

The domestic economy continued to recover, supported by semiconductor and AI-related sectors

~ Weak yen and high energy costs weighed on profitability,
while U.S.-Iran Agreement eased outlook concerns ~

(Companies researched: 22,572; Valid responses: 10,413; Response rate: 46.1%; Survey start date: May 2002)

e-mail : keiki@mail.tdb.co.jp

< Trend in June 2026: Improvement >

The Economic Diffusion Index (DI) for June 2026 increased by 1.0 point from the previous month to 42.6, marking a second consecutive month of improvement.

The domestic economy continued to improve, supported by semiconductor and AI-related industries that drove stock prices to record highs, as well as stronger willingness to invest in capital expenditures.

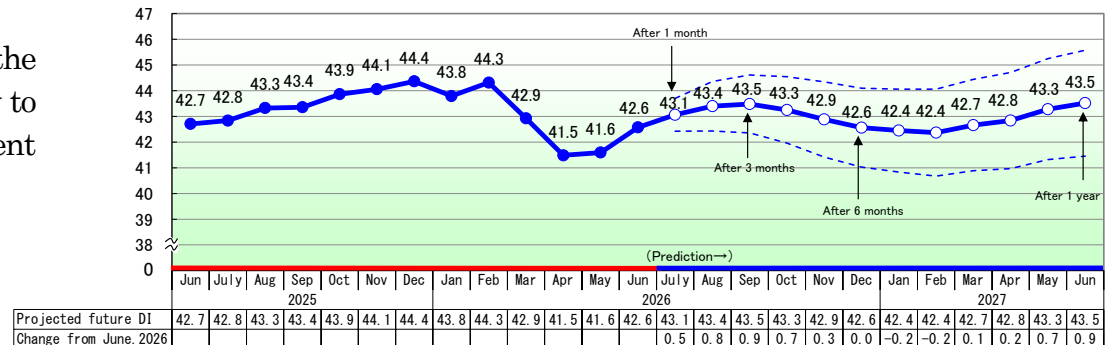
< Future outlook: Gradual recovery >

The economy is expected to continue showing signs of recovery in the near term. However, rising costs and higher interest rates are likely to weigh on business activity, resulting in only a moderate improvement without strong momentum.

By industry: 9 of the 10 industries improved, led by notable improvements in Finance, Manufacturing, and Construction.

By scale: All company sizes improved for the first time in four months, supported by strong demand from semiconductor-related sectors.

By region: All ten regions improved for the first time in three years and one month, with urban redevelopment demand serving as a positive factor.



Economic Diffusion Index (Economic DI)1/2

	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Ratio to the Previous Month
Total	42.7	42.8	43.3	43.4	43.9	44.1	44.4	43.8	44.3	42.9	41.5	41.6	42.6	1.0
Large Firms	47.1	47.3	47.8	48.2	48.0	48.5	48.7	48.7	48.8	47.3	45.8	45.9	46.9	1.0
Small to Medium-sized Firms	41.9	42.0	42.6	42.5	43.1	43.3	43.6	42.9	43.5	42.1	40.7	40.9	41.8	0.9
Micro Firms	41.0	40.9	41.7	41.5	42.2	42.1	42.8	42.0	42.6	41.0	39.3	39.2	40.0	0.8

