The Review of the Year 2012
Analysis of All Industrial Activities
Summary

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・ Fitness clubs supported by health-conscious senior citizens

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March 6, 2013
Research and Statistics Department, Minister’s Secretariat,
Ministry of Economy, Trade and Industry
Trends in domestic shipments and shipments for exports by Japan’s mining and manufacturing industries

Analysis Point 1]
- The indices of shipments in all mining and manufacturing industries have been changing mainly driven by domestic shipments -

Characteristics
- There was a significant change in the shipments of all mining and manufacturing industries before and after the Lehman shock (August 2008) and the Great East Japan Earthquake (March 2011). In 2012, shipments for both domestic demand and exports declined.
- Although shipments for exports indicated greater changes than domestic shipments did, the indices of shipments in all mining and manufacturing industries have been closely linked to the indices of shipments for domestic demand, which account for a greater weights in the indices of shipments.

Fig. 1 Trends in Production and Shipments in All Mining and Manufacturing Industries
Index (2005=100, Seasonally adjusted)

Ratio to the Previous Quarter and Contribution Ratio (%, % points)

Note: The shaded part indicates the period in which the indices of industrial production and shipments peaked.
Sources: “Indices of Industrial Production,” “The Indices of Industrial Domestic Shipments and Exports”
【Analysis Point 2】

- In the period around the Lehman shock, both domestic and export shipments decreased, followed by a recovery mainly due to economic measures by national governments -

【Characteristics】

- Major contributing types of goods to both domestic shipments and shipments for exports include producer goods, durable consumer goods and capital goods, and major contributing types of business include transport equipment and electronic parts and devices.
- During the decline in the first half of the period shown, it is assumed that exports of automobiles and motor vehicle parts to the United States and Europe as well as electronic parts exports to East Asia decreased under the influence of a global economic downturn, especially in developed countries.
- During the growth in the second half of the period, shipments recovered presumably because of the effects of large economic stimulus packages implemented by national governments.

Source: "The Indices of Industrial Domestic Shipments and Exports"
Domestic shipments were declining even before the earthquake. Shipments for exports were seeing a mild recovery before the earthquake but radically decreased due to the earthquake.

The downward trend in domestic shipments is mainly attributable to the decline in the sales of passenger cars arising from the termination of the eco-car subsidy program in September 2010, which resulted in the decline in shipments in the transport equipment industry.

In the aftermath of the earthquake, both domestic and export shipments of cars, car parts and electronic parts decreased due to supply constraints caused by damaged production facilities and disrupted parts supply chains. Shipments recovered soon presumably because of the quick restoration of production sites.

Source: “The Indices of Industrial Domestic Shipments and Exports”
【Analysis Point 4】
- Recently, both domestic and export shipments decreased due to the negative impact of transport equipment since the second half of 2012, but the decline was smaller in the fourth quarter of 2012 -

【Characteristics】
- Both domestic and export shipments significantly decreased in the third quarter of 2012. By type of goods, durable consumer goods, producer goods and capital goods contributed to the decline, and by type of business, the transport equipment industry was the primary contributor.
- Presumably, the key factor of the decline in domestic shipments is the drop in auto sales arising from the termination of the eco-car subsidy program in September 2012, and the key factors of the decline in export shipments include sluggish demand due to the global economic slowdown and the decline in auto exports in the wake of the anti-Japan demonstrations in China.

![Fig. 16 Domestic Shipments by Type of Goods](image1)
![Fig. 17 Shipments for Exports by Type of Goods](image2)
![Fig. 18 Domestic Shipments by Type of Business](image3)
![Fig. 19 Shipments for Exports by Type of Business](image4)

Source: “The Indices of Industrial Domestic Shipments and Exports”
【Analysis Point 5】
- Shipments in major industries (transport equipment, electronic parts and devices, general machinery, and information and communication electronics equipment) experienced major changes before and after the Lehman shock, but changes after the earthquake varied by type of business. Recently, all of them indicated either a downward or flat trend -

【Characteristics】
• Major factors of change in the indices of shipments in all mining and manufacturing industries are the industries of transport equipment, electronic parts and devices, general machinery, and information and communication electronics equipment. All of them experienced a significant change before and after the Lehman shock. By contrast, the earthquake had different impacts on these industries, with transport equipment and electronic parts and devices showing notable changes.
• The primary factor of change in both domestic and export shipments were different by type of business: it was passenger cars and motor vehicle parts for the transport equipment industry; electronic parts and integrated circuits for the electronic parts and devices industry; and household electronic parts and communication equipment for the information and communication electronics equipment industry. For the general machinery industry, the factor of change, although varying depending on the period, was primarily general instruments and machine parts as to the change before and after the Lehman shock.

