



January 14, 2021

Regional Economic Report (Summary) January 2021







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, many regions, while noting that their economy had been in a severe situation due to the impact of the novel coronavirus (COVID-19), reported that it had shown signs of a pick-up. However, the impact of a resurgence of COVID-19 had been pointed out recently, primarily in the services industry.

Comparison of Previous and Current Assessments by Region

| Region | Assessment in October 2020 | Changes from the previous assessment ¹ | Assessment in January 2021 |
|------------------|--|---|--|
| Hokkaido | The economy has started to pick up with economic activity resuming gradually, although it has remained in a severe situation due to the impact of COVID-19. |  | The economy has remained in a severe situation due to the impact of COVID-19, and the pace of a pick-up has recently slowed. |
| Tohoku | The economy has shown signs of a pick-up, although it has been in a severe situation. |  | The economy has shown signs of a pick-up, although it has been in a severe situation. |
| Hokuriku | The economy has been in a severe situation, although it is bottoming out. |  | The economy has started to pick up, although it has been in a severe situation. |
| Kanto-Koshinetsu | The economy has started to pick up with economic activity resuming gradually, although it has remained in a severe situation due to the impact of COVID-19 at home and abroad. |  | The economy has been picking up, although it has remained in a severe situation. However, the impact of a resurgence of COVID-19 has been seen recently, primarily in consumption of services. |
| Tokai | The economy has been picking up, even during the continued severe situation. |  | The economy has been picking up, even during the continued severe situation. |
| Kinki | The economy has shown signs of a pick-up recently, although it has remained in a severe situation due to the impact of COVID-19. |  | The economy has continued to show signs of a pick-up on the whole, although it has remained in a severe situation 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.

| | | | |
|----------------|---|---|---|
| Chugoku | The economy has shown signs of a pick-up, although it has remained in a severe situation due to the impact of COVID-19. |  | The economy has continued to show signs of a pick-up, although it has remained in a severe situation due to the impact of COVID-19. |
| Shikoku | The economy has continued to be weak due to the impact of COVID-19. |  | The economy has shown signs of a pick-up on the whole, although it seems to have paused in part, due to the impact of COVID-19. |
| Kyushu-Okinawa | The economy has been in a severe situation, although it has shown signs of a pick-up. |  | The economy has started to pick up, although it has been in a severe situation. |

II. Assessments of Components by Region

| Region | Public investment | Business fixed investment | Private consumption |
|------------------|--|---------------------------|--|
| Hokkaido | Has been at a high level | Declining | Remains at a low level, and the pace of a pick-up has recently slowed |
| Tohoku | Has been at a high level, primarily in construction orders related to the restoration and reconstruction following the earthquake disaster; is increasing moderately due in part to the disaster relief construction | Has been relatively weak | Has shown signs of a pick-up, although it has been in a severe situation |
| Hokuriku | Has been more or less flat at a high level | Has been relatively weak | Picking up, although it has been in a severe situation |
| Kanto-Koshinetsu | Has been at a high level | Has been relatively weak | Picking up gradually on the whole, primarily in goods consumption so far; however, it is pointed out that consumption of services such as dining-out seems to have slowed further since mid-November |

| | | | |
|----------------|---|--|---|
| Tokai | Has been at a relatively high level | Has been more or less flat | Has been on a pick-up trend on the whole, although some weakness has been observed, such as in eating and drinking services as well as accommodations |
| Kinki | Increasing | The pace of increase has slowed further | Has continued to show signs of a pick-up on the whole, although consumption of services has remained at a low level |
| Chugoku | Has been at a high level, amid the restoration- and reconstruction-related demand following the heavy rain in July 2018 | Declining moderately | Seems to have paused in part, due to the impact of COVID-19, although it has continued to show signs of a pick-up |
| 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 continued to show signs of a pick-up on the whole, although it has been weak in part |
| Kyushu-Okinawa | Has been at a high level | Declining | Has started to pick up |

| Region | Housing investment | Production | Employment and income |
|----------|---|------------------------|---|
| Hokkaido | Has been more or less flat | Has started to pick up | Labor market conditions and household income have shown some weakness |
| Tohoku | Declining, primarily in rental housing starts | Picking up | The employment and income situation has been relatively weak |
| Hokuriku | Has been weak | Has started to pick up | The employment and income situation has been weak |

| | | | |
|------------------|--------------------------|---|---|
| Kanto-Koshinetsu | Declining moderately | Increasing | The employment and income situation has been weak |
| Tokai | Has been weak | Has been on an increasing trend | The employment and income situation has been weak |
| Kinki | Declining moderately | Picking up | The employment and income situation has continued to be weak |
| Chugoku | Declining moderately | Picking up | Labor market conditions and household income have shown some weakness |
| Shikoku | Has been relatively weak | Has shown signs of a pick-up, albeit at a low level | Labor market conditions and household income have been weak |
| Kyushu-Okinawa | Has been weak | Picking up | Labor market conditions and household income have been weak |

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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