



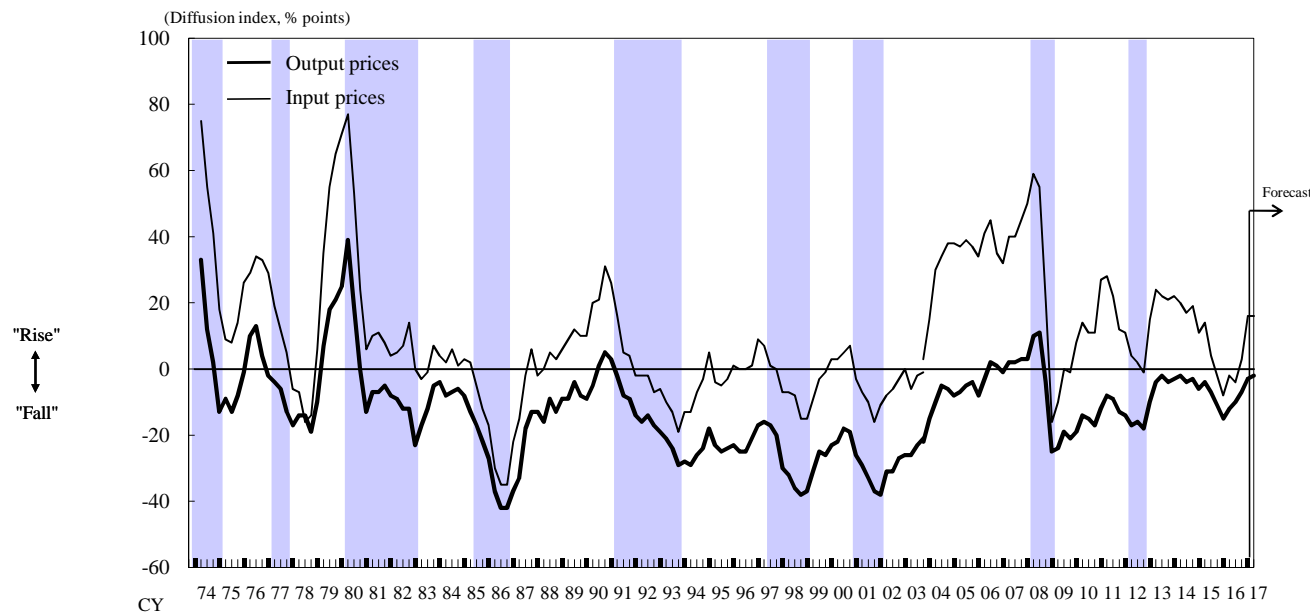
Peaks and Bottoms of Domestic Supply and Demand Conditions for Products and Services (from May 1974)

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

Large Manufacturing Enterprises	
Peak	Bottom
	-75 (75/2)
-42 (76/8)	-57 (77/11)
-12 (80/5)	-57 (83/2)
-27 (84/8, 11)	-46 (87/2)
2 (90/8)	-50 (93/11, 94/2)
-16 (97/6)	-54 (98/12)
-18 (00/9)	-48 (01/12)
-6 (06/9, 12)	-59 (09/3)
-14 (11/9)	-25 (12/12)

March 2017 Survey	
Actual result	-8
Forecast	-9

Prices



Peaks and Bottoms of Prices (from May 1974)

