

Price trends in 2007 for the CGPI and CSPI

<Overview>

(1) Corporate Goods Price Index (CGPI, Table1)

The 2007 level of All commodities of Domestic Corporate Goods Price Index (DCGPI) was 104.0 (2005=100) . This was 1.8 percent higher than in 2006 (Table1, Chart1 (1)) . The DCGPI rose for the fourth consecutive year, but advanced less in 2007 than in 2006, when experienced their largest increase in 26 years since 1980.

Overall, Export Price Index (EPI, contract currency basis) — which level was 99.5 in 2007 (2005=100) — increased 0.2 percent in 2007 following a decrease of 0.7 percent in 2006 (Chart1 (2)) . Also, Export Price Index (EPI, yen basis) recorded a third consecutive annual increase in 2007, which level was 105.4 (2005=100) . The depreciation of Japanese yen led the larger increase in yen basis than in contract currency basis.

The Import Price Index (IPI) in 2007 advanced in contract currency basis as well as in yen basis, which level was 115.8 and 122.4, respectively (2005=100) . IPI in contract currency basis increased 6.2 percent in 2007 for the fifth consecutive year (Chart2 (1)) . Also, IPI in yen basis advanced 7.7 percent in fourth consecutive year. As was the case with DCGPI, IPI recorded smaller increases compared with the previous year. Still, IPI both in contract currency and in yen basis experienced bigger increases compared with other indexes, because of the rise in international commodities price such as crude oil, nonferrous metal and crops.

(2) Corporate Services Price Index (CSPI, Table2)

The 2007 level of All items of Corporate Services Price Index (CSPI) was 94.2. Compared with the previous year, CSPI rose 1.2 percent, registering an increase after an interval of ten years since 1997 (Chart2 (2)) . Considering the fact that consumption tax rate was hiked in April 1997, the rise in 2007 was for the first time since 1993, when recorded 0.3 percent increase compared with the previous year.

<Appendix>

Table 3 and 4 show the Commodities contributing to the yearly changes by Groups in 2007 of DCGPI, EPI and IPI, respectively. Table 5 also describes Items contributing to the yearly changes by Major groups of CSPI.

Table 1

Calendar-year Index (All commodities)

CY2005 average=100, %

	DCGPI		EPI (Yen basis)		EPI (Contract currency basis)		IPI (Yen basis)		IPI (Contract currency basis)	
	Index	Percentage change	Index	Percentage change	Index	Percentage change	Index	Percentage change	Index	Percentage change
CY1980	116.0	--	166.9	--	103.8	--	174.4	--	93.9	--
81	117.7	1.4	169.1	1.2	107.9	4.1	177.3	1.6	98.8	5.2
82	118.2	0.5	175.5	3.9	104.2	-3.5	191.2	7.9	96.1	-2.7
83	117.5	-0.7	165.0	-6.0	100.9	-3.1	176.3	-7.8	91.5	-4.8
84	117.6	0.1	166.0	0.6	102.7	1.8	170.3	-3.4	89.3	-2.4
85	116.7	-0.8	163.6	-1.4	101.0	-1.7	166.2	-2.5	85.9	-3.8
86	111.2	-4.7	139.1	-15.1	105.4	4.3	106.6	-35.8	71.9	-16.4
87	107.7	-3.1	132.0	-5.1	109.8	4.1	97.8	-8.3	75.8	5.5
88	107.2	-0.4	129.0	-2.2	117.0	6.5	93.3	-4.6	80.2	5.8
89	109.2	1.8	134.8	4.4	118.1	1.1	100.5	7.7	83.2	3.8
90	110.8	1.5	137.5	2.1	114.4	-3.3	109.2	8.6	86.3	3.6
91	112.0	1.0	130.0	-5.4	114.4	0.0	100.2	-8.2	84.1	-2.5
92	111.0	-0.9	125.4	-3.6	114.4	0.0	94.1	-6.1	82.9	-1.5
93	109.3	-1.5	115.4	-8.0	116.3	1.7	84.3	-10.3	82.9	0.0
94	107.4	-1.7	112.3	-2.7	120.2	3.3	79.7	-5.6	84.2	1.7
95	106.6	-0.8	109.8	-2.2	123.3	2.7	79.6	-0.1	90.1	7.0
96	104.8	-1.6	115.1	4.8	117.3	-4.9	87.3	9.7	88.8	-1.4
97	105.4	0.6	117.1	1.8	112.0	-4.5	93.8	7.5	88.2	-0.6
98	103.9	-1.5	118.7	1.4	107.9	-3.6	89.2	-4.9	79.6	-9.8
99	102.4	-1.4	106.7	-10.2	106.3	-1.5	80.9	-9.3	79.9	0.3
2000	102.4	0.0	101.7	-4.6	107.3	0.9	84.7	4.7	87.9	10.0
01	100.0	-2.3	104.9	3.1	102.3	-4.7	86.9	2.5	82.2	-6.4
02	98.0	-2.0	103.7	-1.2	98.3	-3.9	85.6	-1.5	78.8	-4.2
03	97.1	-0.8	99.5	-4.0	97.3	-1.0	84.8	-0.9	82.0	4.0
04	98.4	1.3	98.1	-1.4	99.2	2.0	88.4	4.2	89.6	9.3
05	100.0	1.7	100.0	2.0	100.0	0.8	100.0	13.1	100.0	11.6
06	102.2	2.2	103.1	3.1	99.3	-0.7	113.7	13.7	109.0	9.0
07	104.0	1.8	105.4	2.2	99.5	0.2	122.4	7.7	115.8	6.2

