



Short term Inflation Analyses and Forecasts

April 2011
Bank of Jamaica

Foreword

This report reviews recent trends in inflation and presents the outlook for the remainder of the fiscal year. The analysis is based on trends in short-term domestic demand and supply indicators as well as imported inflation. These inform the assumptions for the short term inflation forecasting model – *Monthly Inflation Sub-Index Model (MISI)*. The report ends with an assessment of the implication of inflation developments for monetary policy.

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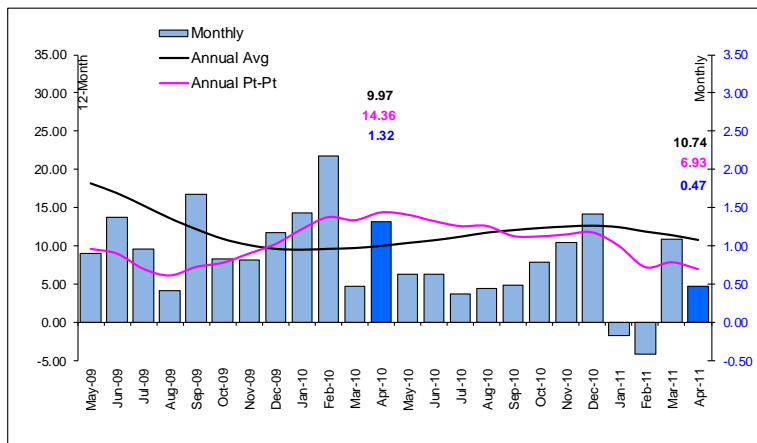
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1.0 Review of Outturn

Headline inflation for April 2011 was **0.5 per cent**, representing the second month of positive inflation since 2011 (see **Figure 1**). This outturn resulted in a calendar year to date inflation of **1.0 per cent** relative to **5.5 per cent** in the corresponding period of 2010.

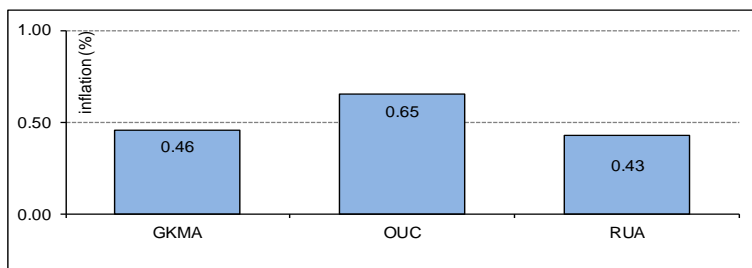
Figure 1: Trend in monthly inflation



Inflation out-turn for April 2011 was in line with forecast.

Inflation in April 2011 was largest in *Other Urban Areas (OUR)* (**0.7 per cent**) followed by inflation in *Greater Kingston Metropolitan Area (GKMA)* and *Rural Areas (RUA)* of **0.5 per cent** and **0.4 per cent**, respectively (see **Figure 2**). The relatively higher inflation for the OUC was primarily due to higher prices for *fish & seafood* within *Food & Non-Alcoholic Beverages (FNB)* and also *Miscellaneous Goods & Services (MIS)*. Inflation in all regions was strongly influenced by higher transport costs and *bread & cereals* prices within FNB. Lower agriculture prices led to some countervailing impact on inflation during the review month.

Figure 2: Regional Inflation

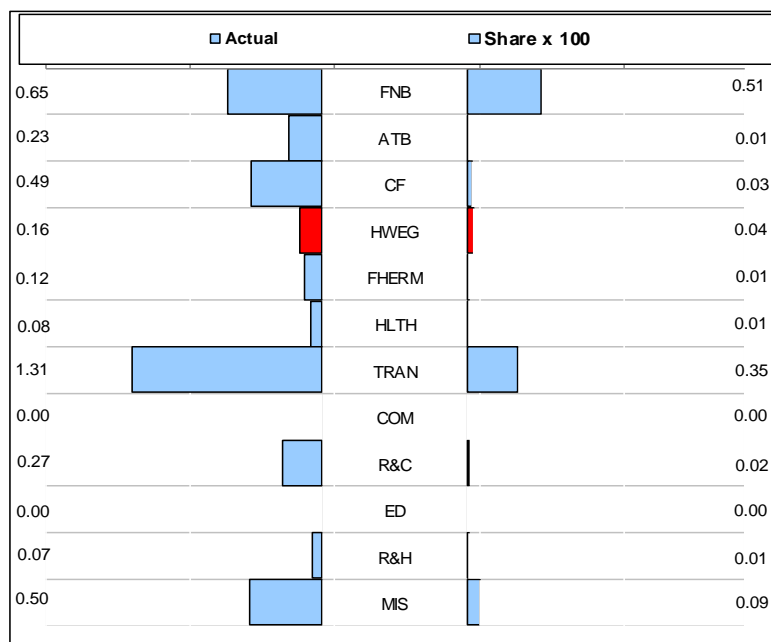




Over **50.0 per cent** of the inflation in April 2011 was driven by FNB. Inflation within FNB was directly related to increased prices for *bread & cereals, fish & seafood* and *milk, cheese & eggs*. The impact of these increases on FNB was moderated by the negative inflation from *vegetables & starchy foods*. The other main contributors to inflation for April 2011 were *Transport (TRAN)* and *Miscellaneous Goods & Services (MIS)* (see **Figure 3**). Transport prices increased due to higher oil prices on the international market. The price for crude oil escalated in response to continued instability in the Middle East and North Africa and also depreciation of the US dollar vis-à-vis the euro. MIS reflected higher prices for personal care and personal effects products and services. During the review month, *Housing Water, Electricity, Gas & Other Fuels (HWEG)* reflected a decline in response to a reduction in electricity bill charges.

Higher inflation reflected increased cost for non-agriculture produce and transport.