	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Ratio to the Previous Month	
Agriculture,Forestry,Fisheries	49.3	46.1	47.9	46.6	51.8	52.7	51.4	50.6	46.3	44.2	43.0	44.0	45.8	1.8	
Finance	47.7	46.2	46.5	48.0	49.1	48.5	48.0	48.1	47.9	46.8	46.0	45.9	48.4	2.5	
Construction	45.9	46.4	46.8	47.3	47.7	47.6	48.1	47.4	47.5	46.3	42.4	41.4	43.2	1.8	
Real Estate	48.4	47.7	48.1	49.3	49.9	49.2	48.6	48.4	49.6	48.3	45.8	46.0	46.8	0.8	
Manufacturing	Food,BEVerages,Livestock Feed	40.9	41.3	42.8	41.7	42.4	43.1	43.3	41.7	41.9	40.1	39.8	37.3	▲ 0.2	
	Textile,Textile Products,Clothing	32.9	33.6	34.2	36.8	34.6	34.9	34.4	34.3	34.3	32.9	31.5	33.3	▲ 0.7	
	Construction Materials,Furniture,Ceramics,Stone and Clay Products	39.3	40.0	39.0	38.7	40.1	40.0	41.1	40.3	40.7	37.5	36.6	36.7	2.2	
	Pulp, Paper and Paper Products	35.3	35.6	38.0	38.4	40.0	37.9	38.1	38.7	38.0	38.4	37.8	37.4	2.3	
	Publishing,Printing	32.0	32.6	33.2	32.4	32.6	33.4	33.3	34.1	34.8	34.2	32.6	32.0	0.6	
	Chemical	41.4	42.4	43.3	42.3	43.2	43.7	44.6	44.0	44.7	41.6	41.0	43.1	45.8	2.7
	Steel,Nonferrous Metals,Mining	35.7	36.6	37.8	36.4	37.8	37.8	37.5	38.5	38.6	39.4	39.4	39.8	42.6	2.8
	General Machinery	38.4	37.5	38.5	37.8	40.3	39.7	39.7	40.8	43.6	43.1	41.8	42.8	46.0	3.2
	Electrical Machinery	41.6	42.8	42.0	44.1	44.0	44.6	45.2	45.2	46.8	44.9	44.8	46.1	48.4	2.3
	Transportation Machinery,Equipment	39.9	40.7	39.1	41.9	43.9	44.2	44.2	45.8	46.4	45.3	43.3	44.3	45.2	0.9
	Precision Machinery,Medical Instruments and Equipment	44.3	44.1	47.0	44.4	44.8	45.6	46.7	45.2	49.0	46.9	46.0	46.7	46.2	▲ 0.5
	Other Manufacturing	37.2	38.9	40.1	38.1	40.1	39.4	40.0	38.8	40.3	38.7	34.0	37.0	38.4	1.4
Total	38.4	38.9	39.6	39.2	40.3	40.3	40.7	40.8	41.8	40.5	39.8	40.4	42.2	1.8	
Wholesale	Food,BEVerages	40.3	41.1	41.8	41.8	41.1	41.3	42.3	40.3	40.5	39.1	38.6	39.4	38.1	▲ 1.3
	Textile,Textile Products,Clothing	34.8	34.8	33.7	33.2	32.2	33.8	34.4	34.1	34.8	33.3	32.3	33.6	34.1	0.5
	Construction Materials,Furniture,Ceramics,Stone and Clay Products	38.2	37.4	37.6	38.1	39.2	39.6	38.4	37.4	37.5	38.3	34.9	34.9	35.1	0.2
	Paper Products,Stationery,Books	36.6	35.3	36.2	35.3	37.2	38.4	37.0	36.9	39.0	37.3	37.8	35.5	35.5	0.0
	Chemical	41.8	41.7	42.0	42.4	43.2	43.7	42.5	43.6	43.9	41.6	39.0	40.7	41.4	0.7
	Recycled Resources	36.6	36.0	37.0	37.3	40.8	41.2	42.1	39.7	43.4	41.7	41.7	42.9	43.6	0.7
	Steel,Nonferrous Metals,Mining Products	33.0	33.7	34.5	34.9	35.3	36.1	35.8	36.4	35.7	35.3	35.3	35.9	37.2	1.3
	Machinery,Equipment	42.6	42.3	43.1	42.8	43.4	43.6	43.9	43.4	44.4	43.0	42.0	42.6	44.1	1.5
	Other Wholesale	40.1	40.2	40.5	40.4	39.7	40.4	39.4	39.1	41.0	39.3	38.6	39.6	39.2	▲ 0.4
	Total	39.6	39.5	40.0	40.0	40.3	40.8	40.6	40.2	41.0	39.8	38.6	39.3	39.7	0.4

