

Japan's Consumer Price Index in 2021

(1) Overview

Japan's All items index of consumer prices in 2021 was 99.8 (2020=100), down 0.2% from the previous year.

The index for All items, less fresh food was 99.8, down 0.2% from the previous year.

The index for All items, less fresh food and energy was 99.5, down 0.5% 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”

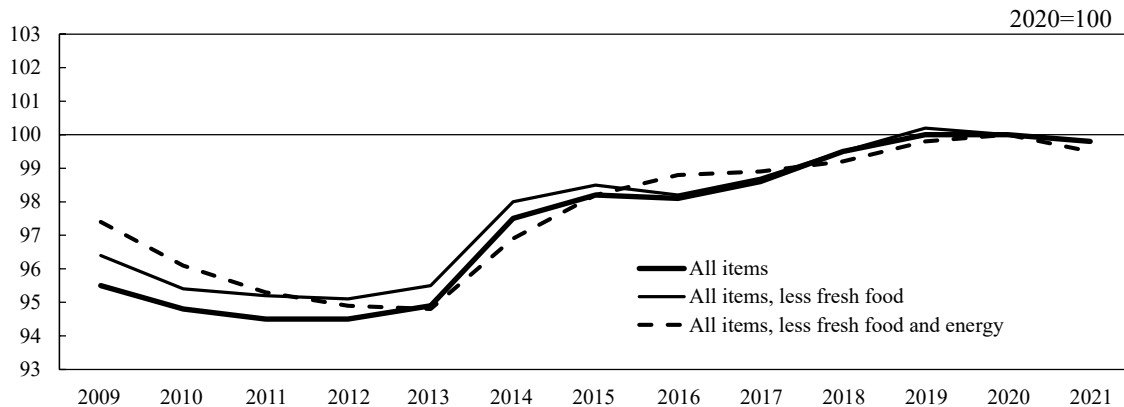


Figure 1-2 Changes from the Previous Year for “All items”, “All items, less fresh food” and “All items, less fresh food and energy”

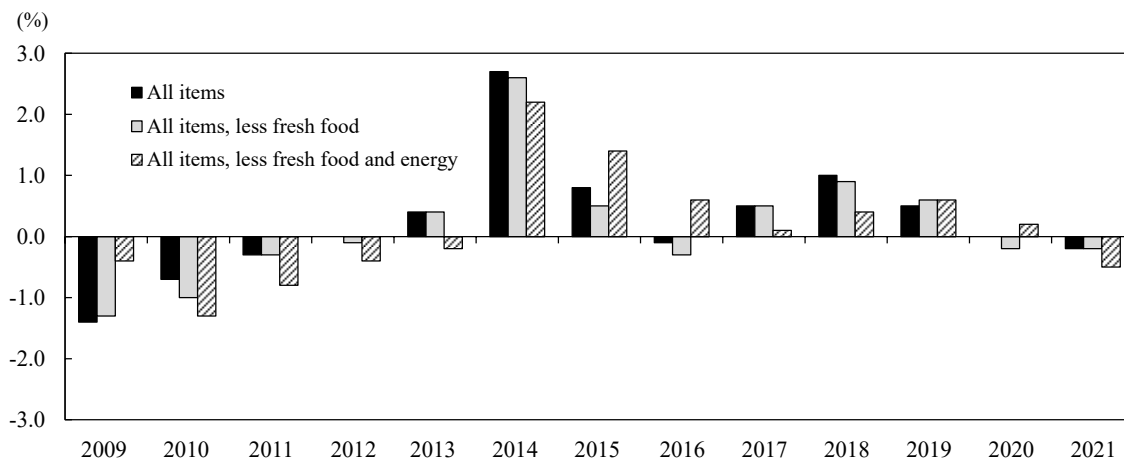
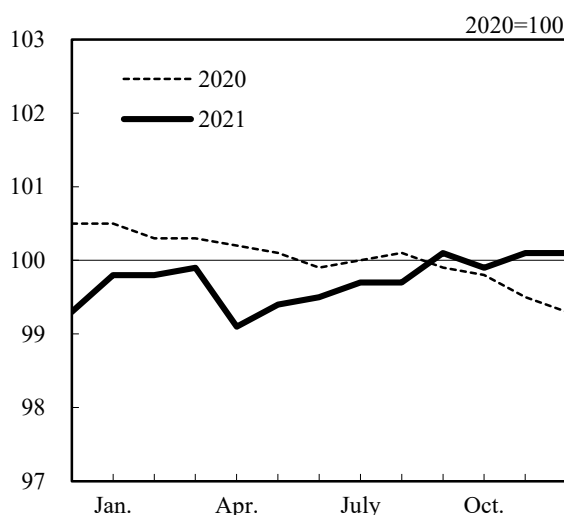


Table 1 Indices and Changes from the Previous Year for “All items”, “All items, less fresh food” and “All items, less fresh food and energy”

		2020=100												
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
All items	Index	95.5	94.8	94.5	94.5	94.9	97.5	98.2	98.1	98.6	99.5	100.0	100.0	99.8
	Change from the previous year(%)	-1.4	-0.7	-0.3	0.0	0.4	2.7	0.8	-0.1	0.5	1.0	0.5	0.0	-0.2
All items, less fresh food	Index	96.4	95.4	95.2	95.1	95.5	98.0	98.5	98.2	98.7	99.5	100.2	100.0	99.8
	Change from the previous year(%)	-1.3	-1.0	-0.3	-0.1	0.4	2.6	0.5	-0.3	0.5	0.9	0.6	-0.2	-0.2
All items, less fresh food and energy	Index	97.4	96.1	95.3	94.9	94.8	96.9	98.2	98.8	98.9	99.2	99.8	100.0	99.5
	Change from the previous year(%)	-0.4	-1.3	-0.8	-0.4	-0.2	2.2	1.4	0.6	0.1	0.4	0.6	0.2	-0.5

Figure 2 All items Index



(2) Sub-indices for 10 major groups in 2021

Regarding sub-indices for 10 major groups, “Transportation & communication” fell 5.0%, mainly due to a fall in “Communication”. “Medical care” fell 0.4%, mainly due to a fall in “Medical services”.