Fig. 21 Shipment Trends by Type of Business (2005=100, Seasonally adjusted)
Ratio to the Previous Quarter and Contribution Ratio (% % points)

Source: “The Indices of Industrial Domestic Shipments and Exports”
【Analysis Point 1】
- The number of fitness club users is growing -

【Characteristics】

- The indices of tertiary industry activity (2005=100; seasonally adjusted) for the “fitness clubs” sector grew during the period from 2003 to 2012.
- According to the Survey of Selected Service Industries, the percentage change in the number of fitness club users from the previous year was increasing from 2003 to 2010, although at a slower pace. While it turned to a negative figure (down by 1.5% from the previous year) in 2011, a positive growth (up by 8.7% from the previous year) was restored in 2012.
- Sales per fitness club user have been declining since 2007. This is presumably attributable to the increase in the number of visits per person, the growth of small, low-cost, circuit-training gyms featuring convenience, and existing businesses diversifying their membership plans (e.g., a low-price weekday-only membership) in an effort to increase membership.

Fig. 1 Changes in Sports Facilities (2005=100; Seasonally adjusted)

Note: The data for “Sports Facilities” in the indices of tertiary industry activity is compiled from the numbers of golf course users, golf driving range users, bowling alley users and fitness club users in the Survey of Selected Service Industries.
Source: “Indices of Tertiary Industry Activity”

Fig. 2 Changes in the Growth Rate of Total Users and Total Sales of Fitness Clubs
(Ratio to the previous year ; Ratio to the same quarter of the previous year)

Note: The number of fitness club users is a cumulative total.
Source: “Survey of Selected Service Industries”

Fig. 3 Changes in Sales per Fitness Club User

Note: The number of fitness club users is a cumulative total.
Source: Data from the “Survey of Selected Service Industries”
【Analysis Point 2】

- Households whose heads are in their sixties account for 36.5% of total expenditures on “gym charges” (among two-or-more-person households)

【Characteristics】

• Based on the Family Income and Expenditure Survey (2012) of the Ministry of Internal Affairs and Communications, the “gym charges” specialization coefficient1) was calculated for different age groups of the household heads. Among two-or-more-person households,2) the highest figure (1.47) was indicated by households whose heads are in their sixties.

• Among two-or-more-person households, annual expenditures on “gym charges” per household were the largest, at 5,177 yen, for households whose heads are in their sixties. This group also accounted for the largest share (36.5%) of the total expenditures on “gym charges.”

Fig. 5 “Gym Charges” Specialization Coefficient, by Age Group of Household Head
(Two-or-more-person households, 2012)

Note: Specialization coefficient = (Expenditures on gym charges for an age group of household head) / (Total consumption expenditures for an age group of household head) / (Expenditures on gym charges for all households) / (Total consumption expenditures for all households)

Source: Data from “Family Income and Expenditure Survey” (Ministry of Internal Affairs and Communications)

Fig. 6 1) Expenditures on “Gym Charges” per Household, by Age Group of Household Head
(Two-or-more-person households, 2012)

Fig. 6 3) Breakdown of Total Expenditures on “Gym Charges,” by Age Group of Household Head
(Two-or-more-person households, 2012)

Notes: 1. It should be noted that not every household head is a gym user.
2. For calculating the data for Graph 3), annual expenditures of each age group of household head was multiplied by the distribution of households (based on the adjusted sampling ratio).
3. The distribution of households (based on the adjusted sampling ratio), which is expressed in ten-thousandths, shows the share of households belonging to each age group by using the adjusted number of tabulated households.

