



July 9, 2020

Regional Economic Report (Summary) July 2020









Bank of Japan

This report summarizes the reports from all regional research divisions, mainly at the Bank's branches in Japan, and is based on data and other information gathered for the meeting of general managers of the Bank's branches held today. The English translation is based on the Japanese original.


I. Regional Economic Assessments (Overview)

According to assessments from regions across Japan, all nine regions revised down their assessments from the previous ones, as was the case in April 2020, due to the impact of the novel coronavirus (COVID-19), and reported that their economy had deteriorated or had been in a severe situation.

Comparison of Previous and Current Assessments by Region

| Region | Assessment in April 2020 | Changes from the previous assessment ¹ | Assessment in July 2020 |
|------------------|---|---|---|
| Hokkaido | The economy has been facing strong downward pressure, due mainly to the impact of the outbreak of COVID-19. |  | The economy has deteriorated significantly due to the impact of the spread of COVID-19. |
| Tohoku | The economy has been weak recently, due mainly to the impact of COVID-19. |  | The economy has deteriorated, due mainly to the impact of COVID-19. |
| Hokuriku | The economy has been relatively weak, due mainly to the impact of COVID-19. |  | The economy has deteriorated significantly, due mainly to the impact of COVID-19. |
| Kanto-Koshinetsu | The economy has been weak recently, due mainly to the impact of the outbreak of COVID-19. |  | The economy has been in an extremely severe situation due to the impact of COVID-19 at home and abroad. |
| Tokai | The economy has been facing strong downward pressure, amid the ongoing spread of COVID-19. |  | The economy has been in a severe situation, although it has begun to head toward improvement. |
| Kinki | The economy has been weak due to the impact of the outbreak of COVID-19. |  | The economy has remained in a state of deterioration due to the impact of COVID-19. |
| Chugoku | The economy has been weak recently, due mainly to the impact of COVID-19. |  | The economy, after deteriorating significantly, has remained in a severe situation due to the impact of COVID-19. |
| Shikoku | The economy has been relatively weak recently due to the impact of COVID-19. |  | The economy has been weakening further due to the impact of COVID-19. |

¹ With regard to the changes from the previous assessment, arrows pointing to the upper right or lower right indicate changes in the pace of improvement or deterioration compared with the previous assessments, respectively. For example, an acceleration in the pace of improvement or deceleration in the pace of deterioration is indicated with an arrow pointing to the upper right. A horizontal arrow pointing to the right indicates that the pace of improvement or deterioration in economic conditions is unchanged compared with the previous assessment.

| | | | |
|----------------|--|---|---|
| Kyushu-Okinawa | The economy has been weak recently, primarily in private consumption, exports, and production, due mainly to the impact of COVID-19. |  | The economy has deteriorated due to the impact of COVID-19. |
|----------------|--|---|---|

II. Assessments of Components by Region

| Region | Public investment | Business fixed investment | Private consumption |
|------------------|--|---------------------------------|---|
| Hokkaido | Has been at a high level | Has been relatively weak | Declining substantially |
| Tohoku | Declining, although it remains at a high level, primarily in construction orders related to the restoration and reconstruction following the earthquake disaster | Has been relatively weak | Has remained in a severe situation due to the impact of COVID-19 |
| Hokuriku | Increasing | Has been relatively weak | Bottoming out, with signs of a pick-up observed in part, although its sustainability is highly uncertain |
| Kanto-Koshinetsu | Declining recently, although it remains at a high level | The pace of increase has slowed | Has been depressed significantly |
| Tokai | Has been at a relatively high level | The pace of increase has slowed | Has shown signs of a pick-up, after declining in services consumption primarily |
| Kinki | Increasing | The pace of increase has slowed | Has remained depressed significantly, primarily in services, although signs of bottoming out have been observed in part |
| Chugoku | Has been at a high level, amid the restoration- and reconstruction-related demand following the heavy rain in July 2018 | Has been more or less flat | Has begun to bottom out recently, after declining substantially |

| | | | |
|----------------|--------------------------|--|---|
| Shikoku | Has been at a high level | Has been at a high level, but attention needs to be paid to the impact of COVID-19 going forward | Has been depressed significantly, although signs of a pick-up recently have been observed in part |
| Kyushu-Okinawa | Has been at a high level | The pace of increase has slowed | Declining due to the impact of COVID-19 |

| Region | Housing investment | Production | Employment and income |
|------------------|---|--|---|
| Hokkaido | Has been relatively weak | Declining | Labor market conditions and household income have shown some weakness |
| Tohoku | Declining, with rental housing starts decreasing and the impact of COVID-19 starting to be observed in housing starts of owned houses | Has been weak | The employment and income situation has shown some weakness due to the impact of COVID-19 |
| Hokuriku | Has been weak | Declining | The employment and income situation has been weak |
| Kanto-Koshinetsu | Declining moderately | Declining substantially | The employment and income situation has shown some weakness |
| Tokai | Has been weak | Heading toward a pick-up during the continued weakness | The employment and income situation has shown some weakness |
| Kinki | Declining moderately | Declining | The employment and income situation has been weak |

| | | | |
|----------------|--------------------------|---|---|
| Chugoku | Weakening | Declining substantially | Labor market conditions and household income have shown some weakness |
| Shikoku | Has been relatively weak | Has been weakening further, with the levels of production having fallen recently in some industries | Labor market conditions and household income have shown some weakness |
| Kyushu-Okinawa | Has been weak | Declining due to the impact of COVID-19 | Labor market conditions and household income have shown some weakness due to the impact of COVID-19 |

Appendix: Prefectures Included in Each Region

| Region | Prefectures |
|------------------|--|
| Hokkaido | Hokkaido |
| Tohoku | Aomori, Iwate, Miyagi, Akita, Yamagata, and Fukushima |
| Hokuriku | Toyama, Ishikawa, and Fukui |
| Kanto-Koshinetsu | Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, Kanagawa, Niigata, Yamanashi, and Nagano |
| Tokai | Gifu, Shizuoka, Aichi, and Mie |
| Kinki | Shiga, Kyoto, Osaka, Hyogo, Nara, and Wakayama |
| Chugoku | Tottori, Shimane, Okayama, Hiroshima, and Yamaguchi |
| Shikoku | Tokushima, Kagawa, Ehime, and Kochi |
| Kyushu-Okinawa | Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima, and Okinawa |

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