Figure 3: Inflation Contribution





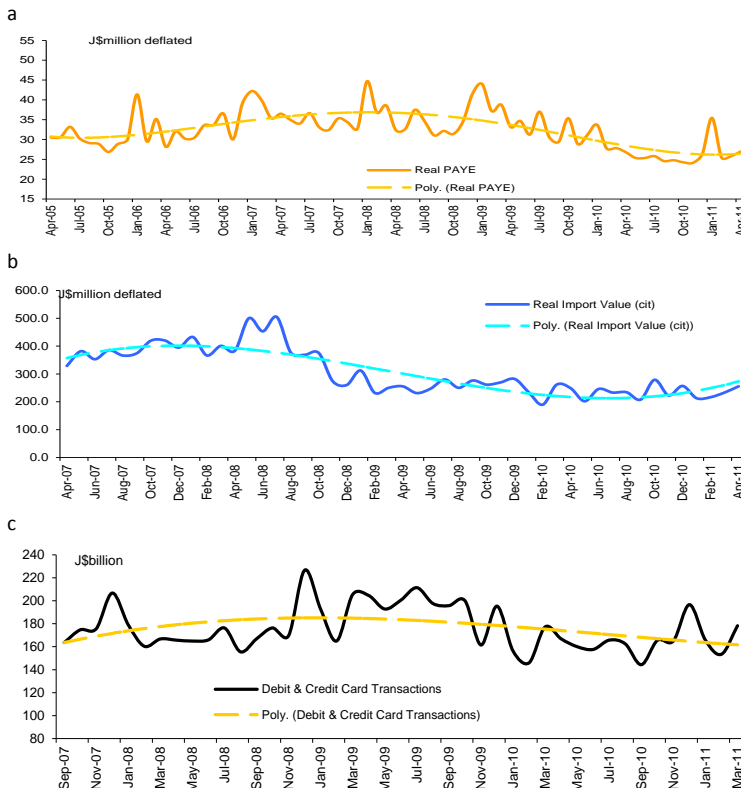
2.0 Factors underpinning the revised forecast

2.1 Trends in demand

Demand indicators in April 2011 reflected continued depressed state of consumer spending power (see **Figure 4**). Real incomes, as proxied by real PAYE, increased marginally by **0.6 per cent** in April 2011 relative to April 2010. Average real PAYE trends have settled notably below pre-crisis levels despite seasonal fluctuations in the December to January period (see **Figure 4.a**). The real value of imports has also settled at a generally low level when compared to pre-2008 crisis levels. Total real imports for the 12 months ended April 2011, declined by **7.7 per cent**, relative to the corresponding period of 2010. Real value of debit and credit card transactions reflected seasonal fluctuations between December and March but have, on average, adjusted down to levels consistent with the pre-2008 crisis period (see **Figure 4.c**).

Demand conditions remain depressed.

Figure 4: Short-term Indicators of Demand





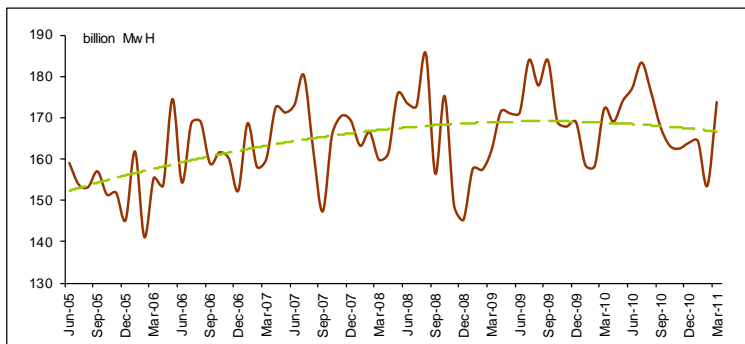
2.2 Trends in supply

There was a general surplus of agriculture items during May 2011. However, some items such as cabbage, tomatoes and callaloo reflected a contraction in the level of surplus during May 2011 relative to April 2011. The main surplus items within starchy foods were Irish potato, sweet potato and plantain, while all vegetable items except for lettuce reflected notable surpluses in the review month. Tomato, cabbage, carrots, callaloo, pumpkin and scallion were the main vegetables items in which there were excess supplies. Furthermore, the Rural Agriculture and Development Agency (RADA) is projecting continued expansions in agriculture supplies into August 2011 (see **Figure 10** in Appendix).

Vegetable and starchy foods seasonal surpluses expected to expand.

Industrial electricity sales, used as a proxy for industrial production has been reflecting an average downward trend over recent months (see **Figure 5**). This may indicate that industrial supply restrictions may be adding inflationary pressures while low demand conditions continue to restrain inflation.

Figure 5: Industrial Electricity Sales



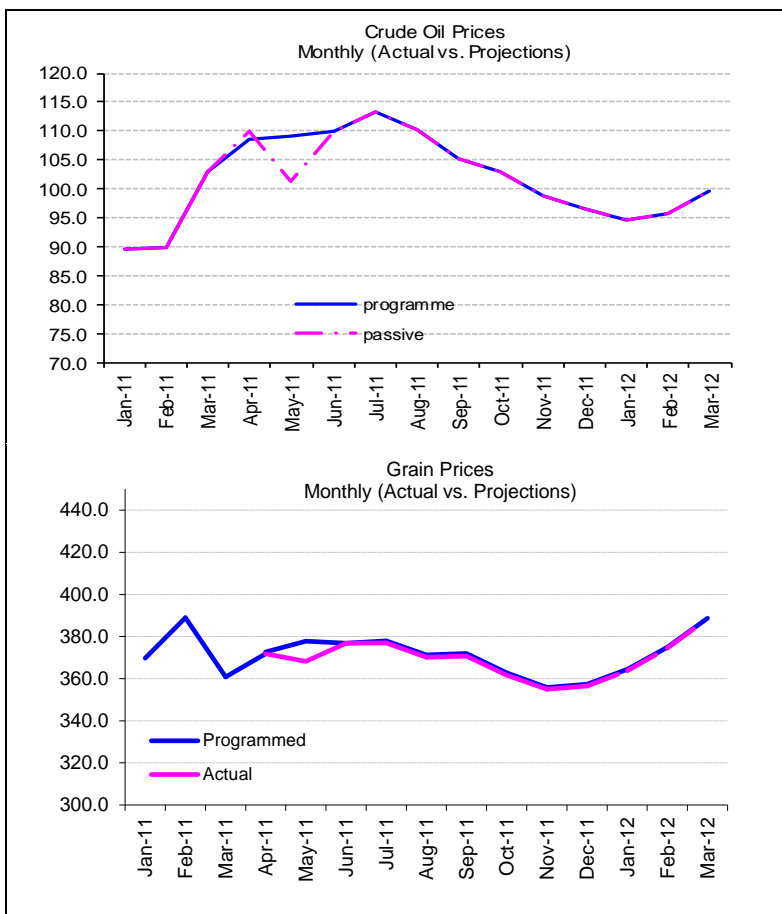


2.3 Import prices

The average price of crude oil increased by **6.9 per cent** to **US\$110.04 per bbl** in April 2011, relative to March 2011. In May 2011 relative to April 2011, however, the average price of crude oil declined by **7.9 per cent** to **US\$101.36 per bbl**. This was due to a reduction in demand from major oil consuming territories as reported by the International Energy Agency (IEA) in May. Crude oil price is expected to increase in both June 2011 and July 2011 to **US\$104.27 per bbl** and **US\$109.04 per bbl** respectively. The current projection for average crude oil price for fiscal year 2011/12 is **US\$102.32 per bbl** (see **Figure 8**).