Source: Data from “Family Income and Expenditure Survey” (Ministry of Internal Affairs and Communications)

1) This is calculated by dividing the ratio of expenditures on gym charges to total consumption expenditures for an age group of household head by the same ratio for all households.
2) Two-or-more-person households account for approximately 70% of the total households, and one-person households approximately 30% (as of 2012).
【Analysis Point 3】

- Households headed by women in their sixties and over account for 53.9% of the total expenditures on gym charges (among one-person households) -

【Characteristics】

- Based on the Family Income and Expenditure Survey (2012) of the Ministry of Internal Affairs and Communications, the “gym charges” specialization coefficient was calculated for households headed by men/women and for different age groups of the household heads. Among one-person households, the highest figure (1.55) was indicated by households headed by women in their sixties and over.3)

- Among one-person households, annual expenditures on “gym charges” per household were the largest, at 4,091 yen, for households headed by women in their sixties and over. This group also accounted for the largest share (53.9%) of the total expenditures on “gym charges.”

Fig. 7 “Gym Charges” Specialization Coefficient, by Sex/Age Group of Household Head  (One-person households, 2012)

![Diagram showing the percentage of expenditures by sex and age group of household head.]

Note: Specialization coefficient = 
\[
\frac{\text{(Expenditures on gym charges for an age group of household head)}}{\text{(Total consumption expenditures for an age group of household head)}} 
\times \frac{\text{(Expenditures on gym charges for all households)}}{\text{(Total consumption expenditures for all households)}}
\]

Source: Data from “Family Income and Expenditure Survey” (Ministry of Internal Affairs and Communications)

Fig. 8

1) Expenditures on “Gym Charges”
per Household, by Sex/Age Group of Household Head
(One-person households, 2012)

2) Breakdown of Total Expenditures on
“Gym Charges,” by Sex/Age Group of Household Head
(One-person households, 2012)

(Annual expenditures in yen)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>34 and under</td>
<td>1,179</td>
<td>2,788</td>
</tr>
<tr>
<td>35-59</td>
<td>3,471</td>
<td>5,881</td>
</tr>
<tr>
<td>60 and over</td>
<td>4,210</td>
<td>4,490</td>
</tr>
</tbody>
</table>

Notes: 1. For calculating the data for Graph 2), annual expenditures of each age group of household head was multiplied by the distribution of households (based on the adjusted sampling ratio).

2. The distribution of households (based on the adjusted sampling ratio), which is expressed in ten-thousandths, shows the share of households belonging to each age group by using the adjusted number of tabulated households.

Source: Data from “Family Income and Expenditure Survey” (Ministry of Internal Affairs and Communications)

3) In the Family Income and Expenditure Survey, the applicable age groups of household heads are different between one-person households and two-or-more-person households.
【Analysis Point 4】
- In fitness clubs, the share of senior citizens in the membership has increased more than the growth of their demographic share among the total population -

【Characteristics】

- Trends in the membership breakdown by age group were analyzed for fitness clubs in the 2003-2012 period based on investor relations documents available from major fitness clubs. It was found that the shares of members in their twenties and under and those in their thirties declined, while the share of those aged 60 and over increased.
- In 2012, those aged 60 and over accounted for the largest share of fitness club members, at about 30%.
- Changes in the fitness club membership breakdown by age group indicate that the declines in the shares of members in their twenties and under and those in their thirties, as well as the increase in the share of members in their sixties, have been greater than the changes in their respective demographic shares among the total population.

Notes:
1. The data consists of simple averages of the age breakdowns of membership released by three major fitness clubs (Central Sports Co., Ltd., Renaissance Inc., and Megalos Co., Ltd. [since 2009]) in their investor relations documents. Note that only simple averages of membership breakdowns are used because a few companies disclose their memberships.
2. The figures are as of the end of March each year.
Source: Data from investor relations documents of the selected companies.

<table>
<thead>
<tr>
<th>Age breakdown of total population</th>
<th>Age breakdown of fitness club members</th>
</tr>
</thead>
<tbody>
<tr>
<td>20s and under</td>
<td>31.1%</td>
</tr>
<tr>
<td>30s</td>
<td>14.5%</td>
</tr>
<tr>
<td>60 and over</td>
<td>26.8%</td>
</tr>
</tbody>
</table>

Source: Data from “Population Census” (Ministry of Internal Affairs and Communications) and investor relations documents of the selected companies.
【Analysis Point 5】
- Senior citizens, especially women, are increasingly sport and health conscious -

【Characteristics】
• The Survey on Time Use and Leisure Activities conducted by the Ministry of Internal Affairs and Communications provides the participation rate by age group (percentage of people who have participated in the given activity) in the “Sports” category. The 2011 data shows that the participation rate declined from 2006 among people in their fifties and under, while it increased by 3.6% points among those aged 60 and over (or a 4.6% point increase particularly for women).
• The “While Paper of Leisure 2012” released by the Japan Productivity Center provides data on leisure activities by sex and age. The percentage of “health-conscious” people is the largest for those in their sixties and over among both men and women, at 50.9% for men and 51.7% for women.

