

Japan's Consumer Prices in 2016

(1) Overview

Japan's all items index of consumer prices in 2016 was 99.9 (2015=100), down 0.1% from the previous year.

The index for all items, less fresh food was 99.7, down 0.3% from the previous year.

The index for all items, less food (less alcoholic beverages) and energy was 100.3, up 0.3% 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 food (less alcoholic beverages) and energy"

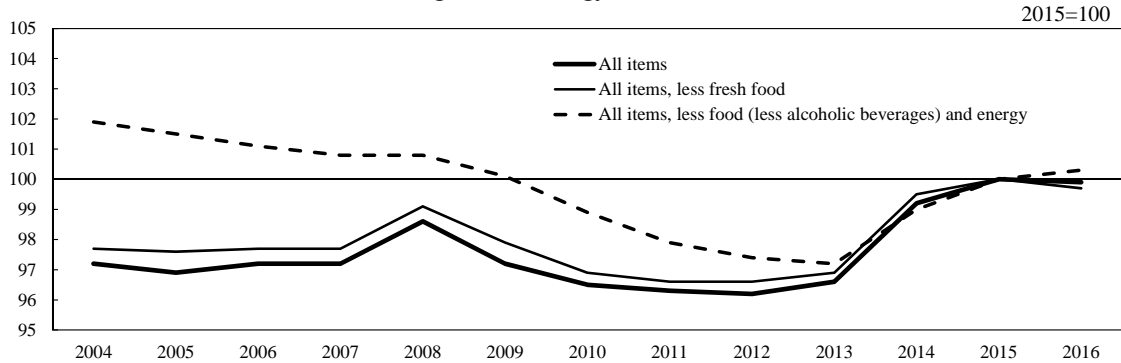


Figure 1-2 Changes from the Previous Year for "All items", "All items, less fresh food" and "All items, less food (less alcoholic beverages) and energy"

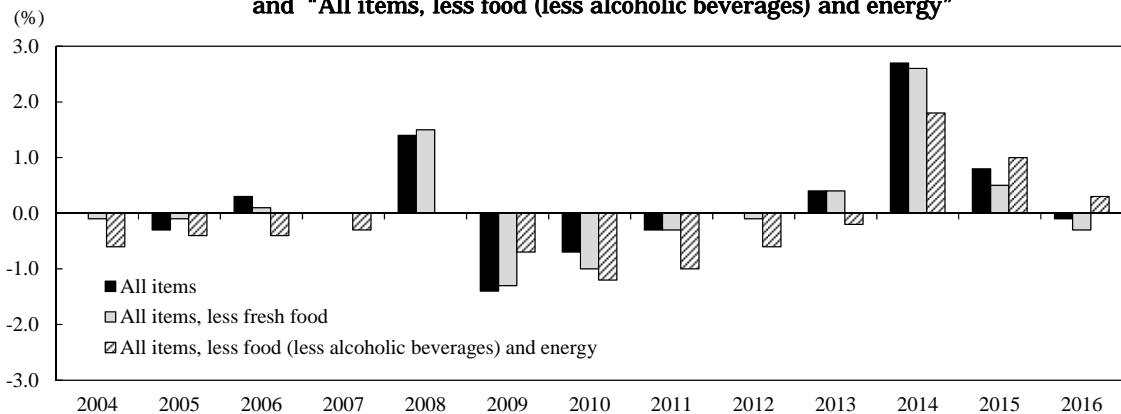
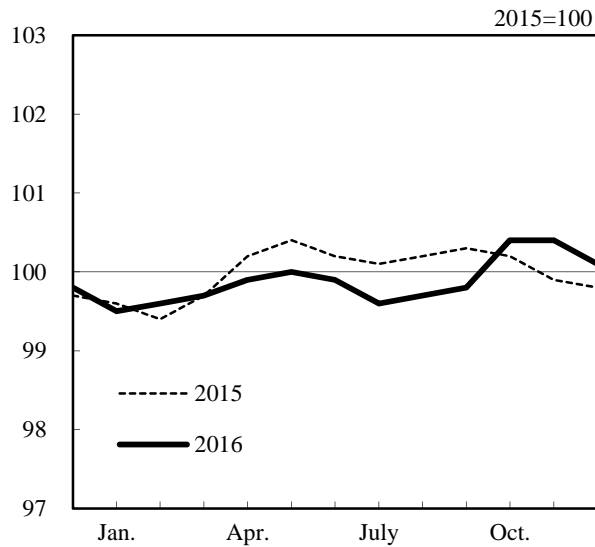


Table 1 Indices and Changes from the Previous Year for "All items", "All items, less fresh food" and "All items, less food (less alcoholic beverages) and energy"

		2015=100													
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
All items	Index	97.2	96.9	97.2	97.2	98.6	97.2	96.5	96.3	96.2	96.6	99.2	100.0	99.9	
	Change from the previous year(%)	0.0	-0.3	0.3	0.0	1.4	-1.4	-0.7	-0.3	0.0	0.4	2.7	0.8	-0.1	
All items, less fresh food	Index	97.7	97.6	97.7	97.7	99.1	97.9	96.9	96.6	96.6	96.9	99.5	100.0	99.7	
	Change from the previous year(%)	-0.1	-0.1	0.1	0.0	1.5	-1.3	-1.0	-0.3	-0.1	0.4	2.6	0.5	-0.3	
All items, less food (less alcoholic beverages) and energy	Index	101.9	101.5	101.1	100.8	100.8	100.1	98.9	97.9	97.4	97.2	99.0	100.0	100.3	
	Change from the previous year(%)	-0.6	-0.4	-0.4	-0.3	0.0	-0.7	-1.2	-1.0	-0.6	-0.2	1.8	1.0	0.3	

Figure 2 All items Index



(2) Sub-indices for 10 major groups in 2016

Regarding sub-indices for 10 major groups, “fuel, light & water charges” fell 7.3% from the previous year, mainly due to a fall in “electricity”. “Transportation & communication” fell 2.0%, mainly due to a fall in “private transportation” which contains “gasoline”. “Housing” fell 0.1%, mainly due to a fall in “rent”. “Furniture & household utensils” fall 0.4%, mainly due to a fall in “household durable goods”.