Oil prices are expected to peak in July and decline thereafter.

Figure 6: International Commodity Prices



The upside risks to the Bank’s oil projection includes supply restrictions by the Organization of Petroleum Exporting Countries (OPEC) and other potential supply disruptions from continued political instability in the Middle East and Northern Africa.



There was a general increase in grain prices on the international market in April 2011, relative to March 2011. Corn prices increased by **9.9 per cent** while both hard and soft grain wheat prices increased by **6.1 per cent** and **3.9 per cent**, respectively. Rice price, however, fell by **1.7 per cent** over the same period.

The increase in corn prices was due to the demand arising from increased ethanol production. Storms in the US Midwest also threatened delays in planting resulting in the upward trend in prices. The increase in wheat prices was due to the impact of dry weather in both the US Southern Plains and Northern Europe, while wet weather conditions in the US northern growing States also contributed to a reduction in supplies. The decline in rice price was associated with lower imports by the Ivory Coast, which is the second largest importer of rice. Trade was affected by civil unrest in that country.

In May, corn prices are expected to fall in relation to downward trends in oil prices. Wheat prices are expected to rise in May in response to continued dry weather in the US Great Plains, Australia, and Europe. Rice price is expected to fall even further in May as production is expected to increase in territories such as Bangladesh, Indonesia, the Philippines, Thailand, and Vietnam.

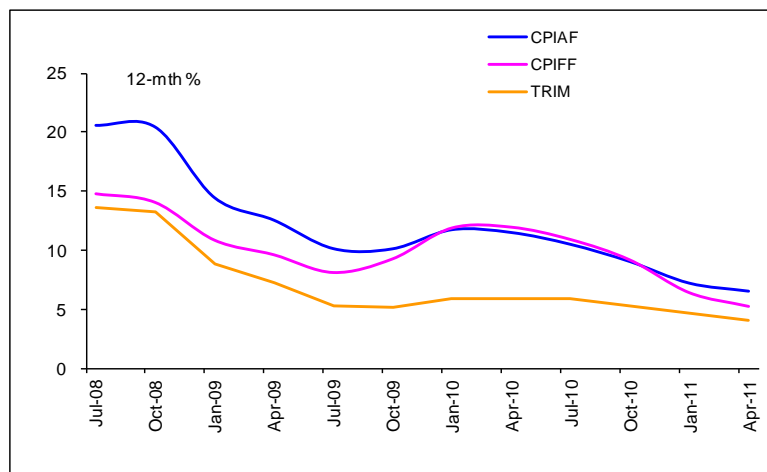


2.4 Trends in Core Inflation

Monthly core inflation as indicated by the change in CPI without Agriculture and Fuel (CPI-AF) increased to **0.9 per cent** in April 2011 relative to the **0.6 per cent** in March 2011. CPI without Food and Fuel (CPI-FF) was **0.4 per cent** in April 2011, relative to **0.5 per cent** in March 2011. The Trimmed Mean reflected an increase of **0.3 per cent** in April relative to **0.4 per cent** in March. In April 2011, the annual point-to-point measure of core inflation for CPI-AF and CPI-FF was **6.5 per cent** and **5.2 per cent**, respectively, reflecting further declines in underlying inflation when compared to the corresponding measures in March 2011. The annual point-to-point TRIM inflation in April 2011 remained at the **4.0 per cent** that was reflected in March 2011 (see **Figure 9**). The current underlying inflation trends are indicative of the persistent weak demand conditions.

Core inflation indicates continued weak domestic demand conditions.

Figure 7: Core Inflation (12-month change)





3.0 Revised Forecasts

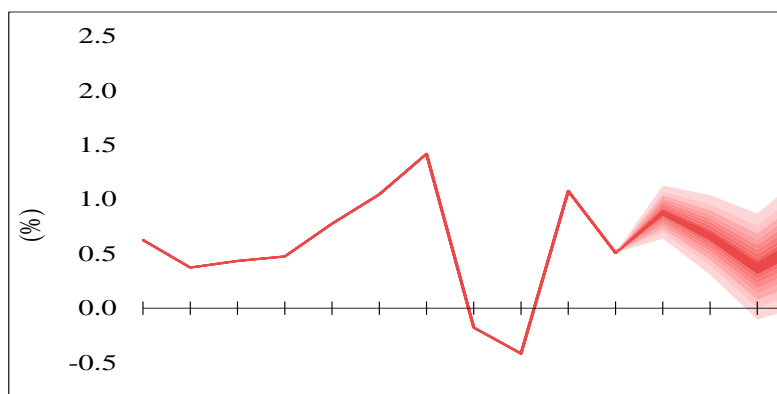
The Bank's forecast indicates that headline inflation for FY2011/12 will be within the range of **6.0 per cent to 8.0 per cent**. The main upside risks includes higher agriculture prices from potential supply shocks due to a more severe than anticipated hurricane season. Additionally, high oil prices may continue due to supply restrictions.

FY2011/12 is expected to be another year of low inflation.

Prices are estimated to have increased by in the range **0.5 per cent to 1.5 per cent** in May 2011. This will be characteristic of higher food prices such as *vegetables & starches* and *meats* within FNB. Higher agriculture prices have also been indicated by upward trends in grocery prices from the Consumer Affairs Commission (CAC). The inflation stimulus may be attributed to a contraction in surplus levels as the glut dissipates. In addition, there were increases in *electricity, gas & other fuels* within HWEG and fuel for Transport, reflecting the lagged impact of higher crude oil prices. Inflation is projected to be in the range of **0.0 per cent to 1.0 per cent** for both June and July 2011.

The political instability in the Middle East and Northern Africa continues to be a factor in promoting increases in the price of oil. In addition, the hurricane season from June to November poses the potential risk of greater than expected damage to agriculture supplies and infrastructure.

Figure 8: Inflation Fan Chart





4.0 Summary and conclusions

Though oil prices reflected notable downward adjustments in May 2011, there continues to be high levels of uncertainty in the international market for crude oil with the potential of further price increases. Further, while agriculture supplies are projected to continue to expand, indicators of price trends suggest some upward movement in prices. This is especially so as the start of the hurricane season, with the potential of damaging effects from severe weather systems, poses some threat to the supply of agriculture products. However, underlying inflation remains low as weak demand continues to restrain overall inflationary pressures. As at April 2011, the 12 month point-to-point inflation rate has fallen below the **7.0 per cent** mark.

