

INDUSTRIAL CAPSULE: MONETARY INTERMEDIATION IN JAPAN

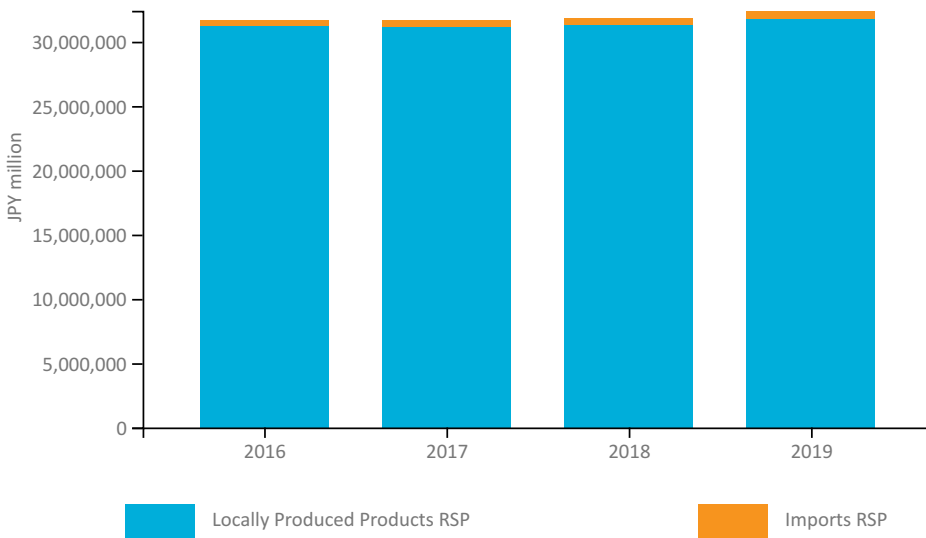
23 January 2023

INDUSTRY OVERVIEW

- Monetary intermediation industry turnover in Japan ranks second in the Asia Pacific region. The industry's turnover is forecast to recover fully from the COVID-19 pandemic in 2020 and is forecast to rank second in 2026. In terms of absolute industry turnover growth, Japan is projected to rank third in the Asia Pacific region. This indicates weaker B2B demand potential from the monetary intermediation industry in Japan in comparison to other regional countries.
- Industry costs decreased by 2.1% in 2021. The change was largely impacted by B2B costs, which represented 57.8% of total industry expenditure. In addition, average salary in monetary intermediation declined by 2.5% over 2021. Meanwhile, turnover per employee decreased by 4.8% over the year.
- The industry's profitability decreased and reached 26.6% in 2021. Japan ranks 18th in the Asia Pacific region in terms of the monetary intermediation industry's profitability.
- The total number of companies operating in the industry continued to grow in 2021, to 44,550 companies. The industry can be considered fragmented, as the five largest companies accounted for 23.9% of production value in 2021. The industry's concentration increased over the year. Mitsubishi UFJ Financial Group Inc remained the leading company in Japan's monetary intermediation industry, and accounted for 6.8% of production value in 2021.

MARKET DEMAND

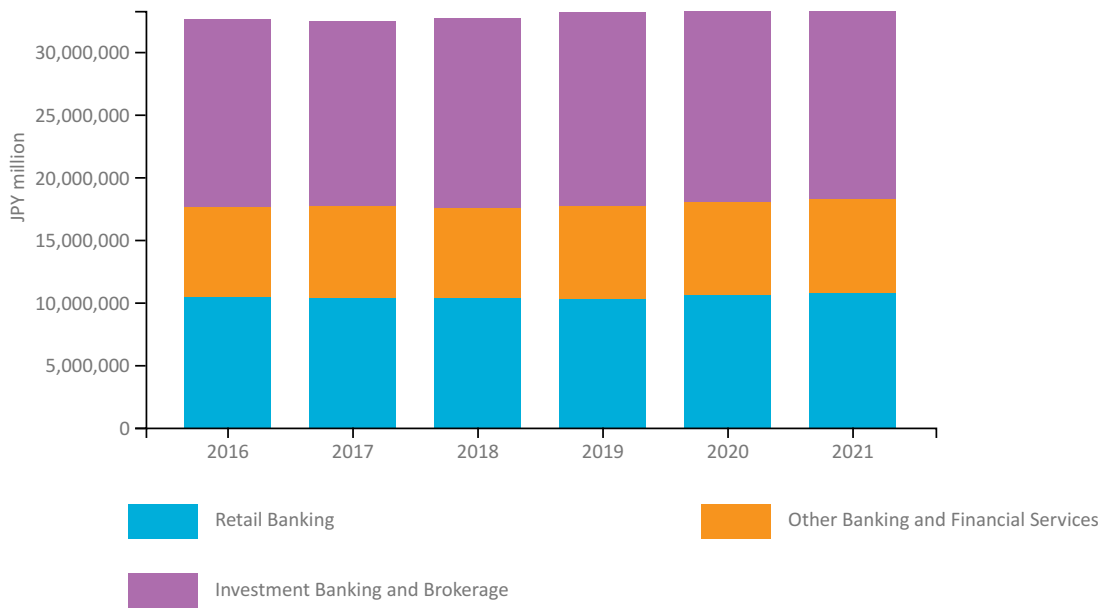
Monetary Intermediation Market Demand - Japan 2016 - 2021



