

**The domestic economy improved
for the first time in two months, albeit slightly**

~ Disaster recovery construction and tourism-related industries
were positive factors, but the poor performance of
durable consumer goods was a restraining factor ~

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(Companies researched: 26,880; Valid responses: 10,939; Response rate: 40.7%; Survey start date: May 2002)

< Trend in November 2024: Slight Improvement >

The economic diffusion index (DI) in November 2024 increased by 0.1 points from the previous month to 44.4, improving slightly for the first time in two months.

The domestic economy improved slightly, with recovery construction and other factors being positive, while the poor performance of durable consumer goods also had an impact.

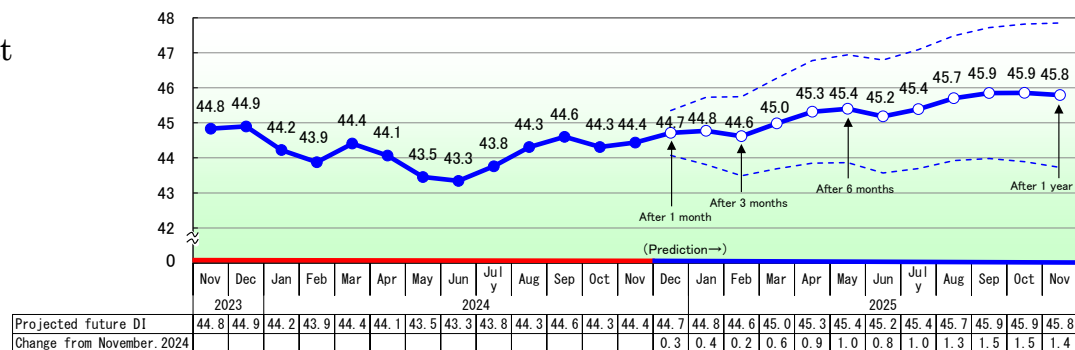
< Future outlook: Steady growth >

In the future, as the trend of consumer spending becomes the most important point, the economy is expected to remain steady.

By industry: Improvement in 6 out of 10 industries, with "Construction" and "Service" being the driving factors.

By scale: "Small to medium-sized firms" are being led by condominium construction and real estate-related businesses.

By region: Improvement in 5 out of 10 regions, with semiconductor-related and inbound tourism factors contributing positively.



* The economic forecast DI is calculated using the Forecast Combination method of the results of the ARIMA model and the structural equation model.

Economic Diffusion Index (Economic DI)1/2

	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Ratio to the Previous Month
Total	44.8	44.9	44.2	43.9	44.4	44.1	43.5	43.3	43.8	44.3	44.6	44.3	44.4	0.1
Large Firms	48.4	48.1	47.9	47.7	48.0	47.9	47.9	48.0	48.2	48.2	48.5	48.3	48.3	0.0
Small to Medium-sized Firms	44.2	44.3	43.6	43.2	43.8	43.4	42.6	42.5	42.9	43.6	43.9	43.6	43.7	0.1
Micro Firms	43.1	43.3	42.6	42.4	42.9	42.3	41.2	41.6	41.8	42.5	43.0	42.7	42.7	0.0