On the other hand, “Culture & recreation” rose 1.6%, mainly due to a rise in “Recreational services”. “Housing” rose 0.6%, mainly due to a rise in “Repairs & maintenance”. “Fuel, light & water charges” rose 1.3%, mainly due to a rise in “Other fuel & light”. “Miscellaneous” rose 1.1%, mainly due to a rise in “Tobacco”. “Furniture & household utensils” rose 1.7%, mainly due to a rise in “Domestic non-durable goods”. “Clothes & footwear” rose 0.4%, mainly due to a rise in “Clothes”.

“Food” and “Education” were 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

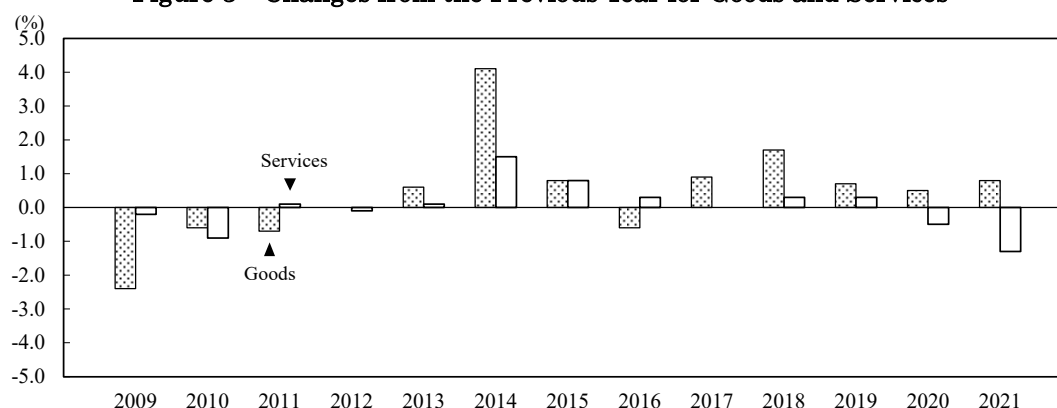
	All items	Food	Housing	Fuel, light & water charges	Furniture & household utensils	Clothes & footwear	Medical care	Transportation & communication	Education	Culture & recreation	Miscellaneous
Change from the previous year (%)	-0.2	0.0	0.6	1.3	1.7	0.4	-0.4	-5.0	0.0	1.6	1.1
Contribution to annual change		0.00	0.13	0.09	0.06	0.02	-0.02	-0.75	0.00	0.15	0.07

(3) Sub-indices by goods and services classification in 2021

Services index fell 1.3% from the previous year for two years in a row, mainly due to a fall in “Services related to communication, culture & recreation” which contains “Telephone charges (mobile phone)”.

Goods index rose 0.8% from the previous year for five years in a row, mainly due to rises in “Petroleum products” and “Other industrial products”. (Figure 3)

Figure 3 Changes from the Previous Year for Goods and Services



(4) Main factors behind the change of the index in 2021

“Fresh vegetables” fell 2.8%, mainly due to a retroaction for the price hike of some vegetables such as “Cabbage” due to increased demand for vegetables at home brought by self-quarantine such as state of emergency in April of the previous year and unusual weather in the previous Summer. On the other hand, “Meats” rose 0.9% due to the rising price of such as “Chicken” due to such as an outbreak of bird flu. “Cakes & candies” such as “Cakes” rose 1.0% mainly due to the rise of costs of distributions and raw materials.

“Repairs & maintenance” rose 3.7% due to a rise in “Fire & earthquake insurance premium” by a series of natural disasters.

“Kerosene” rose 14.4% due to high crude oil prices against the background of increased demand for crude oil associated with the recovery of the global economy and reduced supply by oil-producing countries.

“Telephone charges (mobile phone)” fell 33.3% due to new low-priced charge plans for smartphones started to be provided by each of major cell phone companies. On the other hand, “Gasoline” rose 12.8% due to the influence of high crude oil prices.

“Hotel charges” rose 15.7% due to a retroaction for the fall due to the discount on accommodation charges by the Go To Travel campaign in the previous year.

(Reference) The all items index in recent years

- 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).
- In 2020, the index was at the same level as that of 2019. This was mainly because many items rose with the consumption tax rate hike in October 2019, and “Energy” fell due to low crude oil prices against the background of the spread of COVID-19 and “Hotel charges” index fell mainly due to decrease in number of travelers.
- In 2021, the index fell 0.2%. This was mainly because “Telephone charges (mobile phone)” fell due to new low-priced charge plans for smartphones started to be provided by each of major cell phone companies, “Gasoline” and “Kerosene” rose due to high crude oil prices, and “Hotel charges” index rose due to a retroaction to Go To Travel campaign conducted in 2020.