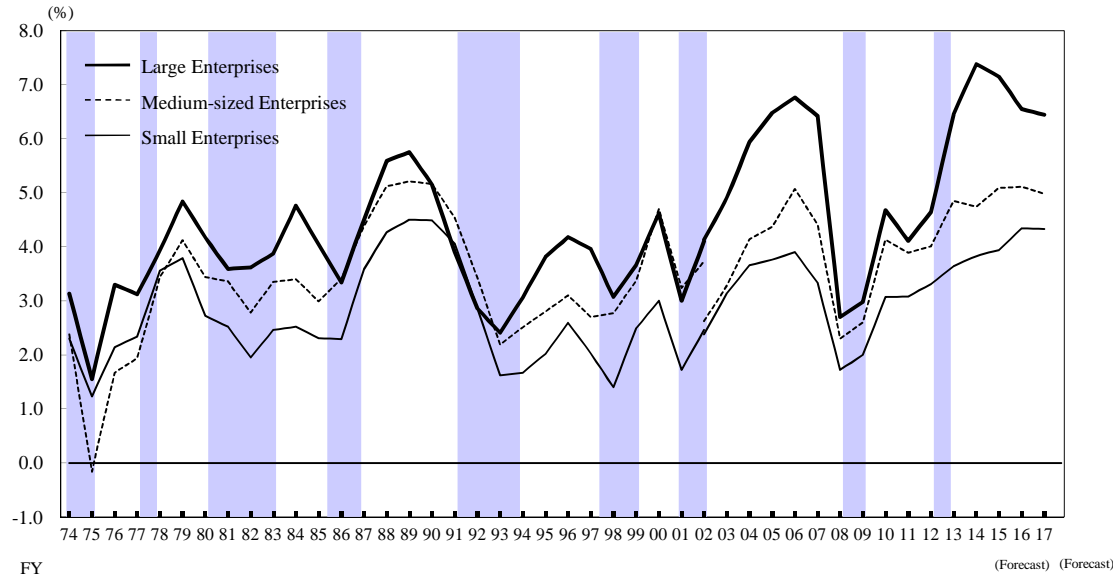
(Diffusion index of "Rise" minus "Fall," % points)

Large Manufacturing Enterprises			
Output Prices		Input Prices	
Peak	Bottom	Peak	Bottom
	-13 (75/2, 8)		8 (75/8)
13 (76/8)	-19 (78/11)	34 (76/8)	-16 (78/8)
39 (80/5)	-23 (83/2)	77 (80/5)	4 (82/2)
-4 (84/2)	-42 (86/8, 11)	14 (82/11)	-35 (86/8, 11)
5 (90/11)	-29 (93/11, 94/5)	31 (90/11)	-19 (93/11)
-16 (97/6)	-38 (98/12)	9 (97/3)	-15 (98/12, 99/3)
-18 (00/9)	-38 (02/3)	7 (00/12)	-16 (01/12)
11 (08/9)	-25 (09/3)	59 (08/6)	-16 (09/3)
-8 (11/6)	-18 (12/12)	28 (11/6)	-1 (12/12)

March 2017 Survey		
	Output Prices	Input Prices
Actual result	-3	16
Forecast	-2	16

[Ratio of Current Profit to Sales]

Manufacturing

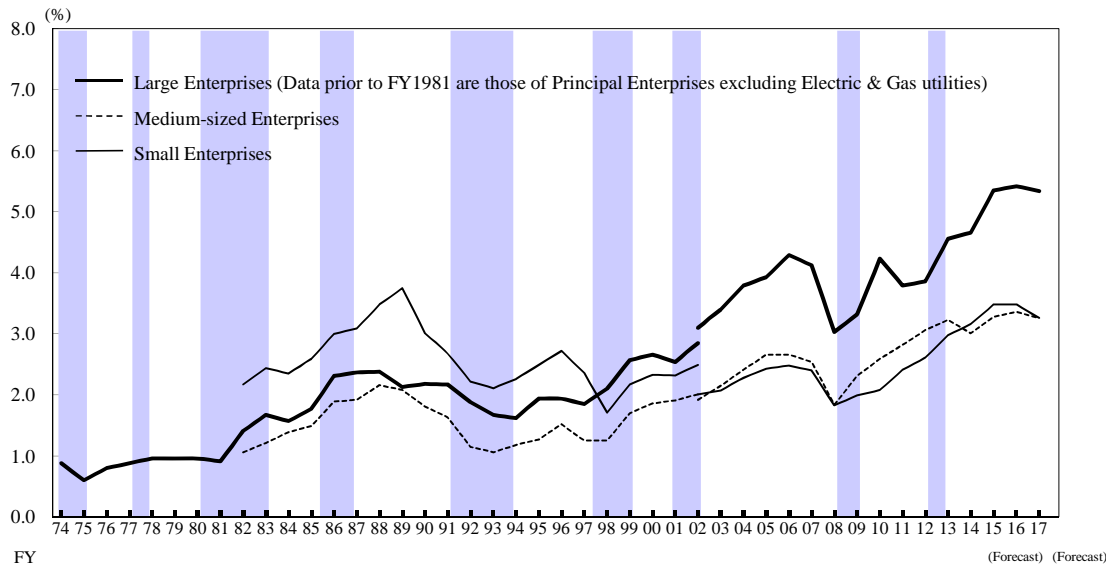


Peaks and Bottoms of Ratio of Current Profit to Sales (from 1974)