On the other hand, “food” rose 1.7%, mainly due to a rise in “fresh vegetables”. “Culture & recreation” rose 1.0%, mainly due to a rise in “recreational services”. “Clothes & footwear” rose 1.8%, mainly due to a rise in “clothes”. “Education” rose 1.6%, mainly due to a rise in “school fees”. “Miscellaneous” rose 0.7%, mainly due to a rise in “other miscellaneous” which contains “charges for accident insurance”. “Medical care” rose 0.9%, mainly due to a rise in “medical services”. (Table 2)

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

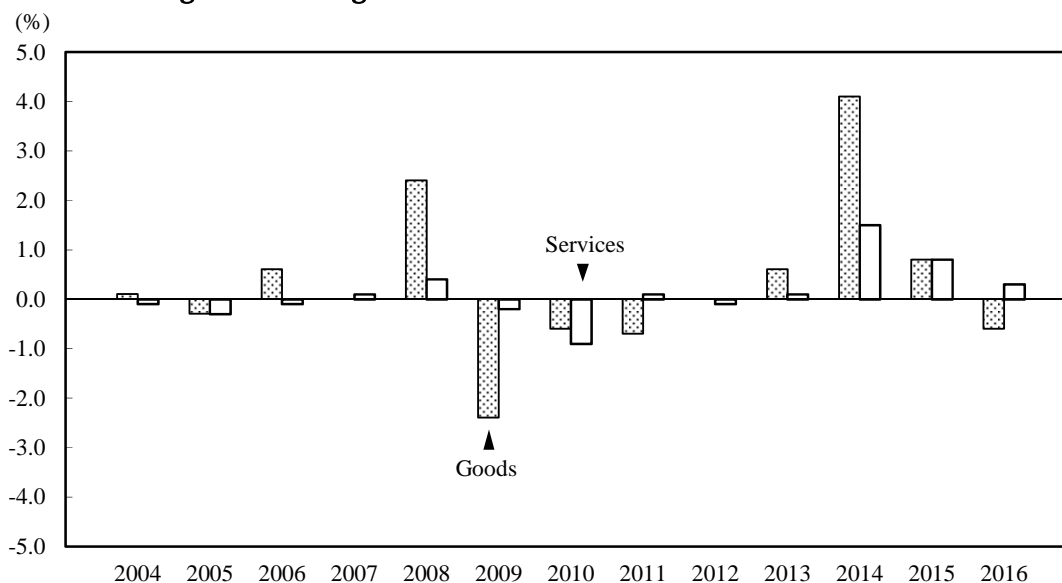
	All items	Food	Housing	Fuel, light & water charges	Furniture & household utensils	Clothes & footwear	Medical care	Transportation & communication	Education	Culture & recreation	Miscellaneous
Change from the previous year (%)	-0.1	1.7	-0.1	-7.3	-0.4	1.8	0.9	-2.0	1.6	1.0	0.7
Contribution to annual change		0.45	-0.02	-0.54	-0.01	0.07	0.04	-0.29	0.05	0.10	0.04

(3) Sub-indices by goods and services classification in 2016

Goods index fell 0.6% from the previous year, mainly due to a fall in “electricity, manufactured & piped gas & water charges” and “petroleum products”.

Services index rose 0.3%, due to rises in “public services” and “general services”. (Figure 3)

Figure 3 Changes from the Previous Year for Goods and Services



(4) Main factors behind the change of the index in 2016

“Energy” fell 10.2%. All “energy” items fell, such as “electricity” fell 7.9%, “gasoline” 12.3%, “gas, manufactured & piped” 13.7%, “kerosene” 22.3%, “liquefied propane” 2.4%. These were mainly due to a fall in import prices of crude oil and liquefied natural gas (LNG).

“Services” rose 0.3%. As for the details, “public services” rose 0.6%, mainly due to rises in “medical treatment” and “charges for accident insurance”. “General services” rose 0.2%, mainly due to rises in “meals outside the home”, “hotel charges” and “charges for package tours to overseas”.

“Fresh food” rose 4.6%, mainly due to a rise in “fresh vegetables”. “Food, less fresh food” rose 1.2%. As for the details, “cakes & candies” rose 2.5%.

“Durable goods” fell 0.6%. As for the details, “vacuum cleaners” fell 17.4% and “washing & drying machines” fell 18.4%.

(Reference) The all items index in recent years

- In 2011, the index fell 0.3%. This was mainly because “durable goods” fell continuously though “gasoline” and “electricity” rose mainly because of the rise in prices of the crude oil.
- In 2012, the index was at the same level as that of 2011. This was mainly because “electricity”, “gas, manufactured & piped” and “non-glutinous rice” rose though “durable goods” fell continuously.
- In 2013, the index rose 0.4%. This was mainly because of rising in “electricity”, “gasoline”, “services” such as “automotive insurance premium (option)”, and turning upward of “durable goods” over the end of the year which had continued to decrease.
- 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.