Overview

Japan’s general index of consumer prices stood at 100.3 in 2009 (2005=100), down 1.4% from the previous year.
The general index excluding fresh food stood at 100.3, down 1.3% from the previous year.
The general index excluding food (excluding alcoholic beverages) and energy stood at 98.6, down 0.7% from the previous year.
The main factors in change of price index in 2009 were as follows.

- “Gasoline” and “Kerosene” fell drastically due to steep fall of oil price which hiked in previous year.
- “Electricity” and “Gas” fell due to fall in the price of oil and liquefied natural gas.
- “Delivery fees (in national hospital and in public hospital)” rose mainly due to start of the Japan obstetric compensation system for cerebral palsy, which is a system to provide monetary compensation for babies with severe cerebral palsy related to brain injuries during childbirth, and their families.
- “National expressway tolls” fell mainly due to the expansion of discount for vehicles equipped with ETC system.
- “Durable goods” such as “TV sets (LCD)” and “Personal computers” fell mainly influenced by technical progress and performance upgrade for them.
- “Package tours to overseas” fell due to fall in the price of fuel surcharge.

Figure 1  Consumer Prices: General Index and Change from the Previous Year

Table 1  Index and Change from the Previous Year of [General] [General, excluding fresh food] and [General, excluding food(excluding alcoholic beverages) and energy] 2005=100
(1) The general index

In 2006, although the price of “Durable goods” and “Mobile telephone charges” fell, that of “Petroleum products” rose continuously, in addition to a rise in “Fresh vegetables” resulting from unfavorable weather condition, a rise in “Recreational services” such as “Package tours to overseas”, and the effect of a rise of the cigarettes tax rate. As a result, the index rose 0.3%.

In 2007, the index unchanged from the previous year. Some items in “Food” and “Cigarettes” rose in addition to a rise in “Energy” such as “Gasoline” and “Kerosene” which showed a steep rise in the last half of the year, although “Mobile telephone charges” and “Durable goods” such as “TV sets (LCD)” fell.

In 2008, the index rose 1.4% mainly due to a rise in Petroleum products and many items in “Food” because of hike in the oil price and cereals respectively. Over 1% was the first time in 11 years.

( Figure 1, Figure 2, Table 1)

(2) Sub-indices for ten major groups in 2009

As for sub-indices for ten major groups, “Housing” fell 0.2% from the previous year, mainly due to a fall in “Rent”. “Fuel, light & water charges” fell 4.2%, mainly due to a fall in “Other fuel & light (Kerosene)”. “Furniture & household utensils” fell 2.2%, mainly due to a fall in “Household durables”. “Clothes & footwear” fell 0.9%, mainly due to a fall in “Clothes”. “Medical care” fell 0.1%, mainly due to a fall in “Medicines & health fortification”. “Transportation & communication” fell 4.9%, mainly due to a fall in “Private transportation” which contains “Gasoline”. “Reading & recreation” fell 2.5%, mainly due to a fall in “Recreational durables”. “Miscellaneous” fell 0.4%, mainly due to a fall in “Toilet articles”.

On the other hand, “Food” rose 0.2%, mainly due to a rise in “Cakes & candies”. “Education” rose 0.9%, mainly due to a rise in “School fees”.

(Table 2)
Table 2  Change from the Previous Year and the Degree of Contribution by Ten Major Groups

<table>
<thead>
<tr>
<th>Change from the previous year (%)</th>
<th>General</th>
<th>Food</th>
<th>Housing</th>
<th>Fuel, light &amp; water charges</th>
<th>Furniture &amp; household utensils</th>
<th>Clothes &amp; footwear</th>
<th>Medical care</th>
<th>Transportation &amp; communication</th>
<th>Education</th>
<th>Reading &amp; recreation</th>
<th>Miscellaneous</th>
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<tbody>
<tr>
<td>Contribution to annual change</td>
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(3) Sub-indices by goods and services classification in 2009

Goods index fell 2.4% from the previous year resulting from the fall in Petroleum products, which rose substantially previous year due to a hike in the price of oil.

Services index fell 0.2% mainly due to a fall in “Services related to communication, reading & recreation” such as “Package tours to overseas”. (Figure 3)

Figure 3  Changes from the Previous Year of Goods and Services