**TDB Trends Research**

**Research & Summary for April 2019**

*Economic DI worsened for five months in a row*

*- Due to the long holidays and election, as well as “construction” exerting downward pressure -*

（Companies researched: 23,174; Valid responses: 9,775; Response rate: 42.2%; Survey start date: May 2002)

**Overview of April 2019: Signs of entering a recession phase**

The economic diffusion index (DI) in April 2019 was 46.8, down 0.1 point from the previous month, and worsened for the fifth consecutive month. Cost increases against the backdrop of the long holidays, etc., and construction-related stagnation have affected the domestic economy, and signs of entering a recession continue to be seen.

**Future outlook: Uncertainty has further intensified**

The future domestic economy expects a slowdown in capital investment and exports, and sluggish consumer spending due to a consumption tax hike, and uncertainty has further intensified.

By industry : Construction stagnation and struggling to secure manpower due to the long holidays have become negative factors.

By size : Although minor deterioration persists in all scale, business confidence has tended to polarize.

By region : Five of the ten regions worsened, and the local economy continues to be weak.

2018 2019

\*Economic DIs are calculated based on the structural ARIMA model, in which economic statistics are incorporated to the ARIMA model.





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| Appendix  1.Region | | | |  |  |  |  |  |  |  |  |  |  |  |
|  | Hokkaido | | | | 494 | | | Tokai | | | | 1,071 | | |
|  | Tohoku | | | | 619 | | | Kinki | | | | 1,631 | | |
|  | kitaKanto | | | | 712 | | | Chugoku | | | | 537 | | |
|  | minamikanto | | | | 3,127 | | | Shikoku | | | | 281 | | |
|  | Hokuriku | | | | 548 | | | Kyushu | | | | 681 | | |
|  |  |  |  |  |  |  |  | Total | | | | 9,701 | | |





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| 3.Size | | |  |  |  |  |  |  |  |  |
|  | Large Firms | | | | 1,930 | | | 19.9% | | |
|  | Small to Medium-sized Firms | | | | 7,771 | | | 80.1% | | |
|  |  |  | micro Firms | | 2,587 | | | 26.7% | | |
|  | Total | | | | 9,701 | | | 100.0% | | |