

## Japan's Consumer Price Index in 2019

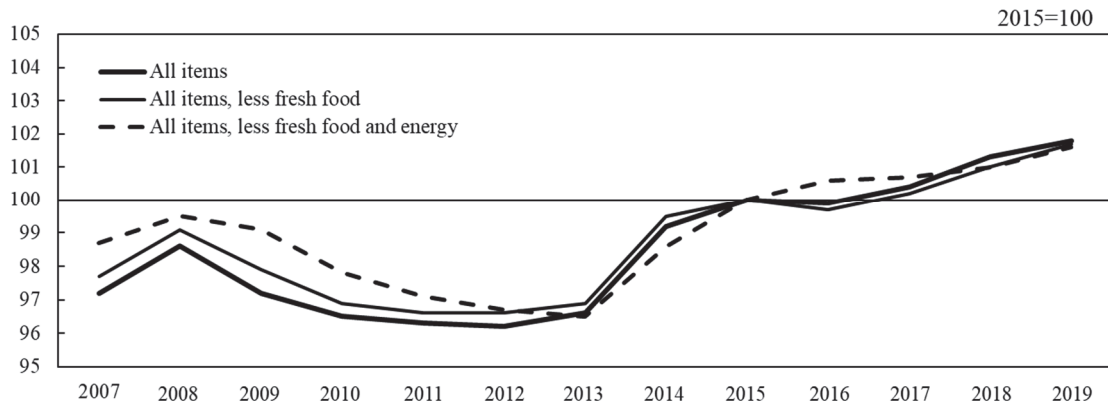
### (1) Overview

Japan's All items index of consumer prices in 2019 was 101.8 (2015=100), up 0.5% from the previous year.

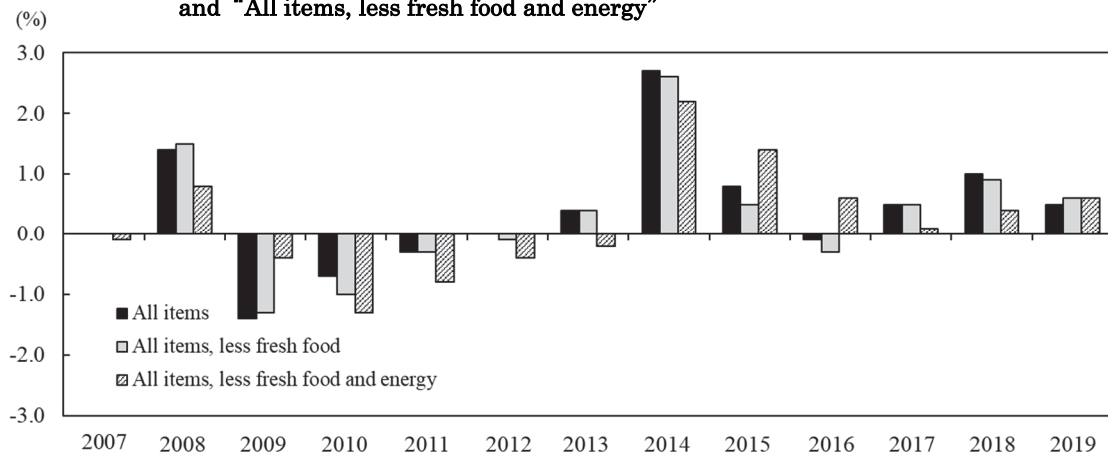
The index for All items, less fresh food was 101.7, up 0.6% from the previous year.

The index for All items, less fresh food and energy was 101.6, up 0.6% 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”**



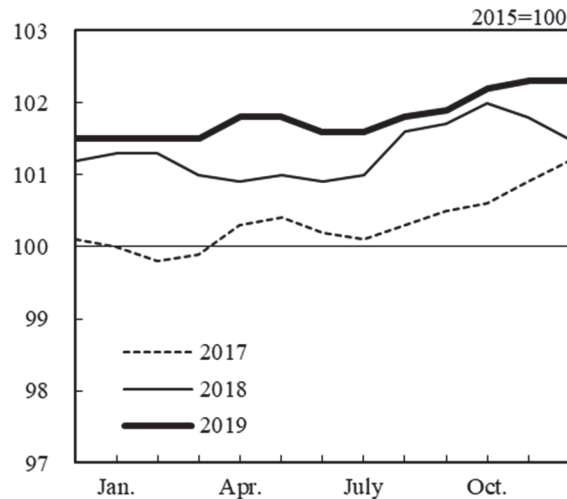
**Figure 1-2 Changes from the Previous Year for “All items”, “All items, less fresh food” and “All items, less fresh food and energy”**



**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												
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
All items	Index	97.2	98.6	97.2	96.5	96.3	96.2	96.6	99.2	100.0	99.9	100.4	101.3	101.8
	Change from the previous year(%)	0.0	1.4	-1.4	-0.7	-0.3	0.0	0.4	2.7	0.8	-0.1	0.5	1.0	0.5
All items, less fresh food	Index	97.7	99.1	97.9	96.9	96.6	96.6	96.9	99.5	100.0	99.7	100.2	101.0	101.7
	Change from the previous year(%)	0.0	1.5	-1.3	-1.0	-0.3	-0.1	0.4	2.6	0.5	-0.3	0.5	0.9	0.6
All items, less fresh food and energy	Index	98.7	99.5	99.1	97.8	97.1	96.7	96.5	98.6	100.0	100.6	100.7	101.0	101.6
	Change from the previous year(%)	-0.1	0.8	-0.4	-1.3	-0.8	-0.4	-0.2	2.2	1.4	0.6	0.1	0.4	0.6