Notes: 1. Calendar-year indexes of "All commodities" are calculated by converting those in each base to the 2005 base. The percentage changes are released on their original bases. It should be noted that figures calculated by calendar-year indexes may not equal to the percentage changes shown in the above table.

2. DCGPI, EPI and IPI stand for "Domestic Corporate Goods Price Index," "Export Price Index," and "Import Price Index" respectively.

Calendar-year Index (All items)

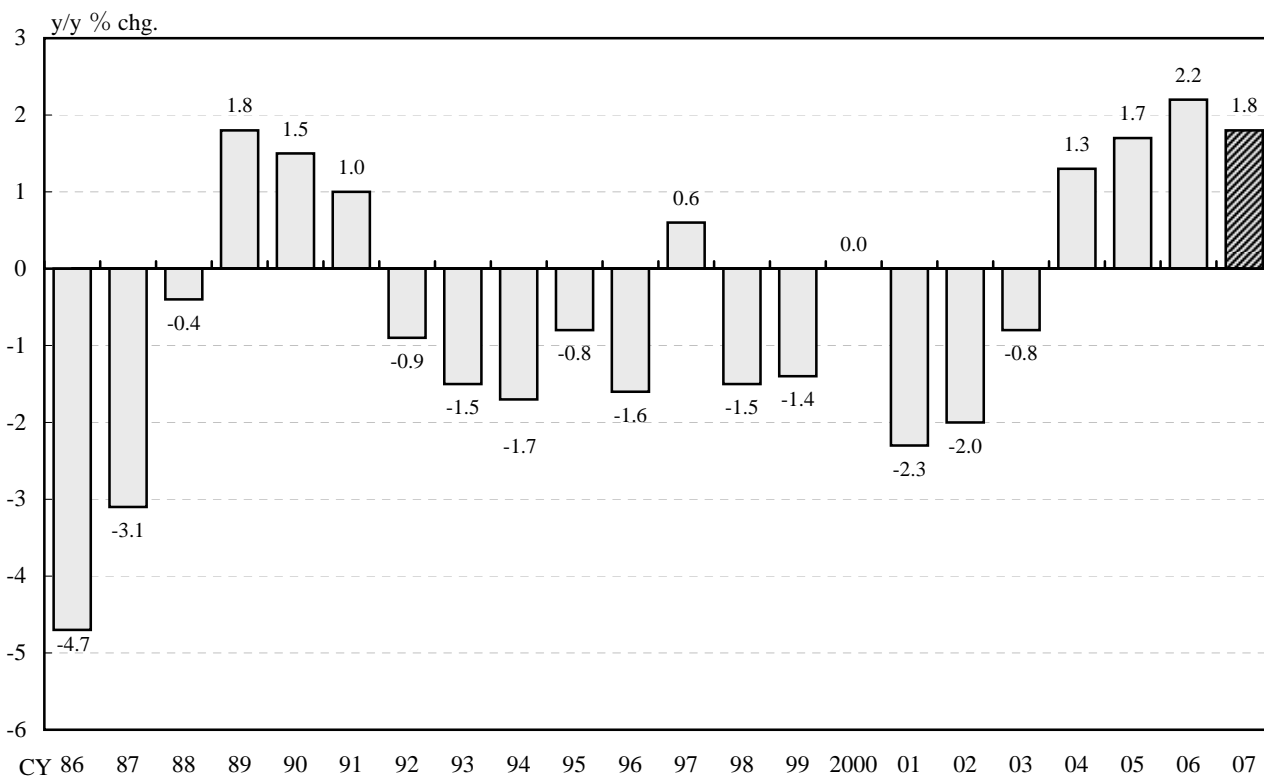
CY2000 average=100, %

CSPI		
	Index	Percentage change
CY1985	91.0	--
86	90.8	-0.2
87	91.2	0.4