Fig. 10 Changes in the Participation Rate in “Sports,” by Age Group (2006-2011)

Fig. 11 Percentage of Health-Conscious People in Leisure Activities, by Sex and Age

Note: Participation rate (%) = (Number of participants (Number of participants in the given activity on the day of survey) / Population of the specific group) * 100
Source: Data from “Survey on Time Use and Leisure Activities” (Ministry of Internal Affairs and Communications)

Note: The percentage figures consist of those who chose either “I always do” or “I often do” as the answer to the question, “Do you choose services that are good for your health or health conscious?” with respect to the “Consciousness of Services and Products Relevant to Leisure Activities,” and at the same time said “improving health and physical strength” is the “purpose of leisure activities as of 2012” in the section on “Changes in the Purpose of Leisure Activities.”
Source: “While Paper of Leisure 2012” (Japan Productivity Center)

• It is suggested that the increase in the senior citizens’ share of fitness club expenditures and membership is driven by, in addition to the growing demographic share of those aged 60 and over, the increase in sport and health consciousness in this generation.
• Attention should be paid to the next action of fitness clubs to see whether they can arouse demand among senior citizens and drive the full growth of sales as well as membership.
1. Trends of all industrial activities

(1) Outline of all industrial activities (2012)
- Industrial activities increased for the first time in two years -

【Characteristics】
- The indices of all industrial activities increased by 1.2% from the previous year, up for the first time in two years. The increase is attributable to the growth of tertiary industry activity and construction industry activity, despite a decline in industrial production.
- On a quarterly basis, industrial activities declined for three consecutive quarters until the July-September quarter, but in the October-December quarter, they increased by 0.3% from the previous quarter, up for the first time in four quarters.