Appendices

Figure 9: Trends in selected agricultural production

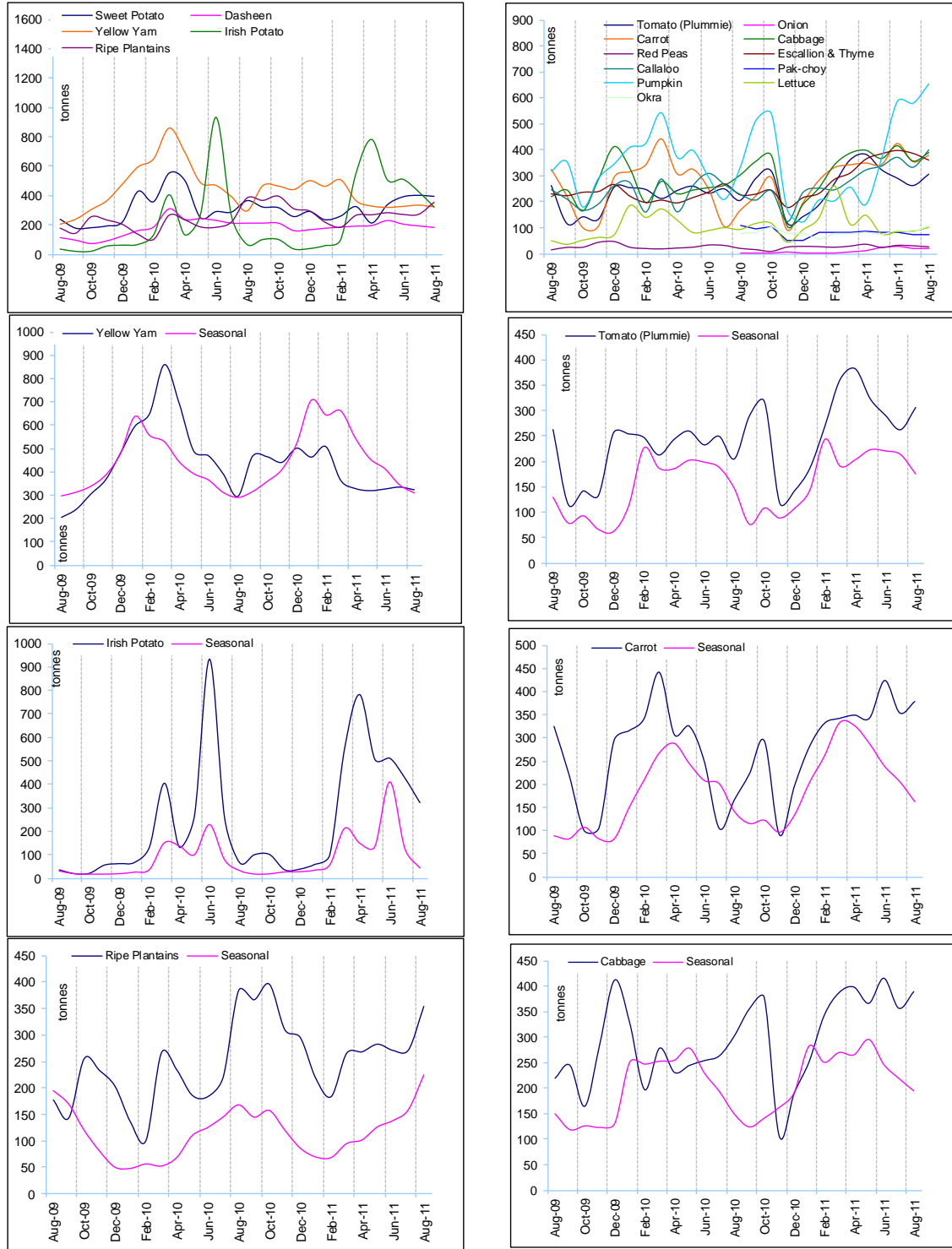




Figure 10: Trends in Weather related Factors

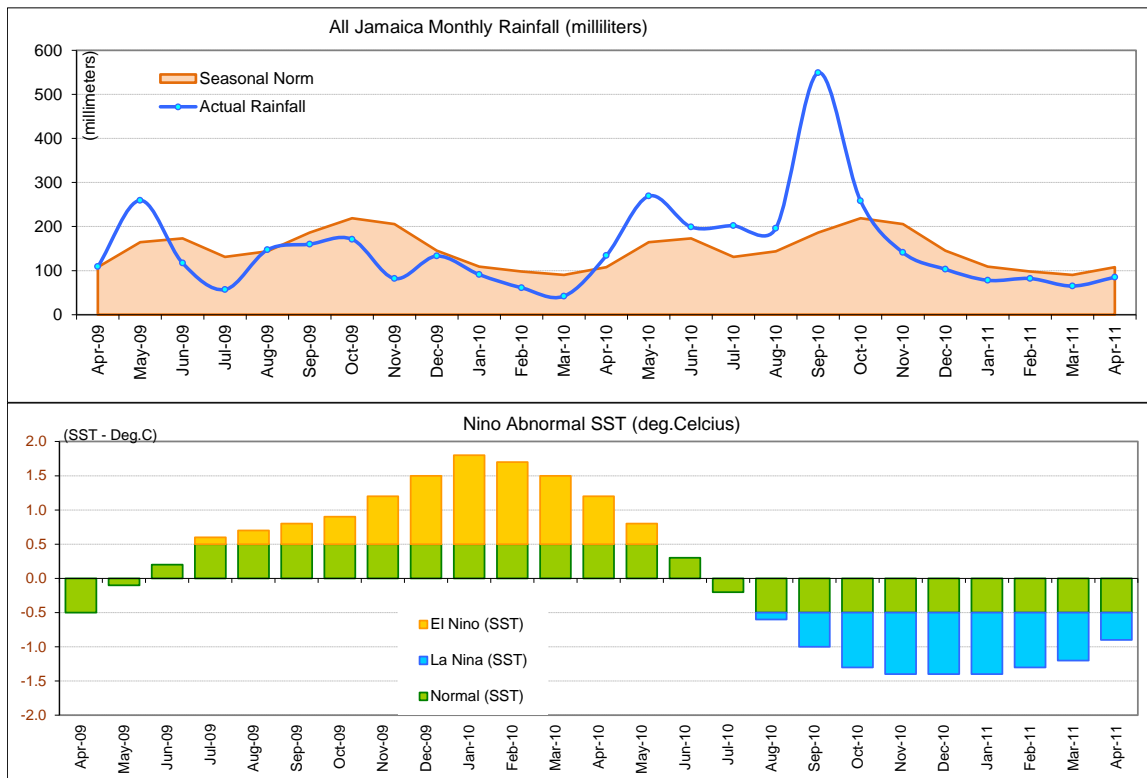


Table 1A
JAMAICA: HEADLINE INFLATION RATES
Apr. 2011

		1/	3 Month	Monthly	3 mth*	3mth#	12 Month*	12 Month#	FYTD	CYTD
		C.P.I	AVG. C.P.I	% change	% change	% change	% change	% change	% change	% change
	Feb-08	121.47	119.22	1.77	6.58	7.32	19.87	21.03	18.51	3.98
	Mar-08	122.94	121.26	1.21	5.24	6.62	19.94	12.34	19.94	5.24
	Apr-08	124.81	123.07	1.52	4.56	5.45	21.19	13.54	1.52	6.84
	May-08	127.78	125.18	2.38	5.20	5.00	22.50	14.78	3.94	9.39
	Jun-08	130.29	127.63	1.96	5.98	5.25	23.97	16.15	5.98	11.53
	Jul-08	133.99	130.69	2.84	7.36	6.19	26.21	17.72	8.99	14.70
	Aug-08	135.63	133.31	1.22	6.14	6.49	26.48	19.25	10.32	16.10
	Sep-08	136.45	135.36	0.61	4.73	6.06	25.30	20.60	10.99	16.81
	Oct-08	136.88	136.32	0.32	2.16	4.31	24.00	21.68	11.34	17.18
	Nov-08	136.45	136.59	-0.32	0.60	2.47	19.72	22.07	10.99	16.80
	Dec-08	136.50	136.61	0.04	0.03	0.92	16.84	22.01	11.03	16.84
2009	Jan-09	136.03	136.33	-0.34	-0.62	0.00	13.97	21.57	10.65	-0.34
	Feb-09	137.07	136.53	0.76	0.46	-0.04	12.84	20.89	11.49	0.42
	Mar-09	138.22	137.11	0.84	1.26	0.36	12.43	20.19	12.43	1.26
	Apr-09	138.78	138.02	0.41	2.02	1.24	11.19	19.29	0.41	1.67
	May-09	140.03	139.01	0.90	2.16	1.81	9.58	18.15	1.31	2.59
