

Japan's Consumer Prices in 2017

(1) Overview

Japan's all items index of consumer prices in 2017 was 100.4 (2015=100), up 0.5% from the previous year.

The index for all items, less fresh food was 100.2, up 0.5% from the previous year.

The index for all items, less fresh food and energy was 100.7, up 0.1% 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"

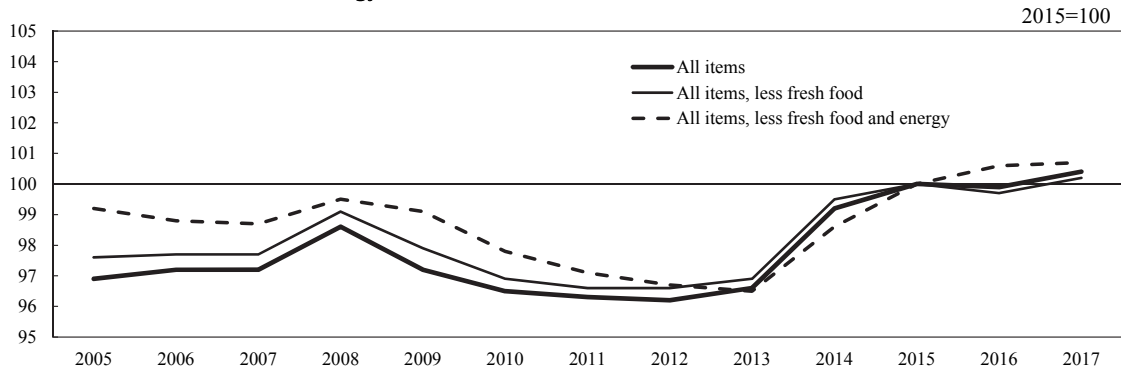


Figure 1-2 Changes from the Previous Year for "All items", "All items, less fresh food" and "All items, less fresh food and energy"

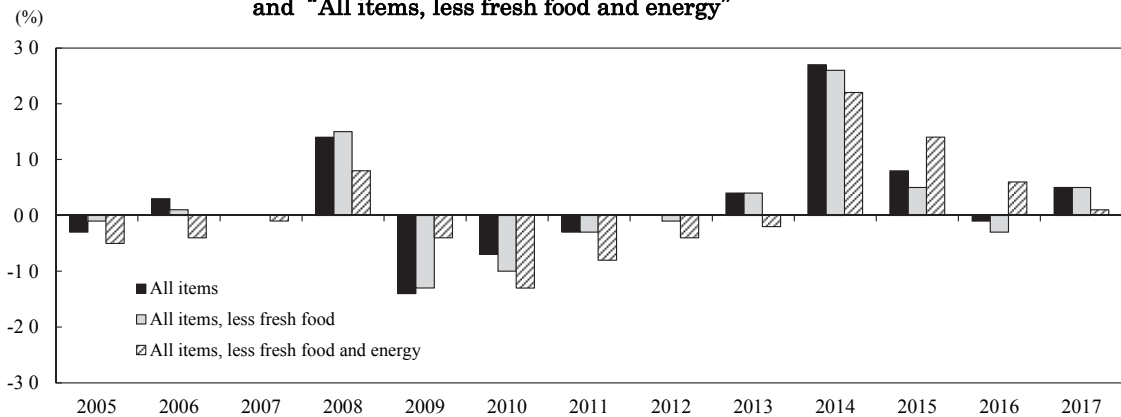
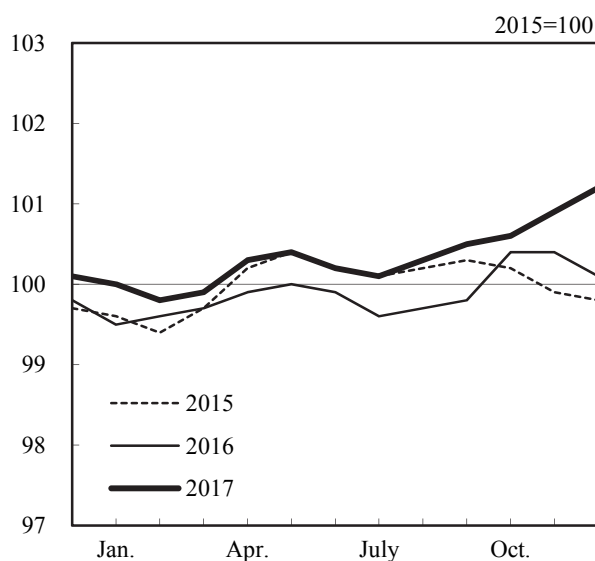


Table 1 Indices and Changes from the Previous Year for "All items", "All items, less fresh food" and "All items, less fresh food and energy"

		2015=100													
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
All items	Index	96.9	97.2	97.2	98.6	97.2	96.5	96.3	96.2	96.6	99.2	100.0	99.9	100.4	
	Change from the previous year(%)	-0.3	0.3	0.0	1.4	-1.4	-0.7	-0.3	0.0	0.4	2.7	0.8	-0.1	0.5	
All items, less fresh food	Index	97.6	97.7	97.7	99.1	97.9	96.9	96.6	96.6	96.9	99.5	100.0	99.7	100.2	
	Change from the previous year(%)	-0.1	0.1	0.0	1.5	-1.3	-1.0	-0.3	-0.1	0.4	2.6	0.5	-0.3	0.5	
All items, less fresh food and energy	Index	99.2	98.8	98.7	99.5	99.1	97.8	97.1	96.7	96.5	98.6	100.0	100.6	100.7	
	Change from the previous year(%)	-0.5	-0.4	-0.1	0.8	-0.4	-1.3	-0.8	-0.4	-0.2	2.2	1.4	0.6	0.1	

Figure 2 All items Index



(2) All items index in 2017

Regarding all index items in 2017, all of Japan's all items index of consumer prices increased for the first time in two years, mainly due to rises in "gasoline," "electricity," "medical care" and "alcoholic beverages." "Gasoline" and "electricity" rose due to a rise in crude oil prices. "Medical care" and "alcoholic beverages" rose due to the revisions of the institutions.

