



The Weekly Observer

October 27-31

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

Takaichi Meets Trump

On Tuesday, Japan's new Prime Minister Takaichi Sanae hosted U.S. President Donald Trump in Tokyo for the first in-person meeting the leaders, coming off the back of the **ASEAN Summit** and ahead of the **APEC Leaders' Summit**.

Takaichi emphasized that **strengthening the alliance is a top priority for Japan** and that she aims to restore strong diplomacy with the **greatest alliance in the world as the cornerstone**.

The two leaders signed a document on implementation of the tariff agreement **"toward a new golden age for the Japan-U.S. alliance,"** reaffirming a strong commitment to implementing the **"great deal."**

The joint fact sheet on the \$550 billion investment deal **identified U.S. and Japanese companies** that have expressed interest in projects related to **energy, power development for AI, strengthening AI infrastructure, and critical minerals**. Over **ten** Japanese

companies expressed interest. Projects may be decided by the end of the year.

The two countries also agreed on a **framework for securing the supply of critical minerals and rare earths** — a heavily China dependent area — including joint financing and development of capacity across the supply chain from mining to processing. Implementation of the deal will be determined later.

The two countries also signed a **memorandum of cooperation (MOC) on shipbuilding**, setting up a **bilateral working group** to discuss concrete measures to collaborate.

Finally, the two countries signed a **MOC regarding the technology prosperity deal** to strengthen collaboration toward **joint opportunities of mutual interest** in AI and technology leadership like research security, beyond 5G/6G, pharmaceutical and biotechnology supply chains, quantum, fusion energy, and space.

Cabinet Approval



65% (-)

22% (-)

[Mainichi Shimbun](#) (October 27)

State of the Economy

Monthly Economic Report (Oct.):

Maintained assessment that economy is recovering at a moderate pace while impact of U.S. tariffs seen in the automotive industry

Consumer Confidence Index (Oct.):

35.8 (+0.5 pt.)
Assessment revised upward to "showing signs of recovery"

Labor Statistics (September):

Jobs-to-applicants ratio: 1.20x
Unemployment rate: 2.6%

Services Producer Price Index (Sept.):

111.3 (+3%)
Rate of increase up to 4 month high