	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Ratio to the Previous Month	
Agriculture,Forestry,Fisheries	40.1	40.5	40.3	41.2	42.4	42.0	43.7	41.9	41.2	43.3	47.8	46.3	46.7	0.4	
Finance	48.0	47.0	47.7	47.7	49.2	48.8	48.0	47.6	48.5	48.1	47.3	48.0	46.9	▲ 1.1	
Construction	47.8	47.2	47.7	47.5	47.0	46.6	46.0	46.4	46.9	47.3	47.8	47.8	48.1	0.3	
Real Estate	47.9	47.5	48.1	48.3	49.3	49.3	47.7	48.0	48.2	47.5	48.5	47.2	47.5	0.3	
Manufacturing	Food,BEWerages,Livestock Feed	44.0	44.6	43.6	43.4	44.8	44.4	42.9	42.7	42.7	43.5	43.8	42.9	42.9	0.0
	Textile,Textile Products,Clothing	40.8	40.1	37.9	37.7	39.0	38.1	37.4	37.3	36.1	36.5	36.3	35.7	36.7	1.0
	Construction Materials,Furniture,Ceramics,Stone and Clay Products	41.5	40.3	39.9	38.1	38.7	38.0	37.9	37.5	39.0	39.5	39.5	38.9	39.2	0.3
	Pulp, Paper and Paper Products	37.2	38.5	37.3	35.7	36.4	36.4	35.3	34.4	36.0	36.7	37.3	37.8	36.5	▲ 1.3
	Publishing,Printing	33.1	34.2	32.4	34.6	35.3	34.1	33.3	32.8	32.8	34.4	34.5	33.2	34.2	1.0
	Chemical	42.7	42.2	42.6	39.9	41.2	40.9	41.0	41.0	41.0	42.6	43.6	43.9	43.4	▲ 0.5
	Steel,Nonferrous Metals,Mining	41.9	42.0	39.7	38.3	38.3	38.0	36.5	36.4	37.4	39.0	39.2	39.0	39.7	0.7
	General Machinery	40.5	40.6	39.3	40.6	39.7	39.6	39.9	39.8	41.2	41.9	41.2	42.3	41.9	▲ 0.4
	Electrical Machinery	43.0	42.5	43.6	42.5	41.4	40.7	41.0	42.5	42.5	42.9	44.1	42.8	42.8	▲ 1.3
	Transportation Machinery,Equipment	47.2	44.7	41.6	39.3	41.6	40.2	41.0	42.1	44.2	43.5	41.0	42.1	41.3	▲ 0.8
	Precision Machinery, Medical Instruments and Equipment	43.4	44.3	43.9	43.3	45.5	42.9	41.9	46.5	44.5	43.9	44.0	43.8	46.4	2.6
Other	40.7	39.9	41.9	44.7	45.5	42.5	41.3	43.0	40.8	42.3	41.7	38.2	38.9	0.7	
Total	41.6	41.5	40.4	39.8	40.2	39.7	39.2	39.4	39.8	40.7	40.8	40.8	40.8	0.0	
Wholesale	Food,BEWerages	44.5	45.7	43.1	43.7	44.5	44.6	42.9	42.5	42.3	43.8	44.1	43.2	42.4	▲ 0.8
	Textile,Textile Products,Clothing	36.0	36.3	36.9	36.8	37.1	35.2	36.3	36.3	35.8	36.5	34.2	34.5	33.7	▲ 0.8
	Construction Materials,Furniture,Ceramics,Stone and Clay Products	38.3	38.9	38.0	37.8	37.6	37.8	36.0	36.4	37.5	38.2	37.5	38.6	39.2	0.6
	Paper Products,Stationery,Books	40.1	40.7	39.6	38.2	40.1	38.4	36.4	35.2	36.3	37.2	37.8	37.8	39.4	1.6
	Chemical	45.1	45.4	44.4	42.2	43.2	41.8	42.9	41.4	43.4	44.5	44.3	43.0	43.5	0.5
	Recycled Resources	42.4	43.8	42.9	41.7	39.9	40.9	44.3	43.1	44.4	40.5	36.8	38.9	38.5	▲ 0.4
	Steel,Nonferrous Metals,Mining Products	38.1	38.2	37.3	34.9	35.3	36.5	34.7	34.6	36.2	34.7	36.1	36.3	36.4	0.1
	Machinery,Equipment	44.1	44.7	43.7	43.4	43.5	43.6	43.4	43.4	43.5	44.0	44.5	44.0	43.9	▲ 0.1
	Other	43.2	42.9	42.0	41.1	42.5	40.3	41.1	39.9	40.8	41.8	41.5	41.7	42.1	0.4
Total	42.1	42.7	41.6	40.9	41.4	41.0	40.5	40.1	40.7	41.3	41.4	41.2	41.3	0.1	