	Jun-09	141.95	140.25	1.37	2.70	2.29	8.95	16.87	2.70	4.00
	Jul-09	143.31	141.76	0.96	3.27	2.71	6.95	15.25	3.69	4.99
	Aug-09	143.90	143.05	0.41	2.77	2.91	6.10	13.59	4.11	5.42
	Sep-09	146.30	144.50	1.67	3.06	3.03	7.22	12.15	5.85	7.18
	Oct-09	147.50	145.90	0.82	2.92	2.92	7.75	10.89	6.72	8.06
	Nov-09	148.70	147.50	0.81	3.34	3.11	8.98	10.07	7.59	8.94
	Dec-09	150.44	148.88	1.17	2.83	3.03	10.21	9.58	8.84	10.21
2010	Jan-10	152.59	150.58	1.43	3.45	3.20	12.17	9.47	10.40	1.43
	Feb-10	155.90	152.98	2.17	4.84	3.71	13.74	9.58	12.80	3.63
	Mar-10	156.64	155.04	0.47	4.12	4.14	13.33	9.68	13.33	4.12
	Apr-10	158.70	157.08	1.32	4.01	4.32	14.36	9.97	1.32	5.49
	May-10	159.70	158.35	0.63	2.44	3.51	14.05	10.35	1.95	6.16
	Jun-10	160.70	159.70	0.63	2.59	3.00	13.21	10.70	2.59	6.82
	Jul-10	161.30	160.57	0.37	1.64	2.22	12.55	11.17	2.97	7.22
	Aug-10	162.00	161.33	0.43	1.44	1.89	12.58	11.70	3.42	7.68
	Sep-10	162.77	162.02	0.48	1.29	1.45	11.26	12.03	3.91	8.20
	Oct-10	164.03	162.93	0.78	1.69	1.47	11.21	12.30	4.72	9.04
	Nov-10	165.75	164.18	1.05	2.31	1.77	11.47	12.50	5.82	10.18
	Dec-10	168.10	165.96	1.42	3.27	2.43	11.74	12.61	7.32	11.74
2011	Jan-11	167.80	167.22	-0.18	2.30	2.63	9.97	12.41	7.12	-0.18
	Feb-11	167.10	167.67	-0.42	0.81	2.12	7.18	11.84	6.68	-0.59
	Mar-11	168.90	167.93	1.08	0.48	1.19	7.83	11.37	7.83	0.48
	Apr-11	169.70	168.57	0.47	1.13	0.81	6.93	10.74	0.47	0.95