### Changes in the Indices of All Industrial Activities (2005=100)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>% Change from the Previous Quarter (Year)</td>
<td>95.9</td>
<td>95.4</td>
<td>96.5</td>
<td>95.1</td>
<td>94.2</td>
<td>96.2</td>
<td>96.7</td>
<td>96.6</td>
<td>96.5</td>
<td>96.8</td>
<td>96.3</td>
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<tr>
<td>% Change from the Same Quarter of the Previous Year</td>
<td>-0.5</td>
<td>-1.3</td>
<td>-0.9</td>
<td>2.1</td>
<td>0.5</td>
<td>-0.1</td>
<td>-0.1</td>
<td>-0.5</td>
<td>0.3</td>
<td></td>
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<tr>
<td>Indices of Agriculture, Forestry and Fisheries Production</td>
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<td>91.1</td>
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<td>4.3</td>
<td>3.2</td>
<td>-7.5</td>
<td>3.3</td>
<td>-1.5</td>
<td>5.7</td>
<td>-1.6</td>
<td>2.1</td>
</tr>
<tr>
<td>% Change from the Previous Quarter (Year)</td>
<td>3.2</td>
<td>0.3</td>
<td>2.3</td>
<td>-5.1</td>
<td>-3.2</td>
<td>-2.8</td>
<td>-0.3</td>
<td>5.8</td>
<td>4.2</td>
<td>7.8</td>
<td></td>
</tr>
<tr>
<td>% Change from the Same Quarter of the Previous Year</td>
<td>2.3</td>
<td>-5.1</td>
<td>-3.2</td>
<td>-2.8</td>
<td>-0.3</td>
<td>5.8</td>
<td>4.2</td>
<td>7.8</td>
<td></td>
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<td></td>
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<tr>
<td>Indices of Construction Industry Activity</td>
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<td>74.4</td>
<td>77.6</td>
<td>77.8</td>
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<td>77.5</td>
<td>79.1</td>
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<td>% Change from the Previous Quarter (Year)</td>
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<td>-2.9</td>
<td>3.2</td>
<td>-7.5</td>
<td>3.3</td>
<td>-1.5</td>
<td>5.7</td>
<td>-1.6</td>
<td>2.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Change from the Same Quarter of the Previous Year</td>
<td>2.3</td>
<td>-5.1</td>
<td>-3.2</td>
<td>-2.8</td>
<td>-0.3</td>
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<td>4.2</td>
<td>7.8</td>
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<tr>
<td>Indices of Industrial Production</td>
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<td>91.9</td>
<td>92.1</td>
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<td>91.3</td>
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<td>-4.2</td>
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<td>1.3</td>
<td>-2.0</td>
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<td>-3.9</td>
</tr>
<tr>
<td>% Change from the Same Quarter of the Previous Year</td>
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<td>-5.1</td>
<td>-3.2</td>
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<td>-0.3</td>
<td>5.8</td>
<td>4.2</td>
<td>7.8</td>
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<tr>
<td>Indices of Tertiary Industry Activity</td>
<td>97.8</td>
<td>97.9</td>
<td>99.3</td>
<td>97.5</td>
<td>95.0</td>
<td>98.5</td>
<td>99.6</td>
<td>99.0</td>
<td>99.0</td>
<td>99.1</td>
<td>99.7</td>
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<tr>
<td>% Change from the Previous Quarter (Year)</td>
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<td>0.1</td>
<td>1.4</td>
<td>-1.5</td>
<td>-0.5</td>
<td>1.5</td>
<td>0.5</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>0.6</td>
</tr>
<tr>
<td>% Change from the Same Quarter of the Previous Year</td>
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<td>0.1</td>
<td>1.4</td>
<td>-1.5</td>
<td>-0.5</td>
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<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>0.6</td>
</tr>
<tr>
<td>Indices of Government Services, etc.</td>
<td>97.8</td>
<td>97.6</td>
<td>97.7</td>
<td>97.5</td>
<td>97.4</td>
<td>97.6</td>
<td>97.8</td>
<td>97.9</td>
<td>97.8</td>
<td>97.8</td>
<td>97.7</td>
</tr>
<tr>
<td>% Change from the Previous Quarter (Year)</td>
<td>-0.7</td>
<td>-0.2</td>
<td>0.1</td>
<td>-0.2</td>
<td>0.1</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
<td>-0.1</td>
<td>0.0</td>
<td>-0.1</td>
</tr>
<tr>
<td>% Change from the Same Quarter of the Previous Year</td>
<td>-0.7</td>
<td>-0.2</td>
<td>0.1</td>
<td>-0.2</td>
<td>0.1</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
<td>-0.1</td>
<td>0.0</td>
<td>-0.1</td>
</tr>
</tbody>
</table>

Notes: 1. The 2012 figures and quarterly figures of the Indices of All Industrial Activities were calculated without the Indices of Agriculture, Forestry & Fisheries Production because of the absence of the corresponding data.
2. The annual values and % changes from the same quarter of the previous year are original indices, and others are based on seasonally adjusted indices.
(2) Outline of industrial activities
- Production in 2012 declined for two consecutive years -

1) Production trends for 2012
【Characteristics】
- The indices of industrial production for 2012 decreased by 0.3% from the previous year, down for two consecutive years.
- By type of goods, producer goods and capital goods decreased, while an increase was seen mainly in durable consumer goods.
- By type of business, production increased in six industries, including transport equipment, but decreased in 11 industries, including general machinery.
- By demand, domestic shipments increased for the first time in two years, while shipments for exports decreased for two consecutive years.

2) Production trends by item
【Characteristics】
<Major items that decreased in 2012>
1) Liquid crystal television (for the second consecutive year)・・・Due to backlash from the front-loaded demand under the eco-point system.
2) Active matrix LCDs (large) (for the second consecutive year)・・・Due to a decline in domestic demand for use in liquid crystal TVs.
3) Semiconductor products machinery (for the first time in three years)・・・Due to a decline in demand in Japan as well as in China, Europe, the United States, etc..

<Major items that increased in 2012>
1) Large passenger cars (for the first time in two years)・・・Due to an increase in demand in Japan as well as the United States, the Middle East, etc.
2) Drive, transmission and control parts (for the first time in two years)
3) Small passenger cars (for the first time in two years)・・・Due to an increase in demand for both the domestic market and exports.