Source: Passport by Euromonitor International

PRODUCTION OUTPUT

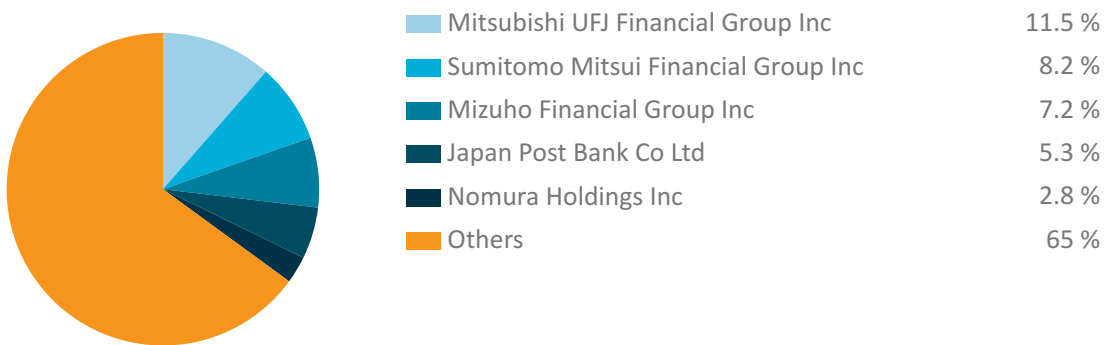
Monetary Intermediation Production (turnover) MSP - Japan 2016 - 2021



Source: Passport by Euromonitor International

PRODUCER SHARES

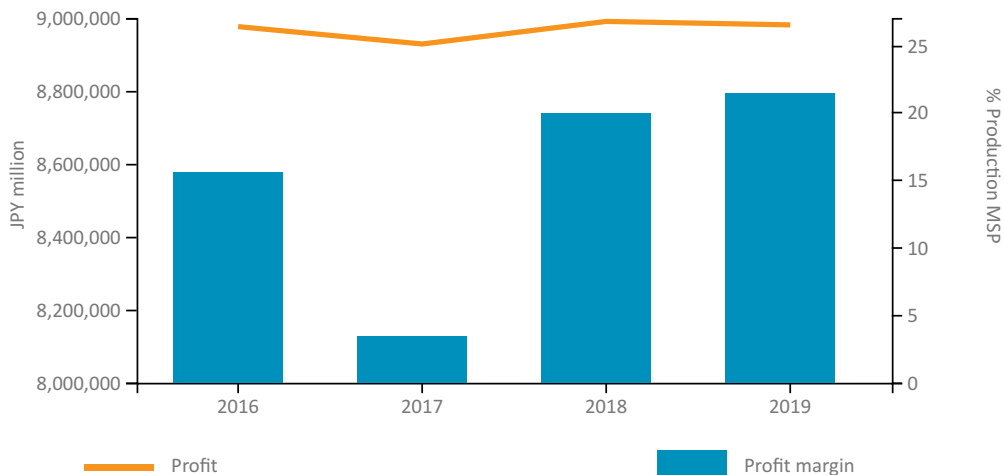
Monetary Intermediation Manufacturers Shares MSP % - Japan - 2021



Source: Passport by Euromonitor International

PRODUCER PROFITABILITY

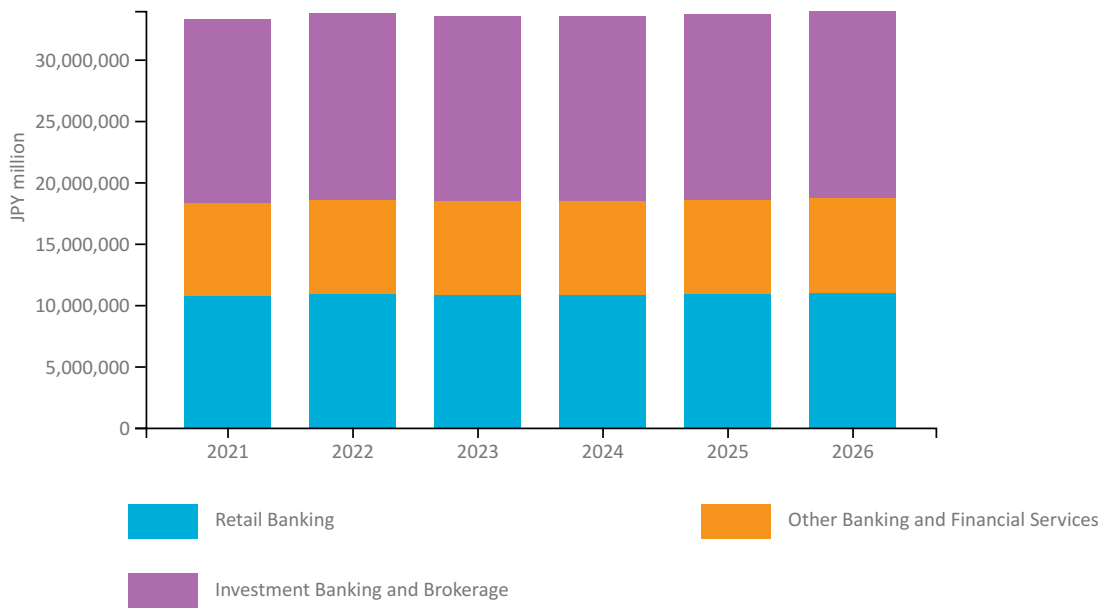
Monetary Intermediation Producer Profitability - Japan 2016 - 2021



Source: Passport by Euromonitor International

PRODUCTION FORECASTS

Monetary Intermediation Production (turnover) MSP - Japan 2021 - 2026



Source: Passport by Euromonitor International