**Figure 2 All items Index**



**(2) Sub-indices for 10 major groups in 2019**

Regarding sub-indices for 10 major groups, “Fuel, light & water charges” rose 2.3% from the previous year, mainly due to a rise in “Electricity”. “Culture & recreation” rose 1.6%, mainly due to a rise in “Recreational services”. “Food” rose 0.4%, mainly due to a rise in “Meals outside the home”. “Furniture & household utensils” rose 2.2%, mainly due to a rise in “Household durable goods”. “Housing” rose 0.3%, mainly due to a rise in “Repairs & maintenance”. “Medical care” rose 0.7%, mainly due to a rise in “Medical services”. “Clothes & footwear” rose 0.4%, mainly due to a rise in “Footwear”.

On the other hand, “Transportation & communication” fell 0.7%, mainly due to a fall in “Communication”. “Education” fell 1.5%, mainly due to a fall in “School fees”.

“Miscellaneous” was the same level as the previous year. (Table 2)

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

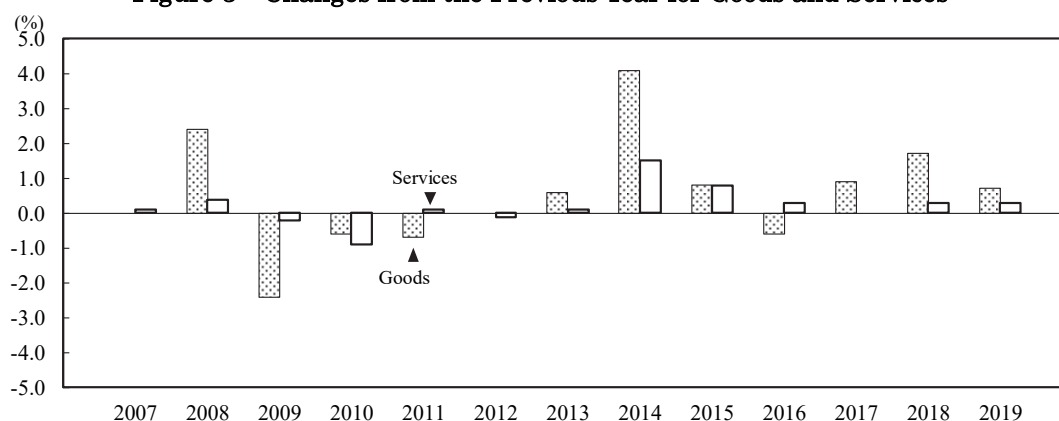
	All items	Food	Housing	Fuel, light & water charges	Furniture & household utensils	Clothes & footwear	Medical care	Transportation & communication	Education	Culture & recreation	Miscellaneous
Change from the previous year (%)	0.5	0.4	0.3	2.3	2.2	0.4	0.7	-0.7	-1.5	1.6	0.0
Contribution to annual change		0.12	0.05	0.17	0.07	0.02	0.03	-0.09	-0.05	0.16	0.00

**(3) Sub-indices by goods and services classification in 2019**

Goods index rose 0.7% from the previous year for three years in a row, mainly due to a rise in “Food products” and “Electricity, manufactured & piped gas & water charges”.

Services index rose 0.3% for two years in a row, mainly due to a rise in “Other services” which contains “Hotel charges”, “Charges for package tours to overseas”, 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 2019

“Meals outside the home” rose 1.5% from the previous year. This was because many items including “Broiled meat (eating out)” rose due to rising costs of raw materials and labor. “Cakes and candies” rose 2.0%, mainly due to rising costs of distribution and raw materials. On the other hands, “Fresh vegetables” fell 7.9% due to a retroaction for the price hike of some vegetables such as “Cabbages” in previous year which brought by unusual weather.

“Repairs & maintenance” rose 1.9% due to a rise in “Fence construction” with the price hike of raw materials and “Fire & earthquake insurance premium” by a series of natural disasters in the previous year.

“Electricity” rose 3.0% due to a rise in crude oil prices.

“Household durable goods” rose 4.9% mainly due to a rise in “Room air conditioners” by the replacement demand dealing with the extremely hot weather.

“Telephone charges (mobile phone)” fell throughout the year. This was mainly because the index in June fell 5.8% from the previous year due to the new price plan of a major mobile phone company.

“Kindergarten fees (private)” fell 24.2% due to an introduction of new subsidies for preschool education and childcare in October.

“Hotel charges” rose 1.9%, mainly due to expanded demand for accommodation by the increase of inbound tourists. “Charges for package tours to overseas” rose 4.4% due to expanded demand for travel into Europe and Asia.

#### (Reference) The all items index in recent years

- 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.
- In 2019, the index rose 0.5%. This was mainly because the consumption tax rate was revised from 8% to 10% in October, “Food, less fresh food” and “Energy” rose, and “Kindergarten fees (public / private)” and “Nursery school fees” fell as a result of the introduction of new subsidies for preschool education and childcare (free fees at kindergartens and nursing care with children aged 3 years old or over).