HSBC

News Release

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HSBC Trade Pulse Survey 2026: Japanese Companies Take a Prudent View on International Trade Growth, Yet Strong Sales and Progress in AI Utilization Revealed

- *62% of companies (86% globally average) are confident they can expand international transactions over the next two years, with 9% (39% globally average) feeling "very confident"*
- *42% reported that tariffs and trade uncertainties have negatively affected their companies so far (global average 34%). On the other hand, only 16% of companies experienced a decline in sales, which is below the global average (30%)*
- *87% have implemented or plan to implement AI tools (global average 91%). Additionally, 65% already use AI in at least one trade-related task.*

According to HSBC's latest survey, the "Trade Pulse Survey 2026," Japanese companies are strongly aware of rising uncertainties related to tariffs and trade, yet maintain relative sales resilience and are responding to environmental changes through AI utilization and business model reviews. Although confidence in international trade growth over the next two years is below the global average, Japanese companies are adapting to a rapidly changing business environment by reviewing cost structures, strengthening capital management, and promoting digitalization.

Cost pressures due to tariff and trade uncertainties

In this survey, 42% of Japanese companies said that tariffs and trade uncertainties have negatively affected their companies so far, exceeding the global average of 34%. Additionally, 64% have already experienced cost increases, and 68% expect further cost increases over the next two years. In particular, as a factor of cost pressure, transportation and raw material costs were both highest at 50%, both exceeding the global average. The rise in procurement and logistics costs, which are prerequisites for corporate activities, is leading to a prudent outlook for Japanese companies.

Sales remained relatively solid

On the other hand, the impact on sales was relatively limited. Due to tariffs and trade uncertainties, 16% of Japanese companies have experienced sales declines so far, significantly below the global average of 30%. For the next two years, 17% of companies expect sales declines, below the global average of 28%. Although there is strong caution about the future, maintaining a certain level of resilience in terms of profitability is emerging as a characteristic of Japanese companies.

Regarding these results, **Chris Cheyroux, Country Head, Global Trade Solutions, HSBC Group Japan**, commented as follows. "From these results, it appears that Japanese companies are maintaining steady sales despite facing a challenging business environment and are proactively responding to change through AI utilization and digitalization. While there are some prudent views about the future, it is very impressive

that Japanese companies are steadily preparing within that context. HSBC will support these customer initiatives closely from both trade and financial management perspectives."

Progress in Business Model Transformation and Structural Reform

The survey showed that Japanese companies are also working to transform their business models to respond to environmental changes. 65% responded that they are shifting to service-based or digital models, or have already implemented them, which is below the global average of 81%. However, this shows that business model transformation is spreading in Japan as well. Additionally, 68% said they are advancing or considering the introduction of embedded finance, and the same 68% said they are working on or considering securing energy supply. In response to changes in the external environment, it appears that structural reforms are progressing not only with cost measures but also with an eye on profit opportunities and business continuity.

Positive attitudes toward AI utilization were also confirmed among Japanese companies. 65% of Japanese companies reported having introduced AI in at least one trade-related business, and 87% had already implemented or planned to implement AI tools. On the other hand, regarding the establishment of AI governance systems, the average implementation rate for 10 items was only 29%, below the global average of 35%. While AI utilization is expanding, it has been shown that there is still room for improvement in the establishment of management systems and operational rules.

Cash Management and Working Capital Response

Japanese companies are also taking a prudent stance regarding cash management and working capital. 48% said their working capital needs will increase after 2025, and 52% said that reviewing the supply chain has improved cash flow and working capital, both of which are well below the global average of 78%. Additionally, 86% of companies believe the importance of banks will increase over the next 2~3 years, indicating that expectations for financial institutions remain high for financing and capital efficiency improvements. In an uncertain environment, the stability and flexibility of cash flow have become more important than ever for companies.

Furthermore, while 88% of Japanese companies utilize at least one free trade agreement (FTA), 90% reported barriers to expanding their use. While recognizing the institutional benefits, practical challenges remain as well. These results suggest that Japanese companies need to advance system understanding, practical responses, and the development of capital and settlement infrastructure as a unified approach to building new trade networks and diversifying markets.

The results of this survey reflect that Japanese companies, while maintaining a prudent outlook compared to the global average, are enhancing their ability to respond to change through maintaining sales, transforming business models, utilizing AI, and strengthening financial management. HSBC will continue to provide a wide range of support to Japanese companies expanding internationally, including trade finance, fund management, and digital solutions, to support their sustainable growth.

Note:

HSBC Holdings plc

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 56 countries and territories. With assets of US$3,445bn at 30 September 2026, HSBC is one of the world’s largest banking and financial services organisations.

Survey Overview

The HSBC Trade Pulse Survey 2026 was conducted to understand companies' perceptions and r esponses regarding changes in the trade environment surrounding companies, the impact of tariffs and geopolitical risks, supply chain restructuring, AI utilization, and working capital management. The survey targeted decision-makers in multiple markets, including Japan, and received responses from 250 companies in Japan.