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)
4.61 (FY01)	3.00 (FY01)	4.70 (FY00)	3.24 (FY01)	3.00 (FY00)	1.72 (FY01)
6.76 (FY06)	2.70 (FY08)	5.07 (FY06)	2.30 (FY08)	3.90 (FY06)	1.72 (FY08)

	March 2017 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
FY2016 (Forecast)	6.55	5.11	4.34
FY2017 (Forecast)	6.44	4.98	4.33

Nonmanufacturing



Peaks and Bottoms of Ratio of Current Profit to Sales (from 1982)

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)	—	—	2.44 (FY83)	2.35 (FY84)
2.38 (FY88)	1.62 (FY94)	2.16 (FY88)	1.06 (FY93)	3.75 (FY89)	2.11 (FY93)
1.94 (FY95,96)	1.85 (FY97)	1.52 (FY96)	1.25 (FY97,98)	2.72 (FY96)	1.71 (FY98)
2.66 (FY00)	2.54 (FY01)	—	—	2.33 (FY00)	2.32 (FY01)
4.29 (FY06)	3.03 (FY08)	2.66 (FY05,06)	1.84 (FY08)	2.48 (FY06)	1.83 (FY08)

	March 2017 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
FY2016 (Forecast)	5.42	3.36	3.48
FY2017 (Forecast)	5.34	3.26	3.26

[Developments of Fixed Investment including Land Purchasing Expenses]

Notes: 1. The graphs indicate the revision pattern of fixed investment. The horizontal axis represents the point of time when the survey is conducted for each fiscal year. Namely, the first survey for each year (March survey) is on the left, and the last survey (June survey of the following year; actual result) is on the right. The vertical axis represents the year-to-year percent change.
 2. There is a discontinuity in the data in December 2014 due to the regular revision of the sample enterprises.
 3. Excludes software and R&D investment.