Changes from the Previous Year by Item and Contribution Ratio (Note 2012)

<table>
<thead>
<tr>
<th>Items that contributed to decrease</th>
<th>Change from the Previous Year (%)</th>
<th>Contribution Ratio (% points)</th>
<th>Items that contributed to increase</th>
<th>Change from the Previous Year (%)</th>
<th>Contribution Ratio (% points)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Liquid crystal television</td>
<td>-85.0</td>
<td>-0.42</td>
<td>1) Large passenger cars</td>
<td>12.2</td>
<td>0.71</td>
</tr>
<tr>
<td>2) Active matrix LCDs (large)</td>
<td>-31.7</td>
<td>-0.34</td>
<td>2) Drive, transmission and control parts</td>
<td>16.3</td>
<td>0.34</td>
</tr>
<tr>
<td>3) Semiconductor products machinery</td>
<td>-15.3</td>
<td>-0.16</td>
<td>3) Small passenger cars</td>
<td>21.0</td>
<td>0.31</td>
</tr>
<tr>
<td>4) Flat-panel display products machinery</td>
<td>-44.3</td>
<td>-0.15</td>
<td>4) Midget passenger cars</td>
<td>44.6</td>
<td>0.26</td>
</tr>
<tr>
<td>5) Internal combustion engines for industry</td>
<td>-13.6</td>
<td>-0.12</td>
<td>5) Chassis and body parts</td>
<td>17.0</td>
<td>0.19</td>
</tr>
</tbody>
</table>

Note: Degree of contribution to the total industrial growth rate of -0.3% (percentage points).
3) Inventory trends

【Characteristics】

- The inventory cycle for the fourth quarter of 2012 was as follows.
  1) **Mining and manufacturing** • • • Shifting from an expanding inventory stage to an inventory adjustment stage.
  2) **Final demand goods** • • • Still remained at an expanding inventory stage.
  3) **Producer goods** • • • Still remained at an inventory adjustment stage.
  4) **Electronic parts and devices** • • • Shifting from an inventory adjustment stage to an inventory accumulation stage.
  5) **Iron and steel** • • • Still remained at an inventory adjustment stage.
  6) **Transport equipment** • • • Still remained at an expanding inventory stage.

**Changes in Inventory Cycle**

1) **Mining and manufacturing**

2) **Final demand goods**

3) **Producer goods**

4) **Electronic parts and devices**

5) **Iron and steel**

6) **Transport equipment**
(3) Outline of tertiary industry activities
- Tertiary industry activities in 2012 increased for the third consecutive year -

Trends for 2012
【Characteristics】
- Tertiary industry activities in 2012 increased by 1.4% from the previous year, up for the third consecutive year.
- By type of business, ten out of 13 major categories, including the medical, health care and welfare industry, showed increases, while two industries, including the real estate and goods rental and leasing industry, showed decreases.

Changes in Indices of Tertiary Industry Activity of Major Industry Sectors (2005=100; Seasonally adjusted)

<table>
<thead>
<tr>
<th>Year</th>
<th>Financial &amp; Insurance</th>
<th>Information &amp; Communication</th>
<th>Wholesale Trade &amp; Retail Trade</th>
<th>Transport &amp; Postal Activities</th>
<th>Miscellaneous Services (Except Government Services, etc.)</th>
<th>Accommodations, Eating and Drinking Services</th>
<th>Scientific Research, Professional and Technical Services</th>
<th>Electric, Gas, Heat Supply &amp; Water</th>
<th>Real Estate &amp; Goods Rental and Leasing</th>
<th>Learning Support</th>
<th>Living-Related and Personal Services &amp; Amusement Services</th>
<th>Finance &amp; Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>96.3</td>
<td>106.6</td>
<td>91.0</td>
<td>98.5</td>
<td>83.4</td>
<td>104.9</td>
<td>94.9</td>
<td>103.1</td>
<td>98.3</td>
<td>80.9</td>
<td>96.3</td>
<td>98.7</td>
</tr>
<tr>
<td>2011</td>
<td>96.0</td>
<td>101.1</td>
<td>97.3</td>
<td>98.7</td>
<td>83.4</td>
<td>104.9</td>
<td>94.9</td>
<td>103.1</td>
<td>98.3</td>
<td>80.9</td>
<td>96.3</td>
<td>98.7</td>
</tr>
<tr>
<td>2012</td>
<td>95.7</td>
<td>101.1</td>
<td>97.3</td>
<td>98.7</td>
<td>83.4</td>
<td>104.9</td>
<td>94.9</td>
<td>103.1</td>
<td>98.3</td>
<td>80.9</td>
<td>96.3</td>
<td>98.7</td>
</tr>
</tbody>
</table>