88	92.3	1.2
89	96.5	4.5
90	100.5	4.2
91	103.5	3.0
92	105.2	1.7
93	105.5	0.3
94	104.5	-1.0
95	103.3	-1.2
96	101.9	-1.4
97	102.5	0.6
98	102.1	-0.4
99	100.5	-1.5
2000	100.0	-0.5
01	97.7	-2.3
02	95.6	-2.1
03	94.2	-1.5
04	93.7	-0.5
05	93.2	-0.5
06	93.1	-0.1
07	94.2	1.2

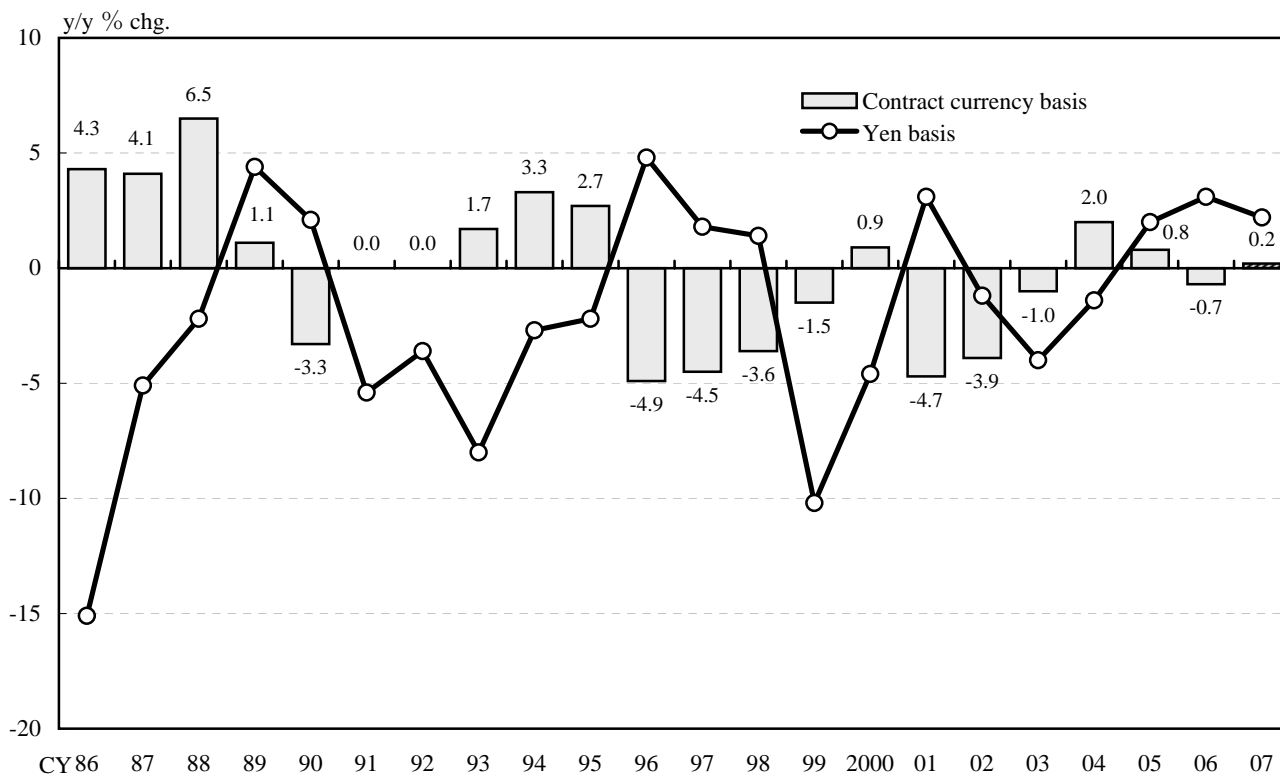
Note: Calendar-year indexes of "All items" are calculated by converting those in each base to the 2000 base. The percentage changes are released on their original bases. It should be noted that figures calculated by calendar-year indexes may not equal to the percentage changes shown in the above table.