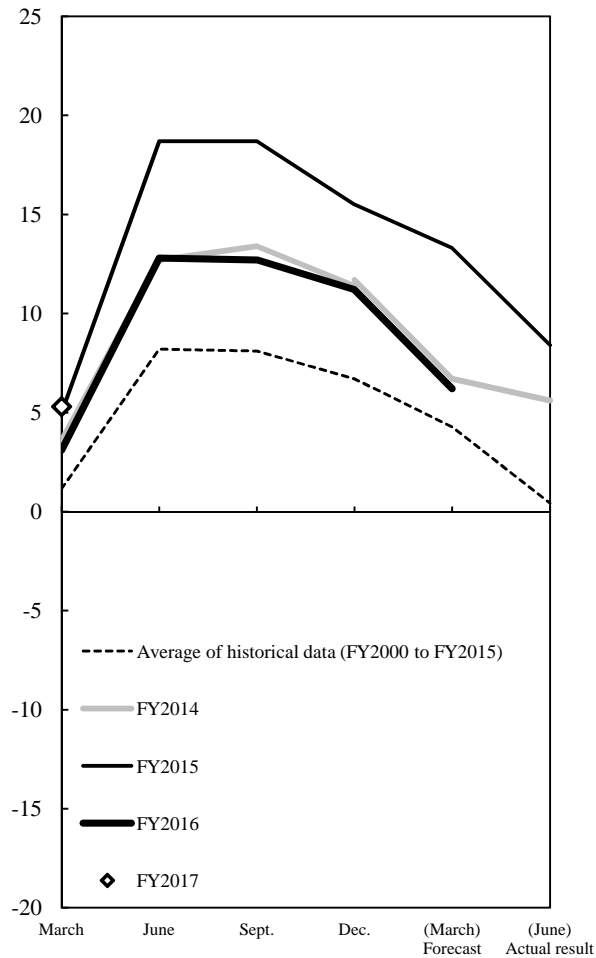
(1) Large Enterprises

Manufacturing

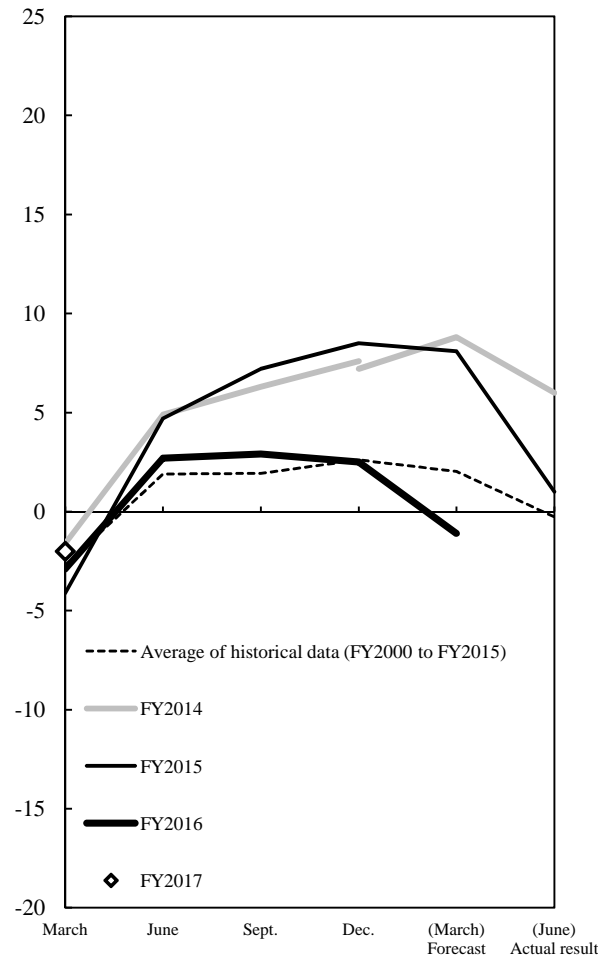
Nonmanufacturing

All industries

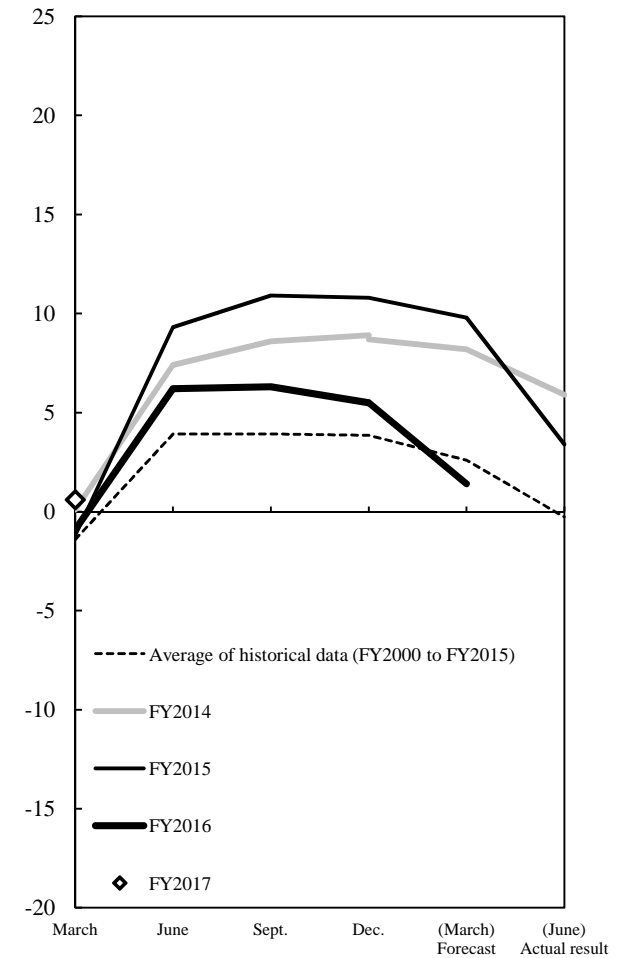
(Year-to-year % change)



(Year-to-year % change)