Note: The line graph shows the indices of tertiary industry activity for six major industries.
2. Supply Trends and Final Demand

(1) Outline of supply trends for final demand

1) Supply trends for 2012

【Characteristics】

- Supply for final demand of domestic products as a whole increased by 0.9% from the previous year, up for the first time in two years.
- Overall industrial supply for consumption increased by 1.2% from the previous year, up for the first time in two years, due to an increase in both personal consumption and government consumption.
- Overall industrial supply for investment also increased by 2.8% from the previous year, up for the first time in two years, due to an increase in public investment, private housing and private corporation facilities.
- Exports decreased by 2.9% from the previous year, down for the second consecutive year, while imports increased by 1.1%, up for the third consecutive year.

Changes in the Indices of All Industries (Final Demand Components)

(2005=100, Ratio to the previous year [quarter])

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ratio to previous year</td>
<td>Ratio to previous year</td>
<td>I</td>
<td>II</td>
<td>III</td>
</tr>
<tr>
<td>Total of final demand sector</td>
<td>4.4</td>
<td>-1.2</td>
<td>0.9</td>
<td>-2.5</td>
<td>-1.7</td>
</tr>
<tr>
<td>Mining and manufacturing (Goods)</td>
<td>18.8</td>
<td>-5.1</td>
<td>-1.6</td>
<td>-5.4</td>
<td>-10.8</td>
</tr>
<tr>
<td>Tertiary industries (Services)</td>
<td>1.9</td>
<td>0.3</td>
<td>1.3</td>
<td>-1.4</td>
<td>-0.3</td>
</tr>
<tr>
<td>Consumption</td>
<td>3.2</td>
<td>-0.5</td>
<td>1.2</td>
<td>-2.4</td>
<td>-0.3</td>
</tr>
<tr>
<td>Personal consumption</td>
<td>4.0</td>
<td>-1.1</td>
<td>1.2</td>
<td>-2.8</td>
<td>-0.7</td>
</tr>
<tr>
<td>Mining and manufacturing (Goods)</td>
<td>-2.0</td>
<td>0.5</td>
<td>0.6</td>
<td>-1.8</td>
<td>3.9</td>
</tr>
<tr>
<td>Tertiary industries (Services)</td>
<td>1.5</td>
<td>-0.3</td>
<td>1.8</td>
<td>-0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>(Special)ICT-related</td>
<td>7.7</td>
<td>2.8</td>
<td>0.4</td>
<td>-4.0</td>
<td>1.8</td>
</tr>
<tr>
<td>Government consumption</td>
<td>1.1</td>
<td>0.9</td>
<td>1.1</td>
<td>-0.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Investment</td>
<td>2.0</td>
<td>-1.4</td>
<td>2.8</td>
<td>-3.3</td>
<td>-1.3</td>
</tr>
<tr>
<td>Public investment</td>
<td>-4.6</td>
<td>-8.6</td>
<td>10.4</td>
<td>-2.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Private housing</td>
<td>-4.6</td>
<td>0.6</td>
<td>1.8</td>
<td>1.9</td>
<td>-3.1</td>
</tr>
<tr>
<td>Private corporation facilities</td>
<td>6.1</td>
<td>0.8</td>
<td>0.5</td>
<td>-4.0</td>
<td>-1.8</td>
</tr>
<tr>
<td>Mining and manufacturing (Goods)</td>
<td>20.6</td>
<td>1.6</td>
<td>2.9</td>
<td>-5.9</td>
<td>0.1</td>
</tr>
<tr>
<td>Construction</td>
<td>-6.7</td>
<td>-1.5</td>
<td>3.6</td>
<td>-0.3</td>
<td>14.9</td>
</tr>
<tr>
<td>Tertiary industries (Services)</td>
<td>1.7</td>
<td>-1.3</td>
<td>2.9</td>
<td>-5.9</td>
<td>5.7</td>
</tr>
<tr>
<td>(Special)ICT-related</td>
<td>1.6</td>
<td>1.3</td>
<td>2.9</td>
<td>-5.9</td>
<td>5.7</td>
</tr>
<tr>
<td>Exports</td>
<td>24.2</td>
<td>-1.6</td>
<td>-2.9</td>
<td>0.9</td>
<td>-8.9</td>
</tr>
<tr>
<td>Mining and manufacturing (Goods)</td>
<td>27.1</td>
<td>-0.8</td>
<td>4.3</td>
<td>-4.4</td>
<td>2.3</td>
</tr>
<tr>
<td>Tertiary industries (Services)</td>
<td>17.7</td>
<td>0.9</td>
<td>1.0</td>
<td>-3.6</td>
<td>-11.0</td>
</tr>
<tr>
<td>Imports</td>
<td>12.4</td>
<td>0.6</td>
<td>1.1</td>
<td>-0.5</td>
<td>0.7</td>
</tr>
<tr>
<td>Mining and manufacturing (Goods)</td>
<td>15.7</td>
<td>-0.6</td>
<td>-0.1</td>
<td>0.8</td>
<td>-0.7</td>
</tr>
<tr>
<td>Tertiary industries (Services)</td>
<td>4.1</td>
<td>8.3</td>
<td>6.9</td>
<td>-4.4</td>
<td>5.4</td>
</tr>
</tbody>
</table>

