

Japan's Consumer Prices in 2011

Overview

Japan's all items index of consumer prices in 2011 was 99.7 (2010=100), down 0.3% from the previous year.

The index for all items less fresh food was 99.8, down 0.3% from the previous year.

The index for all items less food (less alcoholic beverages) and energy was 99.1, down 1.0% from the previous year.

The main factors causing these changes in the price index in 2011 were as follows.

- “TV sets” fell mainly due to the demand decrease caused by the transition to terrestrial digital TV broadcast.
- “Durable goods”, such as “personal computers”, fell mainly due to technical progress and quality upgrades.
- “National expressway tolls” fell due to the toll-free expressway pilot program.
- “Hotel charges” fell mainly due to the demand decrease caused by the Great East Japan Earthquake.
- “Energy” rose mainly due to the rise in the price of “gasoline” and “electricity”.

Figure 1-1 Indices for “All items”, “All items, less fresh food” and “All items, less food (less alcoholic beverages) and energy”

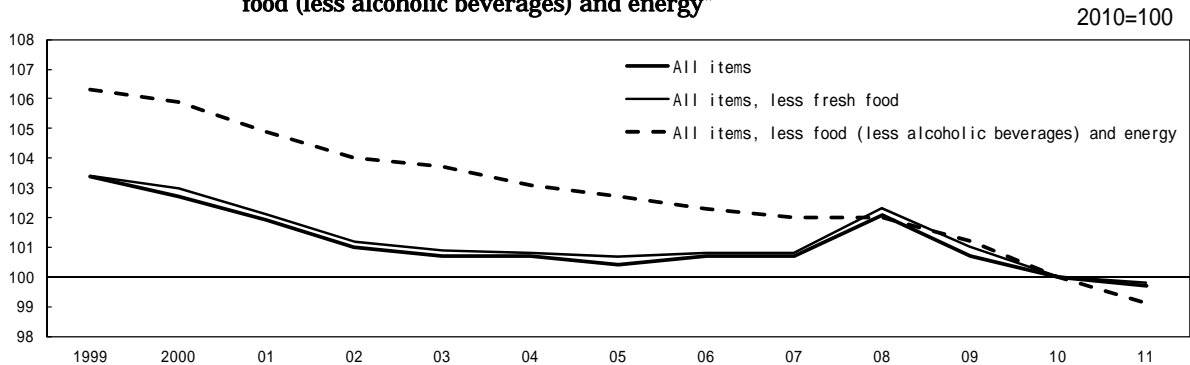


Figure 1-2 Changes from the Previous Year for “All items”, “All items, less fresh food” and “All items, less food (less alcoholic beverages) and energy”

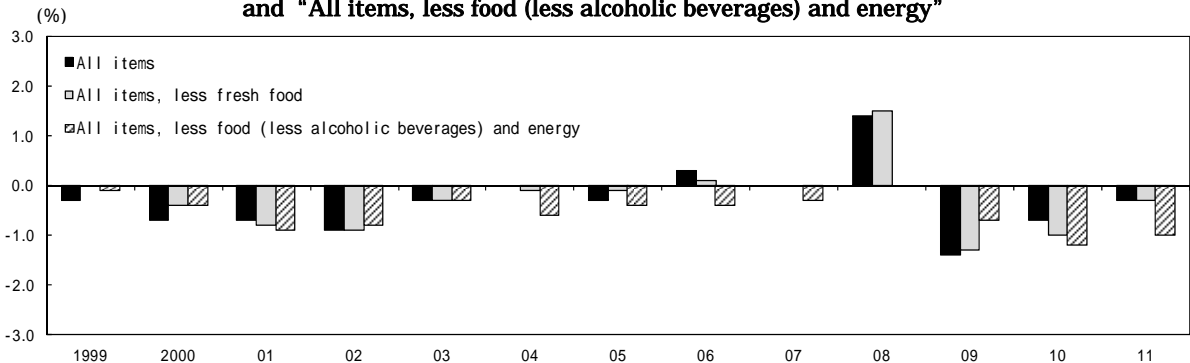


Table 1 Indices and Changes from the Previous Year for “All items”, “All items, less fresh food” and “All items, less food (less alcoholic beverages) and energy”