1/ December 2006 = 100

* Point to Point

Moving average

Source: STATIN

Table 1B
JAMAICA: CPI WITHOUT FOOD AND FUEL
Apr. 2011

		1/ CPI-FF	3 Month Avg.CPIFF	Monthly % change	3 mth* % change	3mth# % change	12 Month* % change	12 Month# % change	FYTD % change	CYTD % change
	Feb-08	217.99	214.31	1.61	4.86	3.94	12.89	19.20	11.55	3.60
	Mar-08	220.00	217.51	0.92	4.56	4.52	12.58	9.95	12.58	4.56
	Apr-08	222.11	220.03	0.96	3.53	4.31	13.26	10.41	0.96	5.56
	May-08	224.83	222.31	1.23	3.14	3.73	13.83	10.90	2.19	6.85
	Jun-08	227.61	224.85	1.24	3.46	3.37	14.45	11.44	3.46	8.18
	Jul-08	229.34	227.26	0.76	3.26	3.28	14.77	12.02	4.24	9.00
	Aug-08	231.35	229.44	0.88	2.90	3.20	14.64	12.54	5.16	9.95
	Sep-08	233.92	231.54	1.11	2.77	2.98	14.30	12.95	6.33	11.18
	Oct-08	234.94	233.40	0.43	2.44	2.70	14.04	13.30	6.79	11.66
	Nov-08	236.10	234.99	0.49	2.05	2.42	13.57	13.55	7.32	12.21
	Dec-08	237.01	236.02	0.39	1.32	1.93	12.64	13.63	7.73	12.64
2009	Jan-09	237.78	236.96	0.32	1.21	1.53	10.84	13.47	8.08	0.32
	Feb-09	239.60	238.13	0.77	1.48	1.34	9.91	13.20	8.91	1.09
	Mar-09	241.97	239.78	0.99	2.09	1.60	9.98	12.96	9.98	2.09
	Apr-09	243.43	241.67	0.60	2.37	1.98	9.60	12.64	0.60	2.71
	May-09	244.66	243.35	0.51	2.11	2.19	8.82	12.21	1.11	3.23
	Jun-09	246.48	244.86	0.75	1.87	2.12	8.29	11.69	1.87	4.00
	Jul-09	247.91	246.35	0.58	1.84	1.94	8.10	11.13	2.46	4.60
	Aug-09	249.93	248.11	0.82	2.16	1.96	8.03	10.59	3.29	5.45
	Sep-09	254.02	250.62	1.64	3.06	2.36	8.59	10.12	4.98	7.18
	Oct-09	256.67	253.54	1.04	3.54	2.92	9.25	9.74	6.08	8.30
	Nov-09	258.34	256.34	0.65	3.36	3.32	9.42	9.42	6.77	9.00
	Dec-09	260.67	258.56	0.90	2.62	3.17	9.98	9.22	7.73	9.98
2010	Jan-10	266.01	261.67	2.05	3.64	3.21	11.87	9.32	9.94	2.05
	Feb-10	268.60	265.09	0.97	3.97	3.41	12.10	9.52	11.01	3.04
	Mar-10	270.02	268.21	0.53	3.59	3.73	11.59	9.66	11.59	3.59
	Apr-10	272.49	270.37	0.92	2.44	3.32	11.94	9.86	0.92	4.53
	May-10	273.41	271.97	0.34	1.79	2.60	11.75	10.11	1.26	4.89
	Jun-10	274.51	273.47	0.40	1.66	1.96	11.37	10.36	1.66	5.31
	Jul-10	274.91	274.28	0.15	0.89	1.45	10.89	10.59	1.81	5.46
	Aug-10	277.04	275.49	0.77	1.32	1.29	10.84	10.81	2.60	6.28
	Sep-10	278.33	276.76	0.47	1.39	1.20	9.57	10.88	3.08	6.78
	Oct-10	280.19	278.52	0.67	1.92	1.55	9.16	10.86	3.77	7.49
	Nov-10	281.10	279.87	0.32	1.47	1.59	8.81	10.80	4.10	7.84
	Dec-10	282.16	281.15	0.38	1.37	1.59	8.24	10.64	4.50	8.24
2011	Jan-11	283.00	282.09	0.30	1.01	1.28	6.39	10.17	4.81	0.30
	Feb-11	284.15	283.10	0.40	1.09	1.15	5.79	9.63	5.23	0.70
	Mar-11	285.66	284.27	0.53	1.24	1.11	5.79	9.14	5.79	1.24
	Apr-11	286.73	285.51	0.38	1.32	1.21	5.23	8.57	0.38	1.62

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1C
JAMAICA: CPI WITHOUT AGRICULTURE AND FUEL
Apr. 2011

	1/	3 Month	Monthly	3 mth*	3mth#	12 Month*	12 Month#	FYTD	CYTD	
	CPI-AF	Avg.CPIAF	% change	% change	% change	% change	% change	% change	% change	
	Feb-08	225.34	221.12	1.70	6.03	6.31	17.31	21.80	15.76	4.11
	Mar-08	228.37	225.09	1.34	5.51	6.20	17.32	12.68	17.32	5.51
	Apr-08	231.41	228.37	1.33	4.44	5.32	18.05	13.40	1.33	6.92
	May-08	235.67	231.82	1.84	4.59	4.84	19.11	14.20	3.20	8.89
	Jun-08	239.52	235.53	1.63	4.88	4.64	20.27	15.09	4.88	10.66
	Jul-08	241.64	238.94	0.89	4.42	4.63	20.57	15.99	5.81	11.64
	Aug-08	244.49	241.88	1.18	3.74	4.34	20.82	16.88	7.06	12.96
	Sep-08	247.53	244.55	1.24	3.34	3.83	20.99	17.75	8.39	14.36
	Oct-08	249.12	247.04	0.64	3.10	3.39	20.42	18.50	9.09	15.10
	Nov-08	250.54	249.06	0.57	2.47	2.97	17.88	18.81	9.71	15.75
	Dec-08	252.38	250.68	0.74	1.96	2.51	16.61	18.86	10.52	16.61
2009	Jan-09	253.56	252.16	0.46	1.78	2.07	14.44	18.61	11.03	0.46
	Feb-09	255.22	253.72	0.66	1.87	1.87	13.26	18.23	11.76	1.12
	Mar-09	258.01	255.60	1.09	2.23	1.96	12.98	17.82	12.98	2.23
	Apr-09	260.41	257.88	0.93	2.70	2.27	12.53	17.32	0.93	3.18
	May-09	262.27	260.23	0.72	2.76	2.57	11.29	16.64	1.65	3.92
	Jun-09	264.16	262.28	0.72	2.38	2.61	10.29	15.78	2.38	4.67
	Jul-09	266.10	264.18	0.74	2.19	2.44	10.12	14.91	3.14	5.44
	Aug-09	268.00	266.09	0.71	2.18	2.25	9.62	13.99	3.87	6.19
	Sep-09	271.70	268.60	1.38	2.86	2.41	9.77	13.09	5.31	7.66
	Oct-09	274.29	271.33	0.95	3.08	2.71	10.10	12.28	6.31	8.68
	Nov-09	276.30	274.10	0.73	3.10	3.01	10.28	11.68	7.09	9.48
	Dec-09	278.32	276.31	0.73	2.44	2.87	10.28	11.19	7.87	10.28
2010	Jan-10	283.29	279.30	1.78	3.28	2.94	11.73	10.99	9.80	1.78
	Feb-10	286.16	282.59	1.01	3.57	3.10	12.12	10.91	10.91	2.81
	Mar-10	287.94	285.80	0.62	3.46	3.43	11.60	10.81	11.60	3.46
	Apr-10	290.32	288.14	0.83	2.48	3.16	11.49	10.74	0.83	4.31
	May-10	291.59	289.95	0.44	1.90	2.60	11.18	10.73	1.27	4.77
	Jun-10	293.18	291.70	0.55	1.82	2.06	10.99	10.79	1.82	5.34
	Jul-10	293.99	292.92	0.28	1.27	1.66	10.48	10.81	2.10	5.63
	Aug-10	295.86	294.35	0.64	1.47	1.52	10.40	10.87	2.75	6.30
	Sep-10	297.25	295.70	0.47	1.39	1.37	9.40	10.83	3.23	6.80
	Oct-10	299.04	297.39	0.60	1.72	1.52	9.02	10.73	3.86	7.44
	Nov-10	300.68	298.99	0.55	1.63	1.58	8.82	10.60	4.43	8.03
	Dec-10	302.40	300.71	0.57	1.73	1.69	8.65	10.46	5.02	8.65
2011	Jan-11	303.68	302.25	0.42	1.55	1.64	7.20	10.07	5.47	0.42
	Feb-11	304.97	303.68	0.42	1.42	1.57	6.57	9.60	5.91	0.85
	Mar-11	306.85	305.16	0.62	1.47	1.48	6.57	9.18	6.57	1.47
	Apr-11	309.24	307.02	0.78	1.83	1.58	6.52	8.76	0.78	2.26