Notes: 1. As the indices of all industries (final demand components) are calculated using various statistical data, preliminary figures are used for some basic data. Therefore, note that the indices of the previous quarters have been corrected to the revised figures.

2. Ratios to the previous year are original indices and other figures are based on seasonally adjusted indices.

Source: “The Indices of All Industries (Final demand components)”
2) Trends of capital investment of small and medium-sized enterprises (SMEs)

【Characteristics】
• Looking at the capital investment of SMEs in 2012 by using the indices of tertiary industry activity (wholesale trade of general machinery and equipment) as its surrogate, it decreased by 10.1% from the previous year, down for the first time in two years.

Source: “Indices of Tertiary Industry Activity” (Ministry of Economy, Trade and Industry)
(2) Outline of exports and imports
1) Export trend for 2012

【Characteristics】
- Looking at the trends of exports for 2012 (on a quantity basis), in terms of the indices of all industries (final demand components), exports of services (the tertiary industry) increased by 0.9% from the previous year, while exports of goods (the mining and manufacturing industry) decreased by 4.4% (id.), resulting in a 2.9% decrease from the previous year for all exports.
- By region, exports of goods to the United States, the Middle East and ASEAN increased, while those to East Asia and Europe decreased.

![Changes in Exports by Region (Goods, 2005=100, Seasonally adjusted)](image)

2) Import trends for 2012

【Characteristics】
- Looking at the trends of imports for 2012 (on a quantity basis), in terms of the indices of all industries (final demand components), imports of goods (the mining and manufacturing industry) decreased by 0.6% from the previous year, while imports of services (the tertiary industry) increased by 6.9%, resulting in a 1.1% increase from the previous year for all imports.
- By region, imports of goods from Europe increased, while those from East Asia, ASEAN, the United States and the Middle East decreased.

![Changes in Imports by Region (Goods, 2005=100; Seasonally adjusted)](image)

Notes:
1. The export index by region is estimated by rearranging the trade statistics into shipment index groups, and the import index by region is estimated by rearranging the trade statistics into supply index groups.
2. The names of each country or region are as follows:
   ASEAN: Singapore, Thailand, Malaysia, the Philippines, Indonesia, Vietnam, Myanmar, Laos, Brunei and Cambodia
   East Asia: Republic of Korea, Taiwan and China (including Hong Kong)
   Middle East: Iran, Iraq, Bahrain, Saudi Arabia, Kuwait, Qatar, Oman, Israel, Jordan, Syria, Lebanon, the United Arab Emirates, Gaza and Yemen

Sources:
“The Indices of Industrial Domestic Shipments and Exports,”
“The Indices of Industrial Domestic Shipments and Imports” (both estimates)