Domestic Corporate Goods Price Index and Export Price Index

(1) Domestic Corporate Goods Price Index



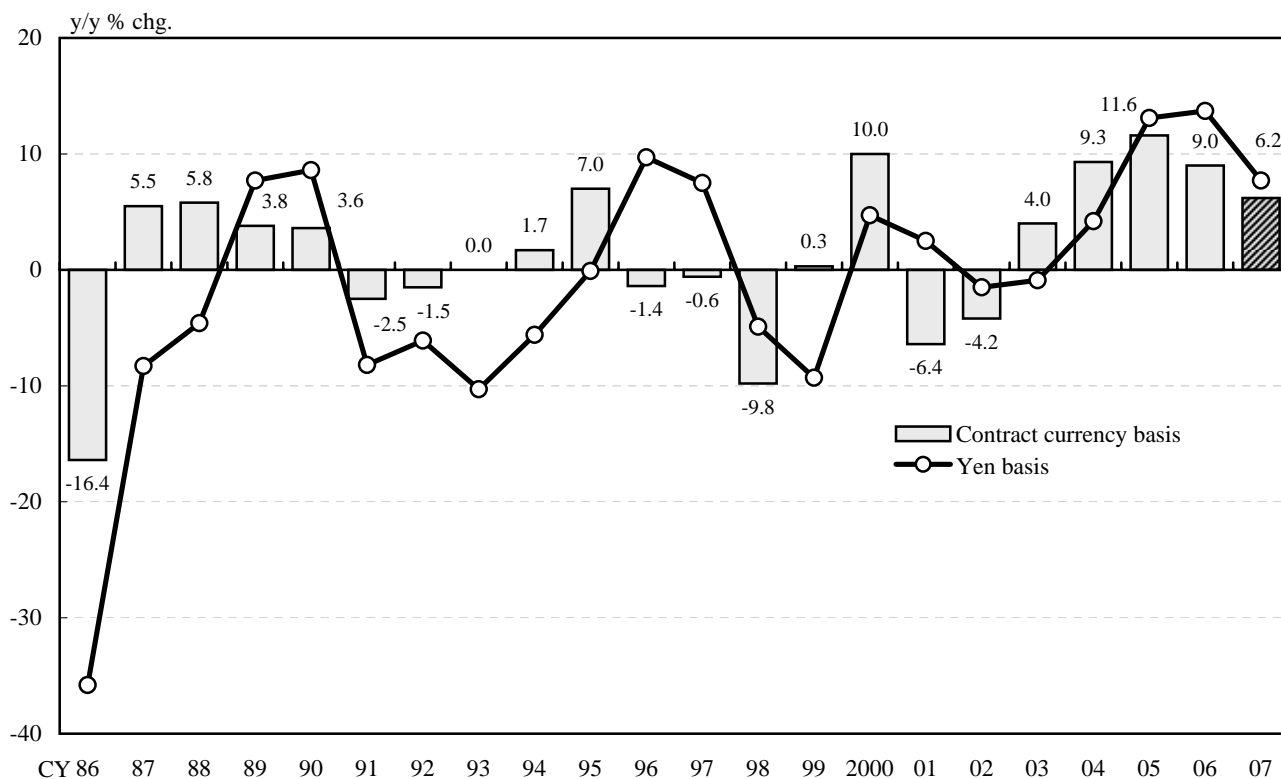
(2) Export Price Index



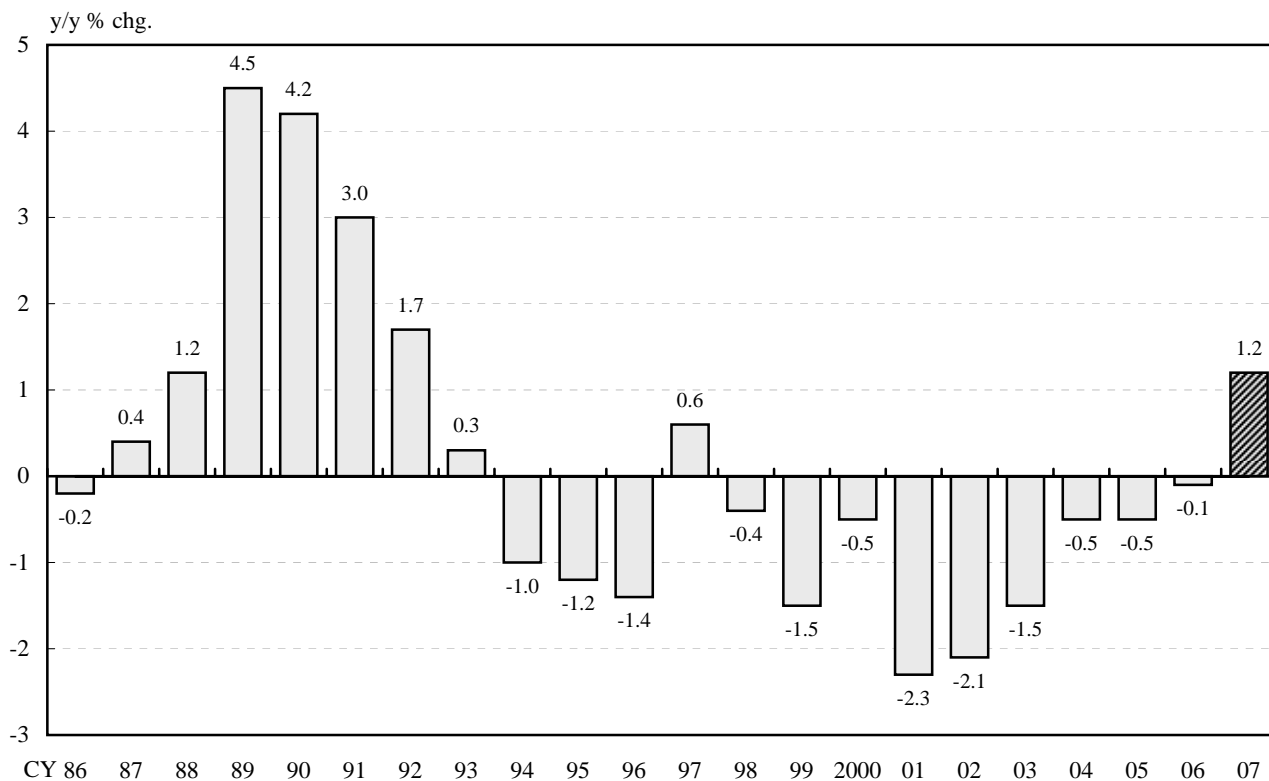
Source: Bank of Japan, "Corporate Goods Price Index."

Import Price Index and Corporate Services Price Index

(1) Import Price Index



(2) Corporate Services Price Index



Source: Bank of Japan, "Corporate Goods Price Index," "Corporate Services Price Index."

