

# Japan's Economic Pulse: Inflation, Trade Surpluses, and Corporate Fortunes

Japan Finance · Practice Test · 17 Questions

---

**1. In April 2026, Japan's annual inflation rate edged down to what percentage, reflecting a slowdown in price increases?**

- A) 1.4%
- B) 2.1%
- C) 0.9%
- D) 3.5%

**2. What was the approximate surplus in Japan's trade balance in April 2026, surprising analysts who had forecast a deficit?**

- A) ¥301.9 billion
- B) ¥100.5 billion
- C) ¥50.2 billion
- D) ¥450.0 billion

**3. Which sector's exports significantly contributed to Japan's strong trade performance in April 2026, with a notable increase of 44%?**

- A) Semiconductors
- B) Automobiles
- C) Textiles
- D) Machinery

**4. According to SMBC Nikko Securities, what was the record combined net profit for Japanese listed companies in fiscal year 2025?**

- A) ¥54.7 trillion
- B) ¥30.1 trillion
- C) ¥75.5 trillion
- D) ¥10.2 trillion

**5. Which of the following was a key factor contributing to the strong earnings of Japanese companies in fiscal year 2025, as reported by SMBC Nikko Securities?**

- A) Strong demand for AI and data center-related companies, and higher interest rates benefiting banks.
- B) A surge in automobile exports due to relaxed international trade policies.
- C) Increased demand for traditional manufacturing goods in emerging markets.
- D) A significant decline in energy prices reducing operational costs.

**6. In March 2024, the Bank of Japan raised its policy interest rate for the first time in 17 years. What was the new policy rate range?**

- A) 0% to 0.1%
- B) -0.1% to 0%
- C) 0.25% to 0.35%
- D) 1.0% to 1.1%

**7. As of April 2026, what was the core inflation rate in Japan, as measured by a new central bank gauge, indicating intensifying inflationary pressures?**

- A) 2.8%
- B) 1.4%
- C) 0.5%
- D) 3.5%

**8. Japan's trade balance in April 2026 benefited from a sharp drop in the import value of which key commodity due to geopolitical tensions?**

- A) Crude oil
- B) Rice
- C) Semiconductor components
- D) Automobiles

**9. Which of the following Japanese companies recently reported a record net profit exceeding ¥5 trillion for fiscal year 2025, marking a historic first for a Japanese firm?**

- A) SoftBank Group
- B) Toyota Motor Corporation
- C) Sony Group
- D) Panasonic Holdings

**10. Rapidus, a Japanese semiconductor initiative, has a plan to mass-produce 2-nanometer logic chips by what year, with significant government funding?**

- A) 2027
- B) 2025
- C) 2030
- D) 2032

**11. In April 2026, Japan's core consumer price index (excluding fresh food) rose by what percentage year-on-year, according to Trading Economics?**

- A) 1.40%
- B) 0.50%
- C) 2.50%
- D) 3.00%

**12. What was the total value of Japan's inward Foreign Direct Investment (FDI) stock at the end of 2024, reaching a new record high?**

- A) ¥53.3 trillion
- B) ¥25.0 trillion
- C) ¥100.0 trillion
- D) ¥75.2 trillion

**13. In fiscal year 2025, Japanese listed companies saw profits boosted by strong performance in semiconductor and AI-related sectors, as well as by which other industry benefiting from higher interest rates?**

- A) Banks
- B) Automobile manufacturers
- C) Retailers
- D) Energy companies

**14. What was the approximate size of the stimulus package approved by Japan's Cabinet in November 2025 to help spur the economy and relieve the impact of higher prices?**

- A) ¥21.3 trillion (\$135.4 billion)
- B) ¥10.0 trillion (\$65 billion)
- C) ¥50.0 trillion (\$320 billion)
- D) ¥5.0 trillion (\$32 billion)

**15. The Bank of Japan ended its negative interest rate policy and quantitative easing program in which year?**

- A) 2024
- B) 2022
- C) 2025
- D) 2023

**16. What was the Nikkei Stock Average's record high on May 25, 2026, reaching a new all-time high amidst the AI boom?**

- A) 65,158.19
- B) 50,000
- C) 70,000
- D) 60,000

**17. As of April 2026, the Bank of Japan kept its short-term policy rate unchanged at what percentage, with a 6-3 vote?**

- A) 0.75%
- B) 0.50%
- C) 1.00%
- D) 0.25%