



The Weekly Observer

December 29, 2025-
January 2, 2026

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

Takaichi-Trump Phone Call

On Friday, Prime Minister Takaichi Sanae held a summit telephone talk with U.S. President Donald Trump.

The leaders affirmed that they would make the momentous 250th anniversary of the founding of America a year in which to carve out a new chapter in the history of the Japan-U.S. alliance. Takaichi revealed that Trump invited her to visit the United States in spring 2026.

GOJ to Restrict Defense Equipment Export Destinations

Sankei reported last Friday that the GOJ and ruling parties are exploring the idea of limiting the export of defense equipment with lethal capabilities to countries with which Japan has signed an agreement on the transfer of defense equipment and technology.

This includes sixteen countries such as the United States, Italy, Australia, India, the Philippines, and the United Arab Emirates.

Tokyo Stock Exchange Ends the Year with Nikkei 225 Above ¥50,000

On Tuesday, the Tokyo Stock Exchange finished the year's business, with the Nikkei Stock Average (Nikkei 225) rounding out to ¥50,339.48, some ¥187.44 down from the previous day. This is the first time that the average topped ¥50,000 at the end of the year. The rate of increase also hit ¥10,000 for the first time.

China Overtakes Japan as Top Global Automaker

Nikkei reported that Chinese automakers surpassed Japanese automakers in selling the most newly manufactured automobiles globally in 2025, adding to its already impressive global leader status in total automobile exports. The growth in Chinese automobile sales is a strong reflection of cost-effective electric vehicle sales.

Cabinet Approval



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None

State of the Economy

None