Commodities Contributing to Yearly Changes by Group in 2007

(1) Domestic Corporate Goods Price Index

Groups	Yearly change, %	Contribution to change,%p	Commodities
Iron & steel	7.3	0.39	Stainless steel sheets, Light steel bars, Stainless steel pipes & tubes, Hot-dip zinc-coated steel sheets, Ferro-manganese
Petroleum & coal products	6.0	0.37	Gasoline, Naphtha, Fuel oil C, Gas oil, Kerosene
Chemicals & related products	3.5	0.31	Polypropylene resins, Ethylene, Benzene Propylene, Low density polyethylene resins
Nonferrous metals	9.0	0.27	Unwrought copper, Unwrought primary & secondary aluminum-base alloys, Aluminum die-castings, Unwrought lead, Plastic insulated copper wires
Scrap & waste	31.0	0.18	Iron & steel scrap, Wastepaper, Aluminum & aluminum-base alloy scrap, Copper-base alloy scrap, Copper scrap
Processed foodstuffs	1.1	0.13	Tobacco products, Cornstarch, Japanese sweets, Salad oil, Rape oil
Metal products	2.6	0.10	Bolts, Wire netting, Metal pipe & tube fittings, Sheet metal products for buildings, Plumbing fixtures,
Pulp, paper & related products	3.4	0.09	Corrugated packaging containers, Coated printing paper, Corrugated container boards, Printing paper (high grades), Light-weight coated printing paper
Other manufacturing industry products	1.4	0.09	Formula feeds, Soybean cake & meal, Motor vehicle tires, Wood cabinets & shelves, Toys
Lumber & wood products	7.6	0.08	Ordinary plywood, Glued-laminated lumber, Domestic boards, Wood flooring, Domestic sawn lumber
Information & communications equipment	-9.1	-0.34	Cellular phones, Personal computers, Color television receivers, Computer printers, General purpose computers & servers
Electronic components & devices	-4.0	-0.13	Display devices, MOS memory integrated circuits, MOS logic integrated circuits, Image sensors, Memory cards
Agriculture, forestry & fishery products	-1.0	-0.03	Beef, Brown rice, Chicken eggs, Polished rice, Salted salmon
Electrical machinery & equipment	-0.5	-0.02	Digital cameras, Video cameras, Video recording and/or reproducing apparatus, Household washing machines, X-ray equipment

Commodities Contributing to Yearly Changes by Group in 2007

(2) Export Price Index

Groups	Yearly change, %	Contribution to change,%p	Commodities
Metals & related products	11.9	1.20	Stainless steel sheets, Iron & steel scrap, Unwrought gold, Stainless steel pipes & tubes, Ferro-nickel
Chemicals & related products	6.6	0.60	Styrene monomer, Vinyl chloride monomer, Toluylene diisocyanate, Phenols & bisphenol A, Polyvinyl chloride resins
Other primary products & manufactured goods	2.3	0.18	Plastic films & sheets, Fuel oil C, Gas oil, Wastepaper, Motor vehicle tires
Electric & electronic products	-4.9	-1.36	Video cameras & digital cameras, Integrated circuits, Electronic computers, Memory cards, Condensers for electronic equipment
Transportation equipment	-1.7	-0.38	Standard passenger cars, Motor vehicle parts, Standard trucks, Small passenger cars, Motorcycles

(3) Import Price Index

Groups	Yearly change, %	Contribution to change,%p	Commodities
Petroleum, coal & natural gas	7.6	2.31	Crude petroleum, Liquefied natural gas, Naphtha, Liquefied petroleum gas, Coal coke
Metals & related products	17.5	2.00	Unwrought nickel, Iron ores, Copper ores, Ferro-chromium, Iron & steel scrap, Unwrought rhodium
Foodstuffs & feedstuffs	14.8	1.14	Corn, Palm oil, Wheat, Soybeans, Rape seeds
Chemicals & related products	5.5	0.37	General purpose plastics, Methanol, Carbon black, Engineering plastics, Mixed fertilizers
General machinery & equipment	5.7	0.29	Metal valves, Aircraft engine parts, Pumps, Refrigerating machines, Engines
Other primary products & manufactured goods	3.8	0.27	Bleached paper kraft pulp, Plastic films & sheets, Natural rubber, Bags, Masonry products
Electric & electronic products	-2.2	-0.40	MOS logic integrated circuits, MOS memory integrated circuits, Digital cameras, Computer storage devices using magnetic disks, Electronic computers

Items Contributing to Yearly Changes by Major group in 2007

Corporate Services Price Index

Major groups	Yearly change, %	Contribution to change, %p	Items
Transportation	4.9	1.05	Oceangoing ship chartering services, Ocean tramper, Domestic air passenger transportation, International air passenger transportation, Hired car and taxi
Other Services	0.7	0.23	Machinery repair and maintenance, Certified real estate evaluation services, Surface surveying, Temporary employment agency services, Industrial waste disposal
Information services	0.8	0.08	Custom software
Real estate services	0.9	0.06	Office space rental (areas around Tokyo)
Communications and broadcasting services	-1.2	-0.11	Cellular phone service
Leasing and rental	-1.2	-0.09	Leasing of computer and related equipment, Rental of machinery for civil engineering and construction, Computer rental
Advertising services	-0.8	-0.07	Television commercials, Magazine advertising
Finance and insurance	-0.5	-0.03	Financial agency services, Securities issuance, transfer and related services