



July 5, 2021

# Regional Economic Report (Summary) July 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, while they reported that their economy had remained in a severe situation due to the impact of the novel coronavirus (COVID-19) -- with some reporting that it had seen a slowdown in the pace of its pick-up -- many reported that it had picked up as a trend or had started to pick up.

### Comparison of Previous and Current Assessments by Region

Region	Assessment in April 2021	Changes from the previous assessment <sup>1</sup>	Assessment in July 2021
Hokkaido	The economy has remained in a severe situation due to the impact of COVID-19, and has been more or less flat.	⇒	The economy has remained in a severe situation due to the impact of COVID-19, and has been more or less flat.
Tohoku	The economy has picked up as a trend, but the impact of a resurgence of COVID-19 appears to be growing recently, primarily in consumption of services.	⇒	The economy has picked up as a trend, although it has remained in a severe situation, primarily in consumption of services.
Hokuriku	The economy has started to pick up, although it has been in a severe situation.	↗	The economy has picked up on the whole, although downward pressure on some sectors has continued to be exerted.
Kanto-Koshinetsu	The economy has picked up as a trend, although it has remained in a severe situation, primarily in consumption of services.	⇒	The economy has picked up as a trend, although it has remained in a severe situation, 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.

<sup>1</sup> 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.

Kinki	The economy has been picking up on the whole, although it has remained in a severe situation due to the impact of COVID-19. However, consumption of services has been facing strong downward pressure, with the implementation of priority measures to prevent the spread of disease.		The economy has been picking up on the whole, although some downward pressure, mainly on consumption of services, has remained due to the impact of COVID-19.
Chugoku	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.		The economy has seen a slowdown in the pace of its pick-up.
Shikoku	The economy has continued to show signs of a pick-up on the whole, although it has been weak in part, due to the impact of COVID-19.		The economy has seen a slowdown in the pace of its pick-up due to the impact of COVID-19.
Kyushu-Okinawa	The economy has started to pick up, primarily in exports and production, although it has been in a severe situation.		The economy has started to pick up, primarily in exports and production, 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	Has stopped declining	Remains at a low level, and has been more or less flat
Tohoku	Increasing moderately, primarily in construction orders related to the restoration and reconstruction following the earthquake disaster	Increasing	Signs of a pick-up have paused; consumption of goods has been firm on the whole, while that of services has remained in a severe situation
Hokuriku	Has been relatively weak, but both the amount of public construction completed and the value of public works contracted have remained at high levels	Has started to pick up	Has seen a slowdown in the pace of its pick-up as downward pressure on some sectors has continued to be exerted

Kanto-Koshinetsu	Has been at a high level	Picking up on the whole	Has remained under strong downward pressure, primarily in consumption of services, due to the impact of COVID-19
Tokai	Has been at a relatively high level	Has been more or less flat	Has been facing strong downward pressure, such as on eating and drinking services as well as accommodations, although it has been on a pick-up trend on the whole
Kinki	Increasing	Increasing	Has been on a pick-up trend, although strong downward pressure on consumption of services has remained with the implementation of priority measures to prevent the spread of disease
Chugoku	Has been at a high level, amid the restoration- and reconstruction-related demand following the heavy rain in July 2018	Has stopped declining	The pick-up has paused as downward pressure has been increasing, primarily in consumption of services
Shikoku	Increasing	Increasing	Signs of a pick-up have paused
Kyushu-Okinawa	Has been at a high level	Has shown signs of a pick-up	Signs of a pick-up have paused

Region	Housing investment	Production	Employment and income
Hokkaido	Picking up moderately	Picking up	Labor market conditions and household income have shown some weakness

Tohoku	Declining, primarily in housing for rent	Has been on an increasing trend	The employment and income situation has remained weak
Hokuriku	Declining	Picking up	The employment and income situation has been weak
Kanto-Koshinetsu	Has been more or less flat	Has continued to increase	The employment and income situation has remained weak
Tokai	Has stopped declining	Has been on an increasing trend	The employment and income situation has been weak
Kinki	Has stopped declining	Has continued to increase moderately	The employment and income situation has remained weak
Chugoku	Has stopped declining	Has seen a slowdown in the pace of its pick-up	Labor market conditions and household income have been weak
Shikoku	Has been more or less flat	Picking up moderately	Labor market conditions and household income have been weak
Kyushu-Okinawa	Has shown signs of a pick-up	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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