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1E
JAMAICA: TRIMMED MEAN CORE INFLATION
Apr. 2011

		1/ CPI-TRIM	3 Month Avg.TRIM	Monthly % change	3 mth* % change	3mth# % change	12 Month* % change	12 Month# % change	FYTD % change	CYTD % change
	Feb-08	154.28	152.26	1.20	4.44	4.49	11.10	16.11	10.35	2.82
	Mar-08	155.36	154.03	0.70	3.55	4.33	11.13	7.16	11.13	3.55
	Apr-08	156.68	155.44	0.85	2.78	3.58	11.64	7.75	0.85	4.42
	May-08	158.64	156.89	1.25	2.82	3.05	12.32	8.36	2.11	5.73
	Jun-08	160.54	158.62	1.20	3.33	2.98	13.35	9.07	3.33	7.00
	Jul-08	161.62	160.27	0.67	3.15	3.10	13.56	9.80	4.02	7.71
	Aug-08	162.86	161.67	0.77	2.66	3.05	13.78	10.53	4.83	8.54
	Sep-08	163.71	162.73	0.52	1.97	2.59	13.46	11.20	5.37	9.11
	Oct-08	164.35	163.64	0.39	1.69	2.11	13.23	11.80	5.78	9.53
	Nov-08	164.89	164.32	0.33	1.25	1.63	11.63	12.10	6.13	9.90
	Dec-08	165.43	164.89	0.33	1.05	1.33	10.26	12.16	6.48	10.26
2009	Jan-09	165.89	165.40	0.27	0.94	1.08	8.82	12.00	6.77	0.27
	Feb-09	166.27	165.87	0.23	0.84	0.94	7.77	11.70	7.02	0.51
	Mar-09	167.31	166.49	0.62	1.13	0.97	7.69	11.39	7.69	1.13
	Apr-09	168.07	167.22	0.45	1.31	1.09	7.27	11.01	0.45	1.59
	May-09	168.73	168.03	0.39	1.48	1.31	6.36	10.49	0.85	1.99
	Jun-09	169.47	168.75	0.44	1.29	1.36	5.56	9.83	1.29	2.44
	Jul-09	170.03	169.41	0.33	1.17	1.31	5.21	9.13	1.63	2.78
	Aug-09	170.73	170.08	0.41	1.19	1.22	4.83	8.39	2.05	3.20
	Sep-09	171.98	170.91	0.73	1.48	1.28	5.05	7.71	2.79	3.95
	Oct-09	172.76	171.82	0.45	1.60	1.42	5.12	7.06	3.26	4.43
	Nov-09	173.61	172.78	0.49	1.68	1.59	5.29	6.55	3.77	4.94
	Dec-09	174.32	173.56	0.41	1.36	1.55	5.37	6.16	4.19	5.37
2010	Jan-10	175.71	174.55	0.80	1.71	1.59	5.92	5.93	5.02	0.80
	Feb-10	176.75	175.59	0.59	1.81	1.63	6.30	5.82	5.65	1.40
	Mar-10	177.52	176.66	0.43	1.84	1.79	6.10	5.69	6.10	1.84
	Apr-10	178.02	177.43	0.28	1.32	1.65	5.92	5.59	0.28	2.12
	May-10	178.72	178.09	0.39	1.11	1.42	5.92	5.55	0.68	2.53
	Jun-10	179.51	178.75	0.44	1.12	1.18	5.92	5.59	1.12	2.98
	Jul-10	179.96	179.39	0.25	1.09	1.11	5.83	5.64	1.37	3.23
	Aug-10	180.46	179.97	0.28	0.97	1.06	5.70	5.71	1.65	3.52
	Sep-10	180.97	180.46	0.28	0.82	0.96	5.23	5.72	1.94	3.82
	Oct-10	181.77	181.07	0.44	1.01	0.93	5.22	5.73	2.40	4.28
	Nov-10	182.69	181.81	0.50	1.24	1.02	5.23	5.72	2.91	4.80
	Dec-10	183.80	182.75	0.61	1.57	1.27	5.44	5.72	3.54	5.44
2011	Jan-11	183.86	183.45	0.03	1.15	1.32	4.64	5.61	3.57	0.03
	Feb-11	183.98	183.88	0.07	0.71	1.14	4.09	5.43	3.64	0.09
	Mar-11	184.65	184.16	0.37	0.46	0.77	4.02	5.25	4.02	0.46
	Apr-11	185.19	184.61	0.29	0.73	0.63	4.03	5.09	0.29	0.75

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 2
Regional Inflation
Apr-MTH. 2011

