

Japan's Consumer Price Index in 2018

(1) Overview

Japan's all items index of consumer prices in 2018 was 101.3 (2015=100), up 1.0% from the previous year.

The index for all items, less fresh food was 101.0, up 0.9% from the previous year.

The index for all items, less fresh food and energy was 101.0, up 0.4% from the previous year. (Figure 1-1, Figure 1-2, Figure 2, Table 1)

Figure 1-1 Indices for “All items”, “All items, less fresh food” and “All items, less fresh food and energy”

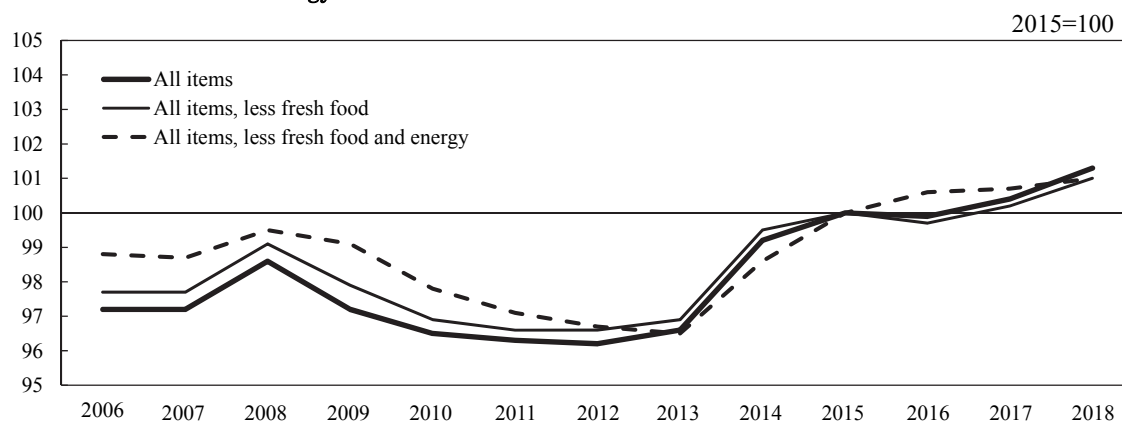


Figure 1-2 Changes from the Previous Year for “All items”, “All items, less fresh food” and “All items, less fresh food and energy”

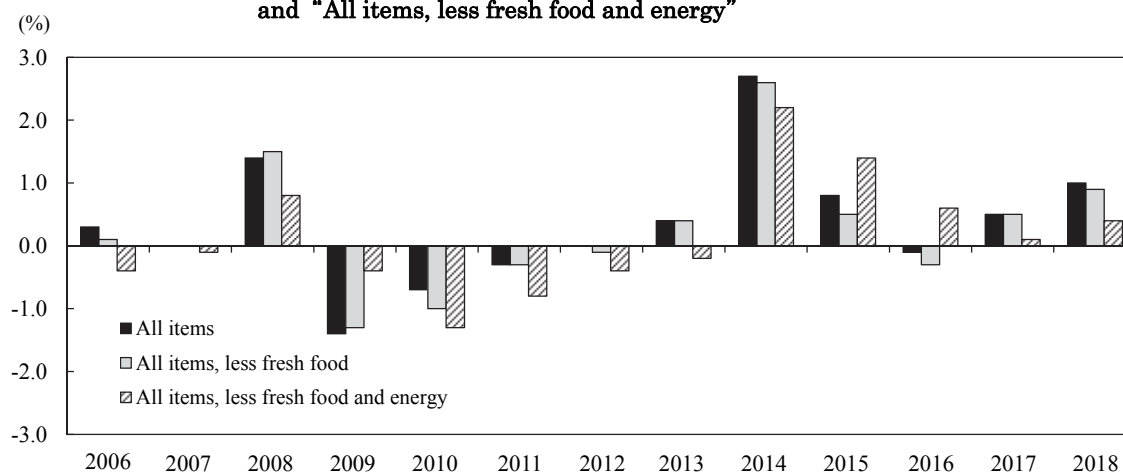
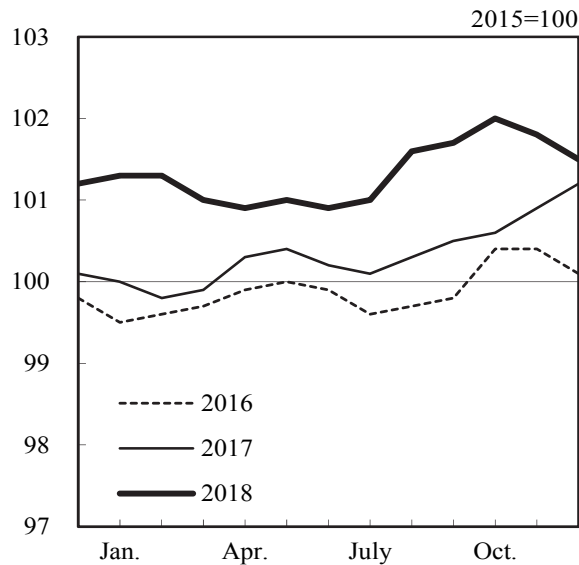