Economic Diffusion Index (Economic DI)2/2

		Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Ratio to the Previous Month
Retail	Food,BEWerages	44.9	46.4	45.5	43.8	45.3	44.7	43.2	42.6	41.3	44.0	43.3	40.0	40.6	0.6
	Textile,Textile Products,Clothing	39.3	40.0	36.3	40.2	36.5	40.4	40.2	36.3	36.9	37.2	36.9	34.5	39.1	4.6
	Drugs,Sundries	44.7	46.1	45.8	45.4	44.1	41.8	42.1	41.0	41.4	40.3	41.0	40.4	42.5	2.1
	Furniture	32.4	32.7	34.0	32.1	30.3	33.3	28.7	27.2	35.8	30.7	31.3	33.3	34.7	1.4
	Electrical Household Appliances, Information Machinery and Equipment	44.0	42.7	41.8	42.3	45.8	44.3	40.8	43.2	46.1	46.1	45.3	43.8	38.8	▲ 5.0
	Motor Vehicles,Motor Vehicle Parts	40.2	39.7	42.4	41.2	40.9	41.4	42.3	43.4	39.2	39.0	38.9	42.3	39.3	▲ 3.0
	Special Merchandise	38.1	38.3	37.8	37.7	40.2	40.2	38.7	38.6	39.7	40.0	39.9	38.8	38.0	▲ 0.8
	Various Merchandise	44.3	44.1	42.7	40.9	44.6	42.9	44.6	44.4	45.5	43.9	41.3	39.6	42.4	2.8
	Other	47.2	51.3	40.3	44.0	39.7	44.4	47.6	44.4	42.2	37.8	44.0	39.3	45.6	6.3
	Total	41.2	41.5	40.8	40.6	41.4	41.7	40.7	40.3	40.3	40.5	40.3	39.7	39.4	▲ 0.3
Transportation,Warehousing		43.8	44.5	43.5	41.9	43.1	43.1	43.3	43.4	42.6	45.0	45.4	44.7	45.9	1.2
Service	Restaurants	49.4	54.0	50.3	48.0	51.3	52.0	49.4	48.1	49.4	52.5	49.3	46.2	47.5	1.3
	Postal,Telecommunications	57.1	54.2	56.1	51.9	54.2	61.7	56.7	52.8	51.9	50.0	40.7	57.4	53.0	▲ 4.4
	Electricity,Gas,Water,Heat	50.0	42.7	41.7	43.6	43.6	46.9	40.7	41.7	43.6	37.5	38.9	44.4	45.8	1.4
	Leasing,Rentals	52.9	51.6	50.3	50.5	51.7	49.4	49.7	49.0	48.6	50.2	48.4	49.7	49.5	▲ 0.2
	Lodging, Hotels	64.3	56.9	51.3	55.3	60.6	60.4	55.1	52.1	53.8	53.4	55.3	56.9	60.0	3.1
	Recreation	44.8	47.9	46.3	46.3	47.2	46.3	46.2	44.6	47.5	43.2	48.4	47.9	45.8	▲ 2.1
	Broadcasting	45.6	43.3	44.1	47.1	47.4	52.8	45.1	45.6	47.2	42.2	46.8	46.2	51.6	5.4
	Maintenance,Guarding,Testing	49.0	46.9	47.3	46.7	46.7	46.0	47.5	46.1	47.3	48.2	48.1	47.9	48.9	1.0
	Advertising	45.6	45.1	46.2	47.0	45.5	47.5	46.1	43.6	43.9	43.6	45.8	46.2	46.2	0.0
	Information	55.4	56.3	56.1	55.7	55.3	55.4	54.5	54.1	54.1	53.9	55.1	53.7	54.0	0.3
	Labor Dispatching	52.3	50.0	48.8	50.6	49.8	50.6	48.6	48.5	49.2	49.2	50.2	49.3	48.4	▲ 0.9
	Special Services	51.1	50.3	50.5	51.4	52.4	51.7	49.9	50.5	51.8	50.6	51.3	50.9	50.0	▲ 0.9
	Medical,Welfare,Public Health	41.8	43.2	44.4	43.2	44.7	42.9	43.6	44.4	44.0	44.2	44.6	44.2	41.9	▲ 2.3
	Education	42.6	44.4	43.7	43.1	46.3	44.6	43.9	47.4	50.9	47.7	48.7	46.9	47.0	0.1
	Other	47.2	48.1	47.5	48.5	49.1	49.1	47.5	47.2	48.0	48.6	47.9	47.2	47.7	0.5
Total	50.8	50.9	50.2	50.4	51.0	50.9	49.7	49.2	50.0	49.8	50.4	49.8	49.9	0.1	
Other		38.2	42.8	41.3	41.2	41.1	42.1	37.8	37.5	40.1	41.3	39.8	42.9	40.0	▲ 2.9

		Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Ratio to the Previous Month
Hokkaido		43.3	43.3	41.6	41.8	42.4	42.8	42.4	42.8	44.1	45.0	45.4	44.1	43.8	▲ 0.3
Tohoku		41.3	40.3	40.2	38.8	39.3	39.2	38.6	39.2	39.1	39.7	40.7	40.2	40.6	0.4
Kitakanto		42.6	43.0	40.9	41.7	42.0	41.4	40.9	40.7	41.2	42.1	42.3	42.4	42.4	0.0
Minamikanto		46.7	46.6	46.5	46.6	47.2	46.6	45.8	45.6	46.1	46.6	46.7	46.5	46.4	▲ 0.1
Hokuriku		42.3	42.5	40.0	39.8	41.4	42.4	42.3	40.7	41.4	41.8	42.6	42.2	42.2	0.0
Tokai		45.1	44.8	44.4	43.1	43.7	43.2	43.0	43.3	43.9	43.7	44.3	43.9	44.1	0.2
Kinki		44.1	44.6	43.6	43.2	43.6	43.7	42.6	42.5	42.9	43.5	44.0	43.8	43.8	0.0
Chugoku		44.2	43.9	44.3	43.2	43.1	42.6	42.8	42.6	43.6	43.9	44.0	43.6	44.5	0.9
Shikoku		41.3	42.5	42.2	41.0	41.1	41.2	40.2	39.9	39.4	40.5	40.7	41.2	41.3	0.1
Kyushu		48.7	49.0	48.3	48.1	48.5	47.6	46.4	46.5	46.2	47.3	46.9	46.4	47.2	0.8

Appendix

1. Research Subjects (Companies researched: 26,880; Valid responses: 10,939; Response rate: 40.7%)

1. Region

Hokkaido	501	Tokai	1,185
Tohoku	772	Kinki	1,769
kita Kanto	894	Chugoku	720
minamikanto	3,233	Shikoku	371
Hokuriku	543	Kyushu	951
		Total	10,939

2. Industry (10 Industries 51 Lines of business)

Agriculture, Forestry, Fisheries		105
Finance		159
Construction		1,648
Real Estate		455
Manufacturing (2,605)	Food, Beverages, Livestock Feed	297
	Textile, Textile Products, Clothing	119
	Construction Materials, Furniture, Ceramics, Stone and Clay Products	185
	Pulp, Paper and Paper Products	83
	Publishing, Printing	178
	Chemical	341
	Steel, Nonferrous Metals, Mining	459
	General Machinery	439
	Electrical Machinery	273
	Transportation Machinery, Equipment	96
	Precision Machinery, Medical Instruments and Equipment	69
Others	66	
Wholesale (2,351)	Food, Beverages	307
	Textile, Textile Products, Clothing	141
	Construction Materials, Furniture, Ceramics, Stone and Clay Products	262
	Paper Products, Stationery, Books	107
	Chemical	222
	Recycled Resources	32
	Steel, Nonferrous Metals, Mining Products	232
	Machinery, Equipment	746
	Others	302