2010=100

		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
All items	Index	103.4	102.7	101.9	101.0	100.7	100.7	100.4	100.7	100.7	102.1	100.7	100.0	99.7
	Change from the previous year(%)	-0.3	-0.7	-0.7	-0.9	-0.3	0.0	-0.3	0.3	0.0	1.4	-1.4	-0.7	-0.3
All items, less fresh food	Index	103.4	103.0	102.1	101.2	100.9	100.8	100.7	100.8	100.8	102.3	101.0	100.0	99.8
	Change from the previous year(%)	0.0	-0.4	-0.8	-0.9	-0.3	-0.1	-0.1	0.1	0.0	1.5	-1.3	-1.0	-0.3
All items, less food (less alcoholic beverages) and energy	Index	106.3	105.9	104.9	104.0	103.7	103.1	102.7	102.3	102.0	102.0	101.2	100.0	99.1
	Change from the previous year(%)	-0.1	-0.4	-0.9	-0.8	-0.3	-0.6	-0.4	-0.4	-0.3	0.0	-0.7	-1.2	-1.0

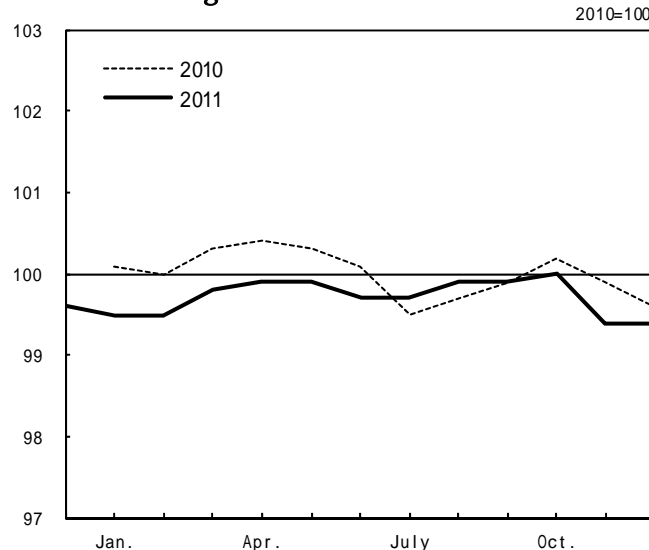
(1) The all items index

In 2008, the index rose 1.4% mainly due to a rise in “petroleum products” and many items in “food” because of a hike in the oil price and cereals respectively. This was the first time in 11 years that the price index rose more than 1%.

In 2009, the index fell 1.4%, which was the largest decline from 1971. This was mainly because “gasoline” and “kerosene” drastically fell owing to hike in the oil price; in addition, “durable goods” fell continuously.

In 2010, the index fell 0.7%. This was because “high school fees, public” and “high school fees, private” fell drastically due to the introduction of new subsidies for tuition and enrollment fees for high schools; in addition, “durable goods” fell continuously. (Figure 1-1, Figure 1-2, Figure 2, Table 1)

Figure 2 All items Index



(2) Sub-indices for 10 major groups in 2011

Regarding sub-indices for 10 major groups, “food” fell 0.4% from the previous year, mainly due to a fall in “fresh vegetables”. “Housing” fell 0.2%, mainly due to a fall in “rent”. “Furniture & household utensils” fell 5.6%, mainly due to a fall in “household durable goods”. “Clothes & footwear” fell 0.3%, mainly due to a fall in “footwear”. “Medical care” fell 0.7%, mainly due to a fall in “medicines & health fortification”. “Education” fell 2.1%, mainly due to a fall in “school fees”. “Culture & recreation” fell 4.0%, mainly due to a fall in “recreational durable goods”.

On the other hand, “fuel, light & water charges” rose 3.3%, mainly due to a rise in “kerosene” and “electricity”. “Transportation & communication” rose 1.2%, mainly due to a rise in “private transportation” which contains “gasoline”. “Miscellaneous” rose 3.8%, mainly due to a rise in “tobacco”. (Table 2)

Table 2 Changes from the Previous Year and the Degree of Contributions by 10 Major Groups

	All items	Food	Housing	Fuel, light & water charges	Furniture & household utensils	Clothes & footwear	Medical care	Transportation & communication	Education	Culture & recreation	Miscellaneous
Change from the previous year (%)	-0.3	-0.4	-0.2	3.3	-5.6	-0.3	-0.7	1.2	-2.1	-4.0	3.8
Contribution to annual change		-0.10	-0.05	0.23	-0.19	-0.01	-0.03	0.17	-0.07	-0.45	0.22

(3) Sub-indices by goods and services classification in 2011

Goods index fell 0.7% from the previous year resulting from a fall in “industrial products” such as “TV sets”.

Services index rose 0.1% mainly due to a rise in “public services” which contains “charges for accident insurance”. (Figure 3)

Figure 3 Changes from the Previous Year for Goods and Services

