



Statistics Bureau of Japan (SBJ) News Bulletin

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2011 Consumer Price Index Decreased

[Introduction]

The SBJ released the 2011 calendar year Consumer Price Index (CPI) on January 27, 2012.

The CPI is an index to measure the average price movements of a fixed set of various goods and services purchased by many households throughout the country. The data are utilized for various policies, measures, the revision of pensions, etc.

At the end of every month, the SBJ also releases preliminary figures of the monthly CPI for the Ku-area of Tokyo (Tokyo metropolitan area) for the current month. In the following month, the final monthly figures for the whole country are released. Every April, the average index figures for the fiscal year are released.

[Summary]

Japan's "all items" index of consumer prices stood at 99.7 in 2011 (2010=100), a decrease of 0.3% over the previous year.

The "all items, less fresh food" stood at 99.8, a decrease of 0.3%.

The "all items, less food (less alcoholic beverages) and energy" stood at 99.1, a decrease of 1.0%.

The main factors behind the change of the price (index) in 2011 were as follows:

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

By basic classification

Seven of the 10 major groups of the CPI declined over the last year (see Table 1).

By goods and services classification

The "goods" index fell 0.7% from the previous year resulting from a fall in "industrial products" such as "TV sets".

The "services" index rose 0.1% mainly due to a rise in "public services" which contains "charges for accident insurance" (see Table 1).

Table 1: Consumer Prices: Change from the previous year in 2011

10 major groups	y/y changes (%)	Subgroups contributing to y/y changes
All items	-0.3	
Furniture & household utensils	-5.6	Household durable goods
Culture & recreation	-4.0	Recreational durable goods
Education	-2.1	School fees
Medical care	-0.7	Medicines & health fortification
Food	-0.4	Fresh vegetables
Clothes & footwear	-0.3	Footwear
Housing	-0.2	Rent
Transportation & communication	1.2	Private transportation (contains gasoline)
Fuel, light & water charges	3.3	Kerosene, electricity
Miscellaneous	3.8	Tobacco
Goods	-0.7	Industrial products (contains TV sets)
Services	0.1	Public services (contains charges for accident insurance)

Figure 1-1: Consumer Prices: Index

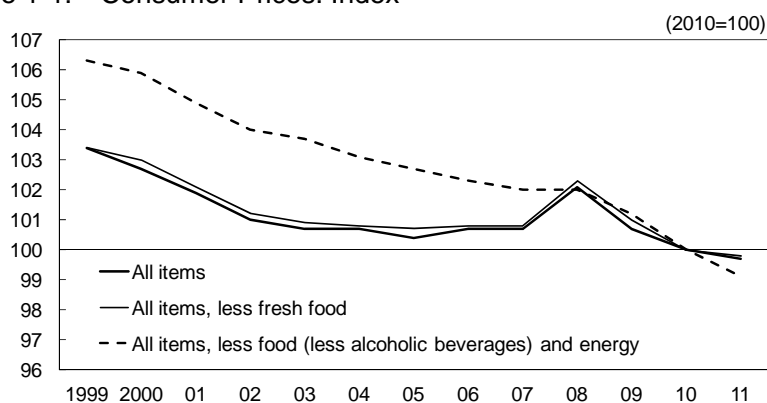
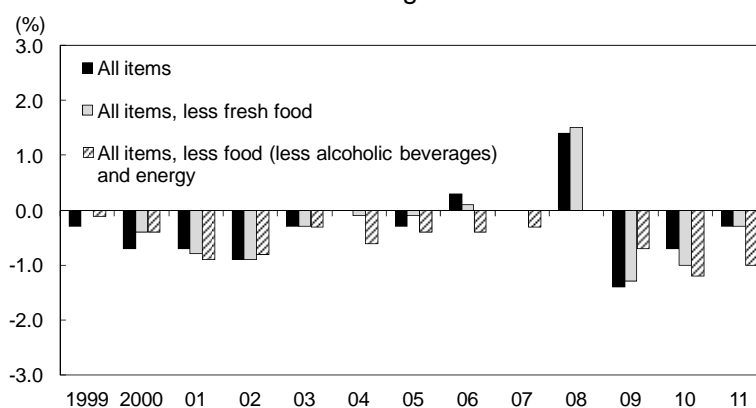


Figure 1-2: Consumer Prices: Change from the Previous Year



(Source) Consumer Price Index (SBJ)

The 2011 yearly average results for Japan were released on January 27, 2012, and the Annual Report will be published in March. For further details, see the website below.

<http://www.stat.go.jp/english/data/cpi/index.htm>