"Gasoline" rose every month in 2017; especially, it rose 20.4% in March. "Electricity" turned upward in April, and after that, continued to increase.

"Alcoholic beverages" rose due to revision of the liquor tax law in June and made an upward contribution. "Rice" rose 1.5%, mainly due to promotion of transforming food rice into feed rice by the government.

"Medical care" rose 1.7% due to revision of the high-cost medical care benefit system.

"Hotel charges" rose 1.4% mainly due to expanded demand for accommodation by the increase of inbound tourists.

On the other hand, "telephone charges (mobile phone)" fell every month in 2017; especially, it fell 5.4% in August, as major cell phone companies started to provide new charge plans.

"Fresh fish & seafood" rose every month in 2017 due to poor catch of fish. On the other hand, "fresh vegetables" fell 4.0% mainly due to unusual weather last summer.

(3) Sub-indices for 10 major groups in 2017

Regarding sub-indices for 10 major groups, "food" rose 0.7% from the previous year, mainly due to a rise in "fresh fish & seafood". "Fuel, light & water charges" rose 2.7%, mainly due to a rise in "electricity". "Transportation & communication" rose 0.3%, mainly due to a rise in "private transportation" which contains "gasoline". "Medical care" rose 0.9%, mainly due to a rise in "medical services". "Culture & recreation" rose 0.4%, mainly due to a rise in "recreational services". "Education" rose 0.6%, mainly due to a rise in "school fees". "Miscellaneous" rose 0.3%, mainly due to a rise in "other miscellaneous" which contains "charges for accident insurance". "Clothes & footwear" rose 0.2%, mainly due to a rise in "footwear".

On the other hand, "housing" fell 0.2%, mainly due to a fall in "rent". "Furniture & household" fell 0.5%, mainly due to a fall in "domestic non-durable goods". (Table 2)

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

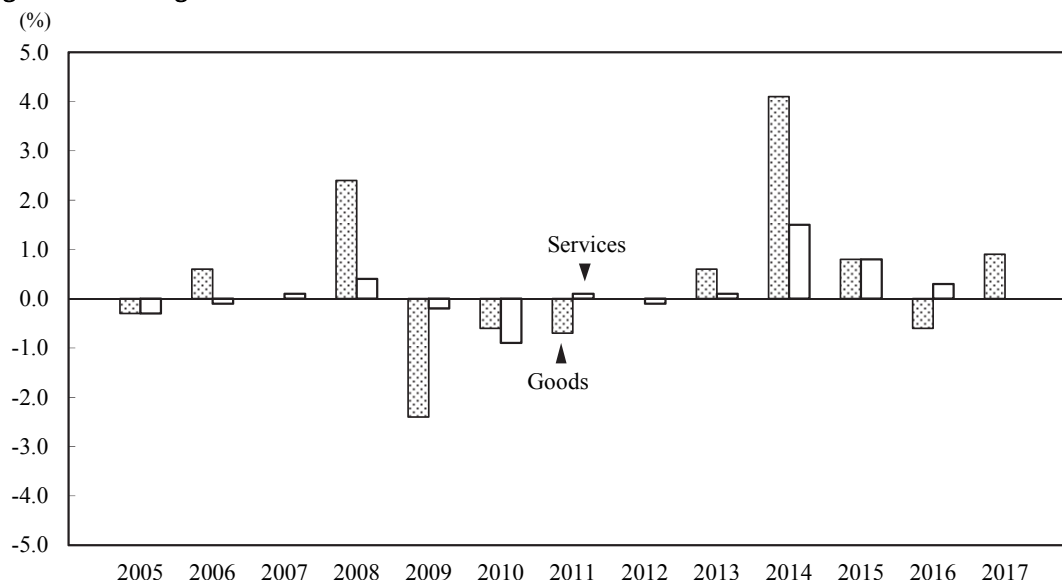
	All items	Food	Housing	Fuel, light & water charges	Furniture & household utensils	Clothes & footwear	Medical care	Transportation & communication	Education	Culture & recreation	Miscellaneous
Change from the previous year (%)	0.5	0.7	-0.2	2.7	-0.5	0.2	0.9	0.3	0.6	0.4	0.3
Contribution to annual change		0.19	-0.04	0.19	-0.02	0.01	0.04	0.04	0.02	0.04	0.01

(4) Sub-indices by goods and services classification in 2017

Goods index rose 0.9% from the previous year, mainly due to a rise in “industrial products” with contains “petroleum products”.

Services index was at the same level as that of 2016 due to a rise in “public services” and a fall in “general services”. (Figure 3)

Figure 3 Changes from the Previous Year for Goods and Services



(Reference) The all items index in recent years

- 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.
- 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 care” rose due to revision of the high-cost medical care benefit system.