Economic Diffusion Index (Economic DI)2/2

		Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Ratio to the Previous Month
Retail	Food,BEWerages	40.8	40.3	40.7	41.6	39.1	39.3	40.7	39.9	40.9	39.5	38.8	39.5	40.6	1.1
	Textile,Textile Products,Clothing	35.4	36.4	36.7	34.5	35.0	35.4	36.9	36.5	38.3	36.3	37.9	39.1	34.9	▲ 4.2
	Drugs,Sundries	36.1	39.7	41.1	39.2	35.7	39.1	40.3	39.2	38.9	41.2	37.2	36.0	38.1	2.1
	Furniture	31.8	32.0	35.2	36.1	36.5	34.0	35.1	32.7	34.7	31.3	34.0	33.9	32.7	▲ 1.2
	Electrical Household Appliances, Information Machinery and Equipment	43.0	42.3	42.4	42.6	43.5	41.2	44.4	44.8	41.9	42.2	42.8	44.4	45.5	1.1
	Motor Vehicles,Motor Vehicle Parts	40.8	38.0	40.1	38.8	40.2	38.6	41.5	39.5	40.5	39.2	38.3	37.9	36.3	▲ 1.6
	Special Merchandise	37.4	38.6	38.3	38.4	39.1	39.1	39.7	38.6	39.9	34.5	34.1	34.2	34.8	0.6
	Various Merchandise	36.3	38.5	38.5	37.8	39.9	39.6	37.6	38.5	41.1	39.5	36.6	37.1	37.9	0.8
	Other Retail	44.8	46.9	49.0	36.3	44.1	40.2	45.2	49.0	47.8	43.8	46.3	42.7	45.1	2.4
	Total	38.6	38.9	39.4	38.8	39.1	38.8	40.1	39.3	40.2	37.7	37.2	37.4	37.3	▲ 0.1
Transportation,Warehousing		42.3	42.9	43.9	43.2	44.2	45.5	46.2	43.8	43.8	38.5	37.8	39.7	40.6	0.9
Service	Restaurants	44.6	45.6	46.8	45.6	44.1	43.4	47.1	42.4	42.9	43.1	41.3	42.3	41.7	▲ 0.6
	Postal,Telecommunications	47.4	51.9	47.9	48.1	53.0	56.3	47.6	50.0	52.1	50.0	48.1	58.3	47.2	▲ 11.1
	Electricity,Gas,Water,Heat	43.3	46.1	48.3	48.1	46.5	45.6	45.4	44.2	46.5	40.7	35.8	39.8	39.2	▲ 0.6
	Leasing,Rentals	48.0	49.3	49.7	48.3	49.0	48.4	50.0	47.5	48.1	45.2	46.2	46.5	44.1	▲ 2.4
	Lodging, Hotels	51.7	49.6	50.5	51.8	53.8	57.3	52.9	49.1	46.3	52.1	49.3	50.9	46.4	▲ 4.5
	Recreation	45.2	46.8	45.0	48.4	46.8	46.5	45.8	47.1	47.0	45.4	47.8	46.9	47.8	0.9
	Broadcasting	49.2	50.8	47.6	48.4	46.5	46.7	45.6	45.7	49.2	49.1	45.6	42.5	46.3	3.8
	Maintenance,Guarding,Testing	47.0	48.5	47.0	47.0	47.4	47.8	48.5	48.3	48.9	47.6	46.1	44.7	45.8	1.1
	Advertising	47.2	47.2	45.7	46.4	46.3	46.2	47.4	45.9	45.0	45.4	42.7	42.9	43.5	0.6
	Information	52.5	51.7	51.8	52.3	52.1	52.7	53.6	53.6	53.3	52.4	51.5	50.7	51.0	0.3
	Labor Dispatching	47.9	48.3	46.7	46.7	47.6	48.4	48.5	46.4	46.9	45.4	46.3	45.9	46.5	0.6
	Special Services	49.2	49.0	50.3	50.3	50.7	50.5	50.2	49.5	49.8	48.5	47.9	46.9	47.9	1.0
	Medical,Welfare,Public Health	40.4	38.0	39.5	39.6	39.5	41.0	43.7	41.0	41.7	41.8	40.7	39.9	41.8	1.9
	Education	43.4	40.6	39.9	43.1	43.9	42.5	43.3	47.8	46.3	43.5	43.8	42.3	44.7	2.4
	Other Service	47.3	47.3	46.5	46.2	46.9	46.5	46.7	45.4	46.6	45.0	44.4	42.8	43.3	0.5
Total	48.3	48.3	48.2	48.5	48.6	48.9	49.4	48.4	48.6	47.8	46.9	46.2	46.5	0.3	
Other	39.2	37.9	40.7	42.4	41.4	40.9	38.5	40.5	39.7	38.0	38.9	36.0	39.4	3.4	

		Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Ratio to the Previous Month
Hokkaido		43.9	43.7	43.9	44.4	43.4	42.6	43.1	41.8	42.2	41.1	40.1	40.5	42.0	1.5
Tohoku		39.1	39.2	39.5	39.2	39.5	39.4	40.1	38.8	39.9	38.6	38.2	38.1	38.4	0.3
Kita-Kanto		40.1	41.3	41.0	41.3	41.9	42.1	42.7	43.1	43.0	41.9	40.1	41.0	41.4	0.4
Minami-Kanto		45.5	45.7	45.9	45.9	46.4	46.9	47.2	46.8	47.2	46.3	45.0	44.8	45.7	0.9
Hokuriku		40.0	40.9	41.0	41.4	41.6	41.7	42.1	41.3	41.8	41.2	40.2	39.4	41.5	2.1
Tokai		41.4	41.6	43.2	42.8	43.4	43.3	43.3	43.2	43.6	41.4	39.8	40.5	41.2	0.7
Kinki		42.1	41.5	42.7	42.5	43.3	43.2	43.6	42.6	43.5	41.7	39.9	40.3	41.5	1.2
Chugoku		40.9	41.3	42.1	42.1	42.7	43.3	43.5	42.0	43.3	41.5	39.3	39.3	40.7	1.4
Shikoku		39.7	39.9	40.6	41.2	42.0	43.1	42.1	41.9	42.7	40.4	38.8	37.8	39.4	1.6
Kyushu		44.5	44.4	44.4	44.6	45.5	45.3	45.8	45.6	45.7	43.8	42.2	42.0	43.0	1.0

Appendix

1. Research Subjects (Companies researched: 22,572; Valid responses: 10,413; Response rate: 46.1%)

1. Region

Hokkaido	438	Tokai	1,130
Tohoku	747	Kinki	1,571
kitaKanto	775	Chugoku	641
minamikanto	3,197	Shikoku	356
Hokuriku	518	Kyushu	1,040
		Total	10,413

2. Industry (10 Industries 51 Lines of business)

Agriculture, Forestry, Fisheries		111
Finance		146
Construction		1,643
Real Estate		452
Manufacturing (2,403)	Food, Beverages, Livestock Feed	280
	Textile, Textile Products, Clothing	110
	Construction Materials, Furniture, Ceramics, Stone and Clay Products	169
	Pulp, Paper and Paper Products	71
	Publishing, Printing	162
	Chemical	307
	Steel, Nonferrous Metals, Mining	435
	General Machinery	396
	Electrical Machinery	254
	Transportation Machinery, Equipment	90
	Precision Machinery, Medical Instruments and Equipment	66
	Others	63
Wholesale (2,204)	Food, Beverages	281
	Textile, Textile Products, Clothing	139
	Construction Materials, Furniture, Ceramics, Stone and Clay Products	251
	Paper Products, Stationery, Books	91
	Chemical	206
	Recycled Resources	39
	Steel, Nonferrous Metals, Mining Products	225
	Machinery, Equipment	698
	Others	274

Retail (828)	Food, Beverages	136
	Textile, Textile Products, Clothing	75
	Drugs, Sundries	53
	Furniture	26
	Electrical Household Appliances, Information Machinery and Equipment	55
	Motor Vehicles, Motor Vehicle Parts	133
	Special Merchandise	268
	Various Merchandise	65
Others	17	
Transportation, Warehousing		449
Service (2,147)	Restaurants	124
	Telecommunications	6
	Electricity, Gas, Water, Heat	17
	Leasing, Rentals	88
	Lodging, Hotels	88
	Recreation	91
	Broadcasting	18
	Maintenance, Guarding, Testing	272
	Advertising	111
	Information	485
	Labor Dispatching	77
	Special Services	387
	Medical, Welfare, Public Health	112
Education	38	
Others	233	
Others		30
Total		10,413

3. Size

Large Firms	1,524	14.6%
Small to Medium-sized Firms	8,889	85.4%
micro Firms	3,586	34.4%
Total	10,413	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 June 17 2026 - June 30 2026

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 23,000 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	very 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.