Table 1 Indices and Changes from the Previous Year for “All items”, “All items, less fresh food” and “All items, less fresh food and energy”

		2015=100												
All items	Index	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	Change from the previous year(%)	97.2	97.2	98.6	97.2	96.5	96.3	96.2	96.6	99.2	100.0	99.9	100.4	101.3
All items, less fresh food	Index	97.7	97.7	99.1	97.9	96.9	96.6	96.6	96.9	99.5	100.0	99.7	100.2	101.0
	Change from the previous year(%)	0.3	0.0	1.4	-1.4	-0.7	-0.3	0.0	0.4	2.7	0.8	-0.1	0.5	1.0
All items, less fresh food and energy	Index	98.8	98.7	99.5	99.1	97.8	97.1	96.7	96.5	98.6	100.0	100.6	100.7	101.0
	Change from the previous year(%)	-0.4	-0.1	0.8	-0.4	-1.3	-0.8	-0.4	-0.2	2.2	1.4	0.6	0.1	0.4

Figure 2 All items Index**(2) Sub-indices for 10 major groups in 2018**

Regarding sub-indices for 10 major groups, “food” rose 1.4% from the previous year, mainly due to a rise in “fresh vegetables”. “Fuel, light & water charges” rose 4.0%, mainly due to a rise in “electricity”. “Transportation & communication” rose 1.4%, mainly due to a rise in “private transportation” which contains “gasoline”. “Culture & recreation” rose 0.8%, mainly due to a rise in “recreational services”. “Medical care” rose 1.5%, mainly due to a rise in “medical services”. “Miscellaneous” rose 0.5%, mainly due to a rise in “tobacco”. “Clothes & footwear” rose 0.1%, mainly due to a rise in “services related to clothing”. “Education” rose 0.4%, mainly due to a rise in “school fees”.

On the other hand, “furniture & household utensils” fell 1.1%, mainly due to a fall in “household durable goods”. “Housing” fell 0.1%, mainly due to a fall in “rent”. (Table 2)

