

CONTENTS

Feature Articles

This month's focus: **Role of Regional Financial Institutions in Regional Revitalization**

Overview	<i>Sanae Ono</i>	2
-----------------------	------------------	---

Articles

Regional Financial Institutions and Regional Revitalization in Post-COVID-19 Era	<i>Nobuyoshi Yamori</i>	6
--	-------------------------	---

The COVID-19 pandemic has highlighted the importance of the role of regional financial institutions in supporting their clients. However, regional financial institutions face structural challenges such as ultra-low interest rates and a shrinking regional economy. Many are trying to use their close ties to the region to strengthen their business assessment ability and provide a broader range of solutions to corporate customers. It is important to note that it is difficult to offer a wide range of solutions without building a close relationship with customers through business assessment.

Reconsideration of Relationship Banking: Scheme to Strengthen Business Bases of Regional Financial Institutions	<i>Tomoharu Kusaka, CMA</i>	16
---	-----------------------------	----

Japan's Population Decline Problem and Regional Finance	<i>Shohei Ishibashi</i>	28
--	-------------------------	----

Japan's population has already peaked, and the tempo of decline will soon again accelerate (recent increases in foreign residents halted acceleration). And, a shrinking working-age population could put downward pressure on potential growth. Although some of the largest cities in some regions are playing a role in stemming the tide of depopulation to some extent, concentrated migration to the Tokyo area continues to be the case, which is accelerating the declining birthrate. As many local cities in Japan will continue to be so-called 'sponge cities', it is expected that many shinkin banks will be reorganized because they depend on their region-based relationship banking.

Local Finance and Regional Economic Growth	<i>Masaru Konishi and Ikuko Samikawa</i>	39
--	--	----

Firstly, this paper describes recent debate on/institutional development of local finance and regional economies. Secondly, we review academic literature on finance and growth, and present major results obtained in Konishi and Samikawa (2020) which studies the (causal) relation between local finance and regional economic growth. Finally, we discuss new schemes introduced by the government and the BOJ that encourage the merger of regional banks in areas where they are in excess.

Prospects	
Equity Investment in the Carbon-Neutral Era	<i>Keisuke Ito, CMA·CIIA</i> 49
Economic and Industrial Analysis	
Post-COVID-19, Critical Phase of Monetary and Fiscal Policies in Japan	<i>Izuru Kato</i> 54
Point of View	<i>Akiyoshi Oba, CMA</i> 65
Articles	
Effect of Patent and Trademark Portfolio on Firm Value: Confirmation of the Interaction Effect of Patents and Trademarks	<i>Shingo Ide, CMA / Hitoshi Takehara</i> 69
<p> This study examines the effects of patent and trademark portfolios on firm value. Using long-term panel data in Japan, we find that both patents and trademarks increase firm value. We also find that their interaction effect on firm value is significant only for a specific group of firms. Therefore, financial analysts must explicitly consider the interaction effect of patents and trademarks and industry characteristics when evaluating firms' intrinsic value.</p>	
Book Reviews	
.....	<i>Satoshi Komiyama / Yoko Shirasu / Katsuyuki Tokushima, CMA</i> 79
SAAJ News	86