



The Weekly Observer

June 10-14

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

PM Attends G7 Summit and Ukraine Peace Summit

Prime Minister Kishida Fumio traveled to Italy and Switzerland from June 12-16 for the **G7 Apulia Summit** and the **Ukraine Peace Summit**.

The **Apulia Communiqué** included concerns about **"China's persistent industrial targeting and comprehensive non-market policies and practices** that are leading to **global spillovers, market distortions, and harmful overcapacity."**

During the summit, Kishida and **Ukrainian President Volodymyr Zelenskyy** signed a bilateral document outlining areas of support and cooperation in areas ranging from **security to defense to humanitarian support**. Kishida stated during the Ukraine session that **Japan is considering measures against entities in China, India, the UAE, Uzbekistan, and Kazakhstan** for helping **Russia circumvent sanctions**.

On Saturday, Kishida attended the **Ukraine Peace Summit** and emphasized the importance of a **"fair and lasting peace"** in Ukraine, as well as Japan's commitment to leading support in the areas of **nuclear power safety and demining**.

BOJ to Determine JGB Purchase Reduction in July

On Friday, the **Bank of Japan (BOJ)** determined that it **will decide on a plan to reduce JGB purchases in the next one to two years** at the next monetary policy meeting scheduled for **July 30-31**.

The change indicates the **BOJ's transition toward quantitative tightening**. The BOJ will discuss the matter with banks, securities companies, and other financial authorities to determine the specific amount to cut back purchases.

At the press conference after the meeting, **BOJ Governor Ueda Kazuo** stated that the Bank finds it **"appropriate"** to reduce the amount of JGB purchases in a predictable manner while ensuring flexibility.

Cabinet Approval



21% (-3 pts.)

60% (+5 pts.)

[NHK](#) (June 10)

State of the Economy

Economy Watchers Survey (May):

45.7 (-1.7 pts.)

Assessment maintained

Revised Real GDP (Jan.-March):

-0.5% from last quarter

-1.8% annually

Current Account (April):

¥2.51 billion surplus (+8.2%)

Corporate Goods Price Index (May):

122.2 (+2.4%)

Rate of increase up 1.3 points

Business Outlook Survey (April-June):

BSI: 0.4 (+0.42)

Capital Investment: +12.1% (FY 2024)