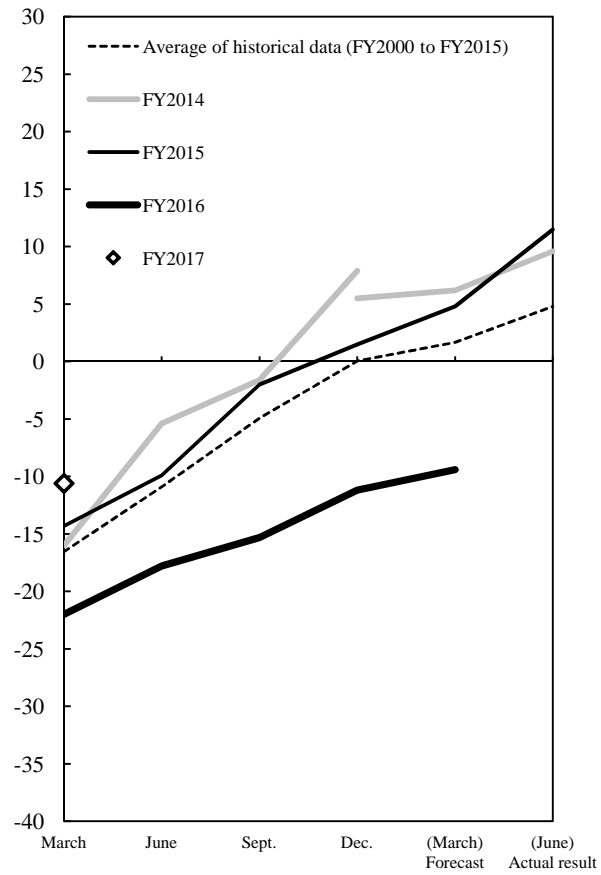
(Year-to-year % change)



(2) Small Enterprises

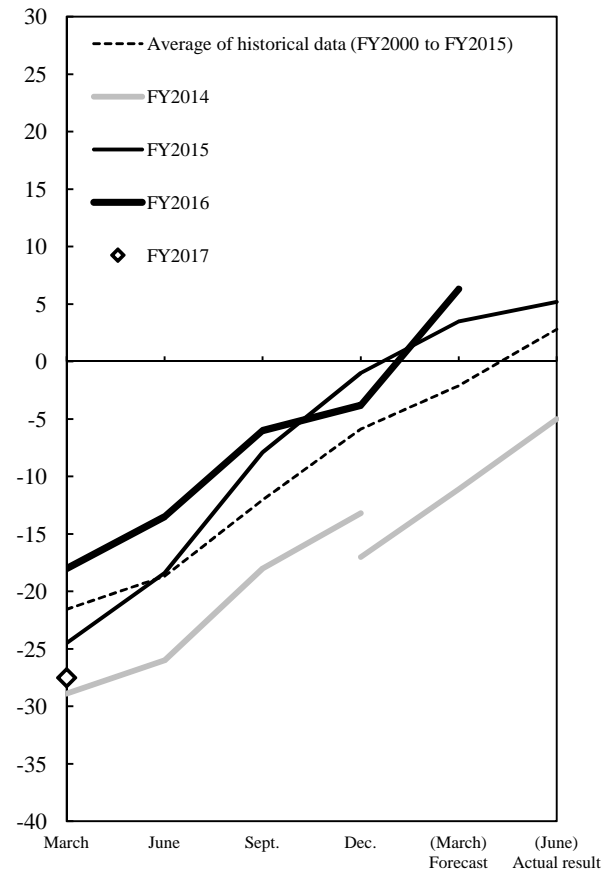
Manufacturing

(Year-to-year % change)



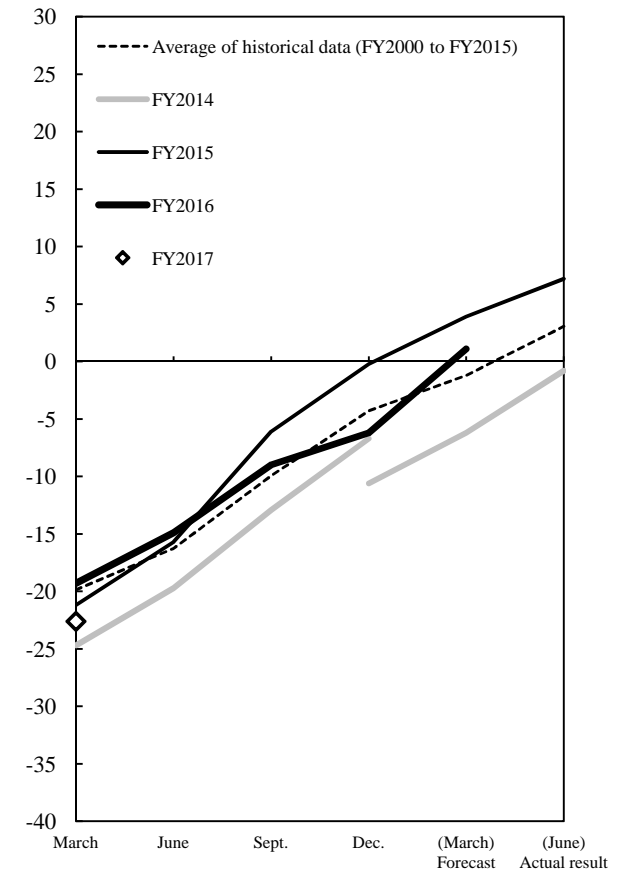
Nonmanufacturing

(Year-to-year % change)