Retail (849)	Food, Beverages	140
	Textile, Textile Products, Clothing	86
	Drugs, Sundries	51
	Furniture	25
	Electrical Household Appliances, Information Machinery and Equipment	86
	Motor Vehicles, Motor Vehicle Parts	147
	Special Merchandise	255
	Various Merchandise	44
Others	15	
Transportation, Warehousing		444
Service (2,283)	Restaurants	134
	Telecommunications	11
	Electricity, Gas, Water, Heat	12
	Leasing, Rentals	102
	Lodging, Hotels	103
	Recreation	107
	Broadcasting	21
	Maintenance, Guarding, Testing	288
	Advertising	109
	Information	519
	Labor Dispatching	71
	Special Services	407
	Medical, Welfare, Public Health	119
Education	50	
Others	230	
Others		40
Total		10,939

3. Size

Large Firms	1,726	15.8%
Small to Medium-sized Firms	9,213	84.2%
micro Firms	3,651	33.4%
Total	10,939	100.0%

2. Research Items

- *Business Confidence (current, in 3 months, in 6 months, in 1 year)
- *Business Conditions (sales, purchasing and selling unit price, inventory, capacity utilization ratio, number of employees, overtime work hours)

3. Research Period and Methodology

Internet-based survey conducted November 18 - 30 2024

The explanation of the Economic Diffusion Index

Research Purpose/Researched Terms

TDB Economic Trend Research (started from May 2002) is a monthly statistical survey conducted for over 27,000 nationwide corporations on their general business activities including the current condition and future outlook of the industry business performance and operating climate. The primary purpose of such a survey is to assess the current state of Japan's economy.

Selection of the Subject Corporations

Companies of all sizes in all domestic industries are eligible to participate in the survey.

DI Calculation

The DI (Diffusion Index) is calculated by multiplying the number of responses for each assessment category by the number given in parentheses in the table below, to a seven-level assessment rated by companies.

Selection category	Extremely good	good	fairly good	neither good nor bad	fairly bad	bad	very bad
points	6	5	4	3	2	1	0
number of responses for each category	N ₆	N ₅	N ₄	N ₃	N ₂	N ₁	N ₀

Economic DI

$$= \frac{\text{Total of (Points for each category} \times \text{Number of responses for each category)}}{\text{Number of valid responses } N} \times \frac{1}{6} \times 100$$

$$= \frac{\sum_{i=0}^6 i \times N_i}{N} \times \frac{1}{6} \times 100$$

An economic DI of 50 is **the point separating good and bad**, so a DI over 50 means "good," and below 50 means "bad." (The numbers are rounded off to one decimal place.) No weight is given according to a company's size, and calculations are made on the basis of "one company, one vote."

Size Classification

Industry	Large Firms	Small to Medium-Sized Firms (Micro Firms included)	Micro Firms
Manufacturing and Other Industries*	Capital: More than 300 million yen and No. of Employee: Over 300	Capital: Below 300 million yen or No. of Employee: Below 300	No. of Employee: Below 20
Wholesale Trade	Capital: More than 100 million yen and No. of Employee: Over 100	Capital: Below 100 million yen or No. of Employee: Below 100	No. of Employee: Below 5
Retail Trade	Capital: More than 50 million yen and No. of Employee: Over 50	Capital: Below 50 million yen or No. of Employee: Below 50	No. of Employee: Below 5
Service**	Capital: More than 50 million yen and No. of Employee: Over 100	Capital: Below 50 million yen or No. of Employee: Below 100	No. of Employee: Below 5

Note1: Large Firms refer to companies that rank in the top 3% in terms of sales volume according to the type of business, among small to medium-sized corporations excluding micro firms, which are defined in Small and Medium Enterprises Basic Act.

Note2: Small to Medium-Sized Firms refer to companies that rank in the bottom 50% in terms of sales volume according to the type of business, among those not categorized as small to medium-sized corporations in Small to Medium-Sized Enterprises Basic Act.