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

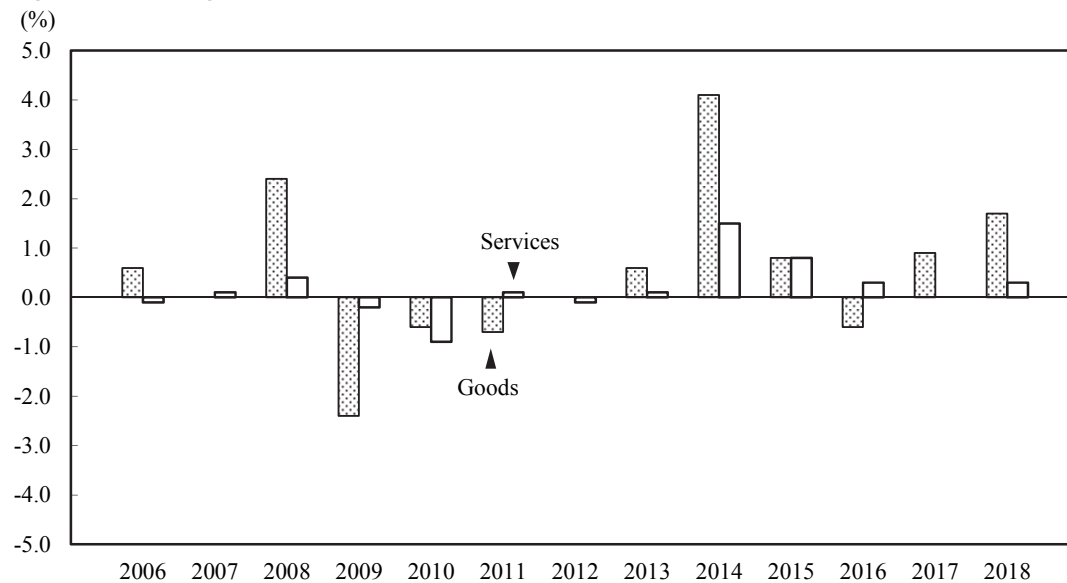
	All items	Food	Housing	Fuel, light & water charges	Furniture & household utensils	Clothes & footwear	Medical care	Transportation & communication	Education	Culture & recreation	Miscellaneous
Change from the previous year (%)	1.0	1.4	-0.1	4.0	-1.1	0.1	1.5	1.4	0.4	0.8	0.5
Contribution to annual change		0.38	-0.02	0.28	-0.04	0.01	0.07	0.02	0.01	0.08	0.03

(3) Sub-indices by goods and services classification in 2018

Goods index rose 1.7% from the previous year for two years in a row, mainly due to a rise in “petroleum products” which contains “gasoline”.

Services index rose 0.3% for the first time in two years, mainly due to a rise in “services related to medical care & welfare” which contains “medical treatment” and “meals outside the home”. (Figure 3)

Figure 3 Changes from the Previous Year for Goods and Services



(4) Main factors behind the change of the index in 2018

“Fresh vegetables” such as “cabbage” rose 5.0% from the previous year, mainly due to unusual weather. “Meals outside the home” rose 0.9%. This was because many items such as “beer (eating out)” rose due to rising costs of raw materials and labor. “Rice” rose 1.7%, mainly due to promotion of transforming food rice into feed rice.

“Electricity” rose every month in 2018 due to a rise in crude oil prices.

“Medical treatment” rose 3.2% due to revision of medical fee in April and revision of the high-cost medical care benefit system in August.

“Gasoline” rose due to a rise in crude oil prices. On the other hand, “telephone charges (mobile phone)” fell every month in 2018; especially, it fell 6.7% in June, as major cell phone companies started to provide new charge plans.

“Charges for package tours to overseas” rose 8.8% due to expanded demand for travel into Europe and a rise in fuel surcharge. “Hotel charges” rose 1.7%, mainly due to expanded demand for accommodation by the increase of inbound tourists.

(Reference) The all items index in recent years

- In 2014, the index rose 2.7%. This was mainly because of increasing of the consumption tax rate in April and rising in “food” and “energy”.
- In 2015, the index rose 0.8%. This was because many items rose in groups such as “food” and “culture & recreation”, even the all items in “petroleum products” such as “gasoline” drastically fell due to the continuous drop in crude oil price.
- In 2016, the index fell 0.1%. This was mainly because “electricity” and “gasoline” fell continuously though “fresh food” rose because of the typhoon in late August in Hokkaido area and unusual weather in September in Tohoku and Kanto areas.
- In 2017, the index rose 0.5%. This was mainly because “gasoline” and “electricity” rose due to a rise in crude oil prices, “alcoholic beverages” rose due to revision of the liquor tax law in June, and “medical treatment” rose due to revision of the high-cost medical care benefit system.
- In 2018, the index rose 1.0%. This was mainly because “gasoline” and “electricity” rose due to a rise in crude oil prices, “fresh vegetables” rose due to unusual weather, and “medical treatment” rose due to revision of medical fee and the high-cost medical care benefit system.