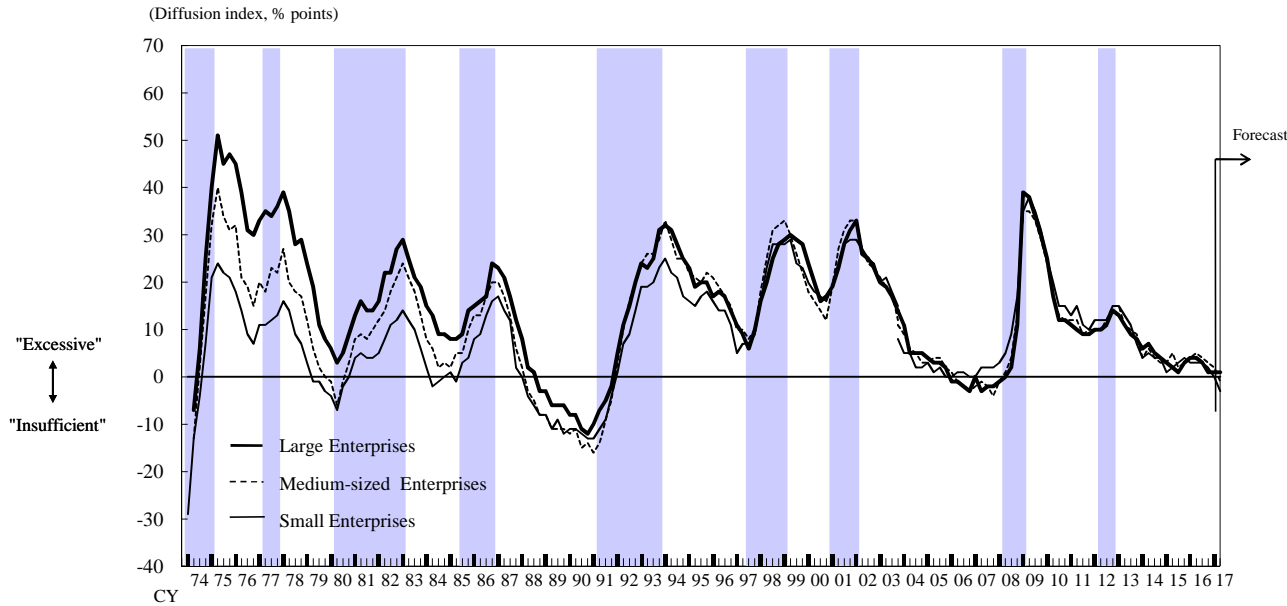


All industries

(Year-to-year % change)



[Production Capacity (Manufacturing)]

