

Survey Method of the *Tankan*'s June 2011 Survey

The response period of the *Tankan*'s June 2011 survey is between May 30 and June 30, 2011. The Great East Japan Earthquake may cause unprecedented effects on the survey results scheduled to be released on Friday, July 1. This notice provides, in advance, information that would be taken into account in analyzing the results of the June survey.

1. Survey Method: Number of Reporting Companies & Response Rate

The *Tankan*'s June 2011 survey is conducted based on the usual survey method; sample enterprises in the *Tohoku* region (747 enterprises or 6.8 percent of all sample enterprises) are included as in the previous surveys. Some of these enterprises, however, may find it difficult to respond to the survey under the current situation. In order to meet the public interest, the Bank of Japan will exceptionally release the number of reporting companies and the response rate in detail, together with the "*Tankan* Summary" on Friday, July 1. These figures are also included in the "Comprehensive Data Set" to be publicized on Monday, July 4.

a. Business conditions D.I.

Data by industry group (i.e., manufacturing and nonmanufacturing) will be released for both the number of reporting companies and the response rate of the business conditions D.I. Data of past surveys are shown in Chart 1.

Chart 1: Number of Reporting Companies and Response Rate of the Business Conditions D.I. (All sized Enterprises)

		(Number of enterprises, percent)					
		Manufacturing		Nonmanufacturing		All Industries	
		number	rate	number	rate	number	rate
FY2010	March	4,527	98.9	6,850	98.5	11,377	98.7
	June	4,482	98.8	6,780	98.6	11,262	98.7
	September	4,452	99.3	6,711	98.7	11,163	98.9
	December	4,410	99.0	6,647	98.8	11,057	98.9
FY2011	March	4,243	95.9	6,373	95.5	10,616	95.6
	June	To be released on July 1					

Note: Response rate = number of reporting companies / number of sample enterprises × 100

b. Annual projections

For the June 2011 survey, the response rate for FY2011 annual projections -- such as sales, current profits, and fixed investment -- may be lower than usual due to the earthquake disaster. Nonresponse to annual projections is not counted as effective responses. In the *Tankan* survey, such missing values are imputed based on the imputation method described in the next section. Any significant declines in the response rate, if occurred, may lower the statistical accuracy.

For reference, the Bank of Japan will release the number of reporting companies and the response rate for annual projections (sales, current profits, and fixed investment) of all industries and enterprises on Friday, July 1, together with the "*Tankan* Summary." Chart 2 summarizes the results of past June surveys.

Chart 2: Number of Reporting Companies and Response Rate for Annual Projections
in the June survey (All Industries and Enterprises)

(Number of enterprises, percent)

	Sales		Current Profits		Fixed Investment	
	number	rate	number	rate	number	rate
FY2007	10,641	98.2	10,622	98.0	10,599	97.8
FY2008	10,335	97.7	10,315	97.5	10,309	97.4
FY2009	10,061	97.5	10,029	97.2	10,024	97.1
FY2010	11,103	97.3	11,079	97.1	11,052	96.9
FY2011	To be released on July 1					

Note: Response rate = number of reporting companies / number of sample enterprises × 100

2. Useful Information for the Survey Results

a. Missing value imputation

The June 2011 survey will employ the usual imputation method. Nonresponse to annual projections is substituted using the most recent effective responses of the same enterprise in estimating the population statistics. If annual projections for FY2011 are given in the previous March survey but unavailable for this June survey, the figures obtained in the previous March survey are used to impute missing responses for the FY2011 annual projections. If both of these figures are unavailable, the figures of the previous year, FY2010, are used.

b. Aggregates by region

Although the aggregated results by region are not included in the *Tankan* released by the Research and Statistics Department, the Bank of Japan's Local Branches release these results, which are included in the "Local Branch *Tankan* Report (available in Japanese only)." The response rates and aggregated results by region are also available on the following websites.

Release	Region	Release Date		Where to find data
Regional Economic Report	Comparison among 9 regions (Business Conditions D.I. only)	July 4	TBA	http://www.boj.or.jp/research/brp/rer/ (available both in Japanese and English)
	Kanto-Koshinetsu			
Local Branch <i>Tankan</i> *	Hokkaido	July 1	16:30	http://www3.boj.or.jp/sapporo/index.html
	Tohoku		15:00	http://www3.boj.or.jp/sendai/index.html
	Hokuriku		11:30	http://www3.boj.or.jp/kanazawa/index.html
	Tokai (3 prefectures**)		11:30	http://www3.boj.or.jp/nagoya/index.html
	Tokai (Shizuoka)		14:30	http://www3.boj.or.jp/shizuoka/index.html
	Kinki		15:00	http://www3.boj.or.jp/osaka/index.html
	Chugoku		15:00	http://www3.boj.or.jp/hiroshima/index.html
	Shikoku		15:30	http://www3.boj.or.jp/takamatsu/index.html
Kyushu-Okinawa	15:00	http://www3.boj.or.jp/fukuoka/index.html		
(available in Japanese only)				

Note: * The "Local Branch *Tankan* Report" releases results of items other than that of the business conditions D.I. Branches other than those listed above also release their "L.B. *Tankan* Report" respectively. Materials released by branches are available on the website (http://www.boj.or.jp/about/outline/location/jp_location.htm).

** Aichi, Gifu, and Mie prefectures.

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