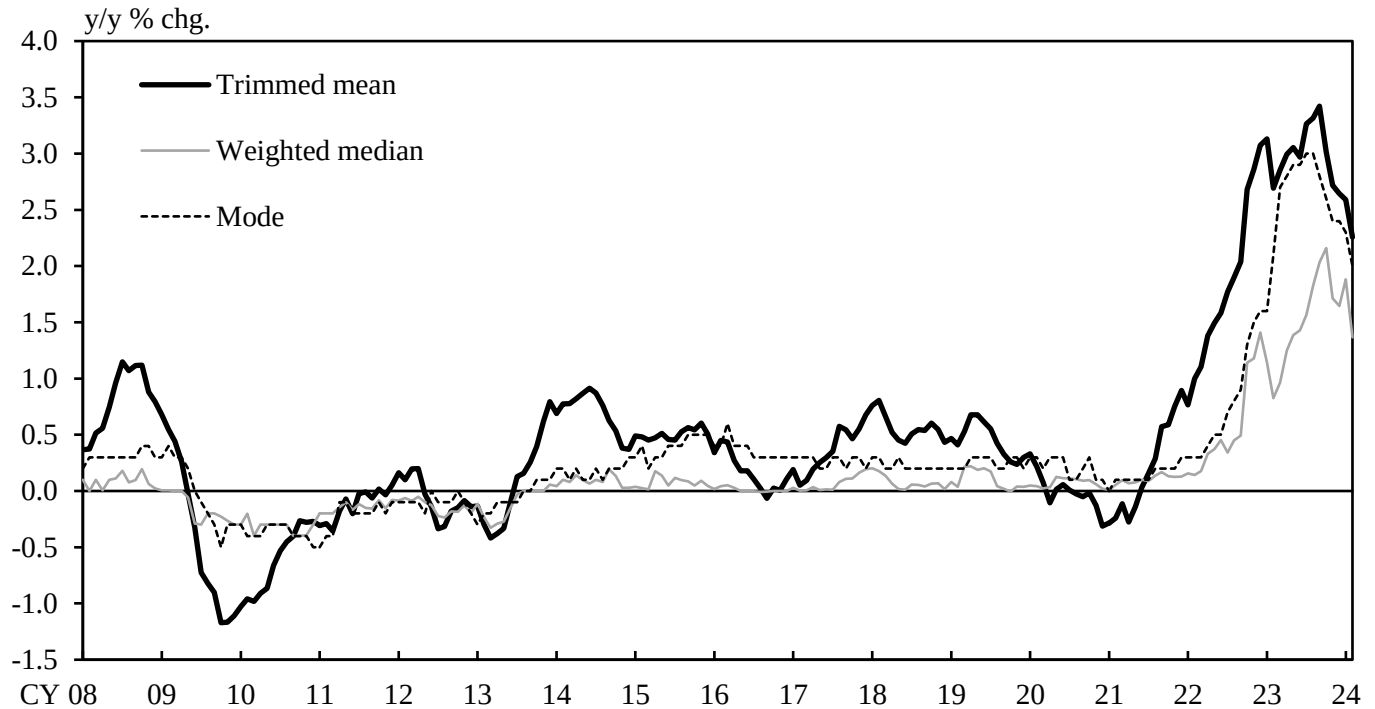


Measures of Underlying Inflation

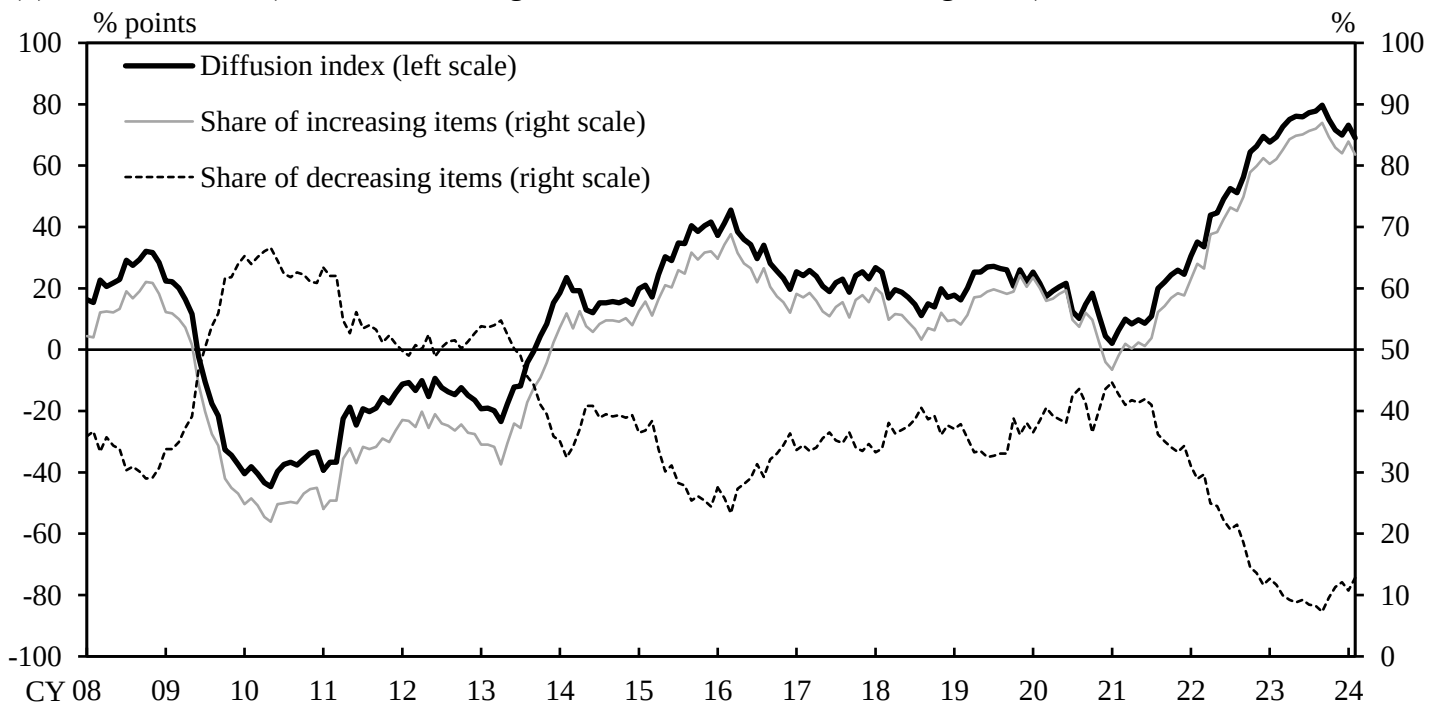
(1) Trimmed Mean, Weighted Median, and Mode



Notes: 1. The CPI figures exclude the effects of the consumption tax hikes, policies concerning the provision of free education, and travel subsidy programs. The figures from April 2020 onward are estimated by the Research and Statistics Department, Bank of Japan, and exclude the effects of measures such as free higher education introduced in April 2020. The same applies to the chart below.

2. The trimmed mean is obtained by excluding the upper and lower tails (here, the 10 percent tails) of the price change distribution adjusted for item's weight in the CPI. The weighted median is the weighted average of the inflation rates of the items at around the 50th percentile point of the distribution. The mode is the inflation rate with the highest density in the distribution.

(2) Diffusion Index (Share of Increasing Items minus Share of Decreasing Items)



Note: The share of increasing/decreasing items is the share of items in the CPI (less fresh food) whose price indices increased/decreased from a year earlier.

Source: Ministry of Internal Affairs and Communications.