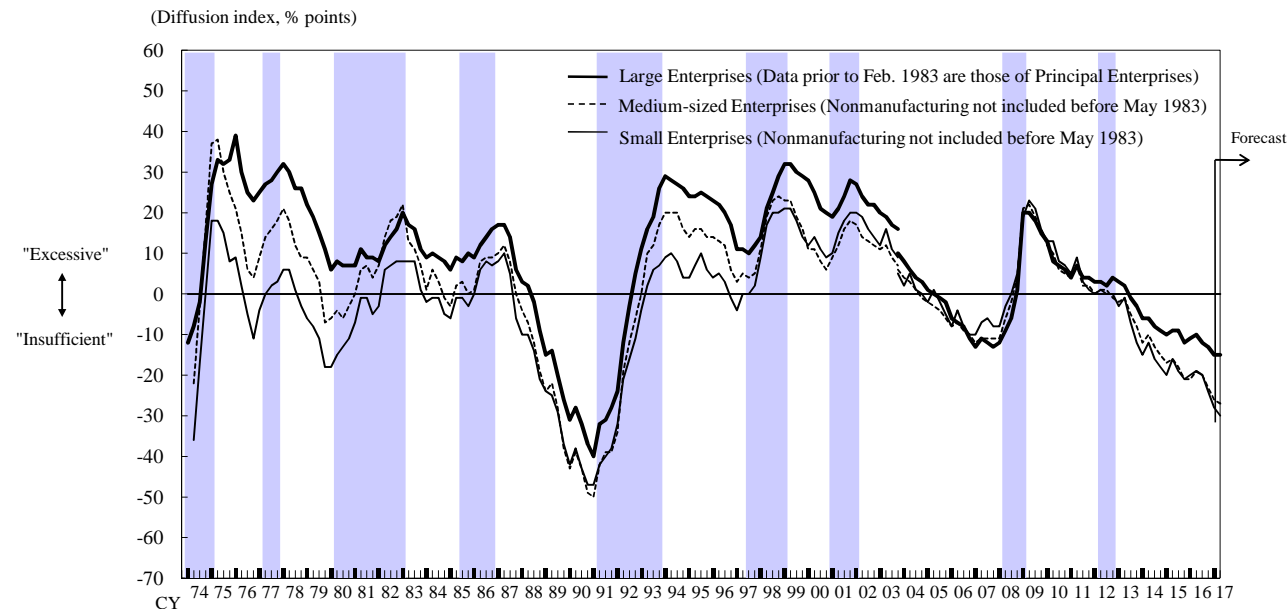


Peaks and Bottoms of Production Capacity (from May 1977)
(Diffusion index of "Excessive capacity" minus "Insufficient capacity," % points)

Manufacturing					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
39 (78/2)	3 (80/5)	27 (78/2)	-6 (80/5)	16 (78/2)	-7 (80/5)
29 (83/2)	8 (85/2,5)	24 (83/2)	2 (84/8,85/2)	14 (83/2)	-2 (84/5)
24 (86/11)	-12 (90/11)	20 (86/11,87/2)	-16 (91/2)	17 (87/2)	-13 (90/11,91/2)
32 (94/2)	6 (97/9)	33 (94/2)	8 (97/9)	25 (94/2)	5 (97/3)
30 (99/6)	16 (00/9)	33 (99/3)	12 (00/12)	29 (99/6)	16 (00/12)
33 (02/3)	-3 (07/6)	33 (01/12,02/3)	-4 (07/12)	29 (01/12,02/3)	0 (06/12,07/3)
39 (09/3)	9 (11/9,12)	35 (09/3,6)	9 (11/9)	38 (09/6)	10 (11/12)
14 (12/12)		15 (12/12,13/3)		15 (12/12,13/3)	

	March 2017 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	1	2	0
Forecast	1	-1	-3

[Employment Conditions (All industries)]

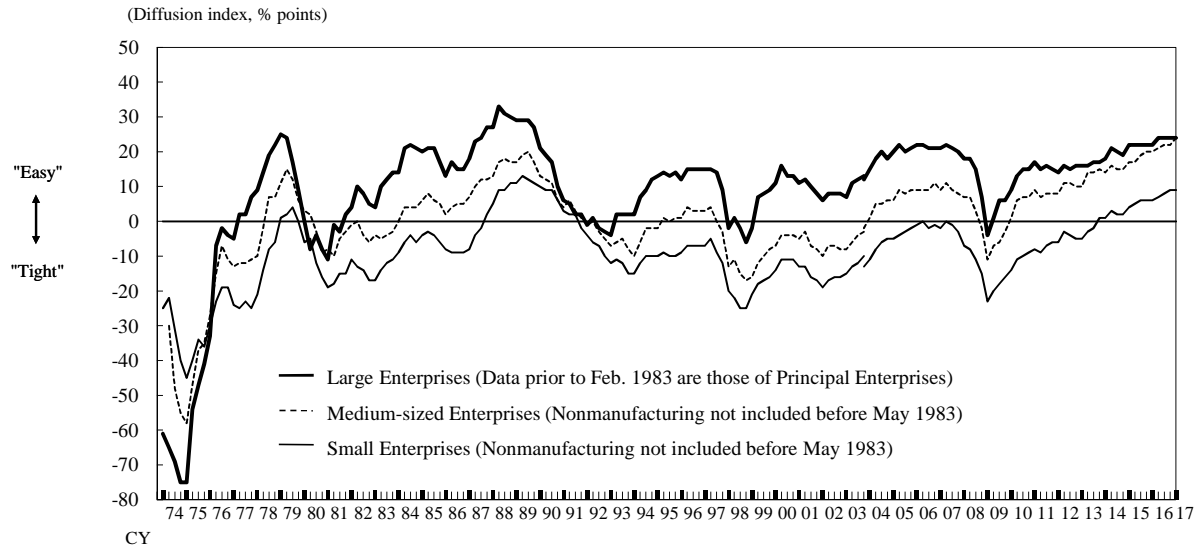


Peaks and Bottoms of Employment Conditions (from May 1986)
(Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

All industries					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
17 (87/2,5)	-40 (91/2)	12 (87/5)	-50 (91/2)	10 (87/5)	-47 (90/11,91/2)
29 (94/2)	10 (97/9)	20 (94/2,5,8)	3 (97/3)	10 (94/5,95/8)	-4 (97/3)
32 (99/3,6)	19 (01/3)	24 (98/12)	6 (00/12)	21 (99/3,6)	9 (00/12)
28 (01/12)	-13 (07/3,12)	18 (01/12)	-12 (07/3)	20 (01/12,02/3)	-10 (06/12,07/3)
20 (09/3,6)	3 (12/3,6)	22 (09/06)	0 (12/3)	23 (09/6)	0 (12/3)
4 (12/12)		1 (12/6,9)		1 (12/6)	

	March 2017 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	-15	-26	-28
Forecast	-15	-27	-30

Financial Position



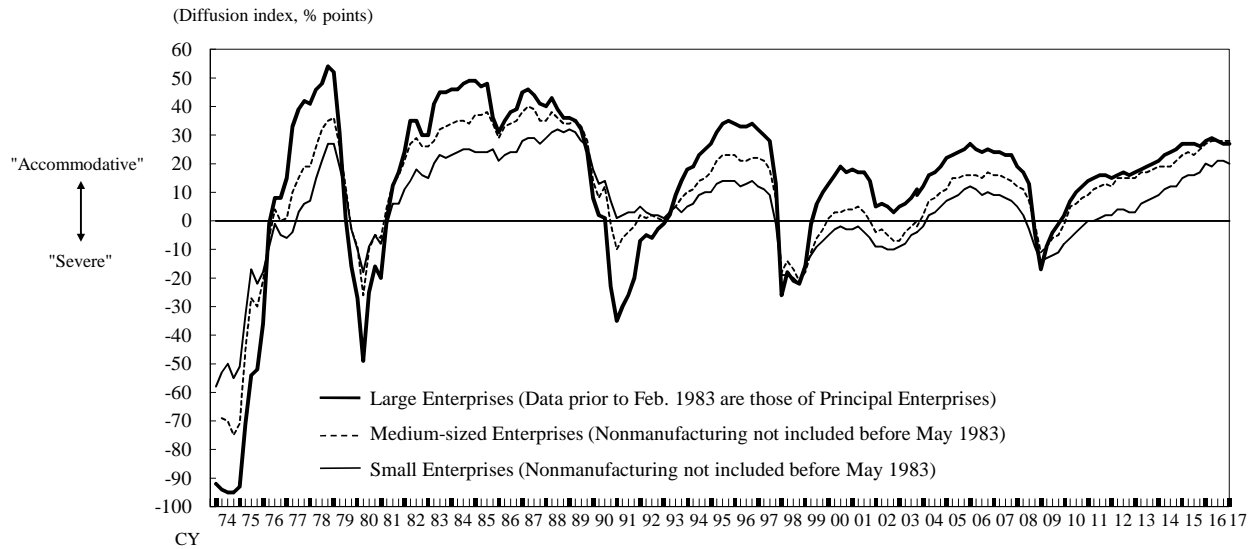
Peaks and Bottoms of Financial Position (from May 1983)

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

All industries					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
33 (88/5)	-6 (98/12)	20 (89/8)	-17 (98/12)	13 (89/5)	-25 (98/9,12)

	March 2017 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	24	24	9

Lending Attitude of Financial institutions



Peaks and Bottoms of Lending Attitude of Financial institutions (from May 1983)

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

All industries					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
49 (84/11,85/2)	-35 (91/2)	40 (87/5)	-21 (98/12)	32 (88/8,89/2)	-22 (98/12)

	March 2017 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	27	28	20