		GKMA	OUC	RUA
		Inflation(%)	Inflation(%)	Inflation(%)
01	FOOD & NON-ALCOHOLIC BEVERAGES	0.66	0.72	0.62
01.1	Food	0.71	0.66	0.67
	Bread and Cereals	2.86	3.12	3.42
	Meat	1.09	1.55	0.72
	Fish and Seafood	0.89	2.07	0.69
	Milk, Cheese and Eggs	0.97	1.35	0.69
	Oils and Fats	0.38	1.25	0.74
	Fruit	2.24	-0.52	-1.19
	Vegetables and Starchy Foods	-1.56	-3.64	-2.53
	Vegetables	-2.28	-3.39	-3.13
	Starchy Foods	0.05	-4.27	-1.11
	Sugar, Jam, Honey, Chocolate and Confectionery	0.91	0.70	0.66
	Food Products n.e.c.	-0.15	0.53	0.70
01.2	Non-Alcoholic Beverages	0.22	1.14	0.51
	Coffee, Tea and Cocoa	0.67	2.48	0.52
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	0.11	0.76	0.57
02	ALCOHOLIC BEVERAGES & TOBACCO	0.13	0.39	0.29
03	CLOTHING & FOOTWEAR	0.16	0.77	0.70
03.1	Clothing	0.19	0.76	0.92
03.2	Footwear	0.21	0.64	0.30
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	0.00	0.00	-0.48
04.1	Rentals for Housing	0.00	0.00	0.00
04.3	Maintenance and Repair of Dwelling	0.00	0.19	0.00
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	5.37	5.38	5.38
04.5	Electricity, Gas and Other Fuels	-1.32	-1.16	-1.30
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENAN	0.06	0.30	0.13
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.12	0.28	0.17
05.2	Household Textiles	0.13	0.24	0.07
05.3	Household Appliances	0.06	0.18	-0.48
05.4	Glassware, Tableware and Household Utensils	0.06	0.06	0.51
05.5	Tools and Equipment for House and Garden	0.13	0.14	0.06
05.6	Goods and Services for Routine Household Maintenance	0.00	0.42	0.06
06	HEALTH	0.00	0.33	0.16
06.1	Medical Products, Appliances and Equipment	0.00	0.79	0.08
06.2	Health Services	0.00	0.08	0.17
07	TRANSPORT	1.45	1.49	1.09
08	COMMUNICATION	0.00	0.00	0.00
09	RECREATION & CULTURE	0.14	0.74	0.13
10	EDUCATION	0.00	0.00	0.00
11	RESTAURANTS & ACCOMMODATION SERVICES	0.06	0.32	0.00
12	MISCELLANEOUS GOODS & SERVICES	0.29	1.59	0.13
ALL DIVISIONS		0.46	0.65	0.43

Table 3A
Component Contribution to Inflation
Apr. 2011

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	0.65	0.24	51.34
01.1	Food	35.10	0.65	0.23	47.78
	Bread and Cereals	6.10	3.20	0.20	41.05
	Meat	7.66	0.97	0.07	15.63
	Fish and Seafood	5.33	1.03	0.05	11.55
	Milk, Cheese and Eggs	3.11	0.93	0.03	6.06
	Oils and Fats	1.64	0.75	0.01	2.60
	Fruit	1.14	0.64	0.01	1.52
	Vegetables and Starchy Foods	6.85	-2.41	-0.17	-34.78
	Vegetables	4.64	-2.85	-0.13	-27.79
	Starchy Foods	2.21	-1.44	-0.03	-6.70
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	0.74	0.01	2.67
	Food Products n.e.c.	1.55	0.42	0.01	1.37
01.2	Non-Alcoholic Beverages	2.35	0.61	0.01	3.01
	Coffee, Tea and Cocoa	0.66	0.94	0.01	1.30
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	0.48	0.01	1.71
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	0.23	0.00	0.68
03	CLOTHING & FOOTWEAR	3.33	0.49	0.02	3.45
03.1	Clothing	2.12	0.72	0.02	3.21
03.2	Footwear	1.22	0.28	0.00	0.72
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	-0.16	-0.02	-4.31
04.1	Rentals for Housing	3.52	0.00	0.00	0.00
04.3	Maintenance and Repair of Dwelling	0.80	0.06	0.00	0.10
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	5.40	0.07	15.00
04.5	Electricity, Gas and Other Fuels	7.12	-1.28	-0.09	-19.17
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINT	4.93	0.12	0.01	1.26
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	0.17	0.00	0.25
05.2	Household Textiles	0.32	0.13	0.00	0.09
05.3	Household Appliances	0.56	0.12	0.00	0.14
05.4	Glassware, Tableware and Household Utensils	0.05	0.31	0.00	0.03
05.5	Tools and Equipment for House and Garden	0.15	0.06	0.00	0.02
05.6	Goods and Services for Routine Household Maintenance	3.16	0.12	0.00	0.80
06	HEALTH	3.29	0.08	0.00	0.57
06.1	Medical Products, Appliances and Equipment	1.22	0.16	0.00	0.41
06.2	Health Services	2.07	0.17	0.00	0.73
07	TRANSPORT	12.82	1.31	0.17	35.45
08	COMMUNICATION	3.99	0.00	0.00	0.00
09	RECREATION & CULTURE	3.36	0.27	0.01	1.93
10	EDUCATION	2.14	0.00	0.00	0.00
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	0.07	0.00	0.87
12	MISCELLANEOUS GOODS & SERVICES	8.37	0.50	0.04	8.75
	ALL DIVISIONS	100.00	0.47	0.48	100.00

Table 3A
Annual Component Contribution to Inflation
Apr. 2011

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	7.30	2.73	39.42
01.1	Food	35.10	7.24	2.54	36.67
	Bread and Cereals	6.10	8.92	0.54	7.85
	Meat	7.66	7.41	0.57	8.19
	Fish and Seafood	5.33	8.02	0.43	6.16
	Milk, Cheese and Eggs	3.11	9.85	0.31	4.42
	Oils and Fats	1.64	9.64	0.16	2.28
	Fruit	1.14	15.83	0.18	2.60
	Vegetables and Starchy Foods	6.85	1.51	0.10	1.49
	Vegetables	4.64	-1.88	-0.09	-1.26
	Starchy Foods	2.21	11.26	0.25	3.59
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	7.96	0.14	1.98
	Food Products n.e.c.	1.55	9.35	0.14	2.09
01.2	Non-Alcoholic Beverages	2.35	8.11	0.19	2.75
	Coffee, Tea and Cocoa	0.66	10.06	0.07	0.96
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	7.41	0.13	1.81
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	5.80	0.08	1.15
03	CLOTHING & FOOTWEAR	3.33	7.66	0.25	3.68
03.1	Clothing	2.12	9.24	0.20	2.83
03.2	Footwear	1.22	5.46	0.07	0.96
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	11.93	1.52	21.96
04.1	Rentals for Housing	3.52	3.37	0.12	1.71
04.3	Maintenance and Repair of Dwelling	0.80	7.40	0.06	0.85
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	8.76	0.12	1.67
04.5	Electricity, Gas and Other Fuels	7.12	18.12	1.29	18.62
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENANCE	4.93	7.61	0.38	5.41
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	6.93	0.05	0.69
05.2	Household Textiles	0.32	7.52	0.02	0.35
05.3	Household Appliances	0.56	6.12	0.03	0.49
05.4	Glassware, Tableware and Household Utensils	0.05	7.59	0.00	0.05
05.5	Tools and Equipment for House and Garden	0.15	5.76	0.01	0.12
05.6	Goods and Services for Routine Household Maintenance	3.16	8.16	0.26	3.72
06	HEALTH	3.29	2.02	0.07	0.96
06.1	Medical Products, Appliances and Equipment	1.22	2.46	0.03	0.43
06.2	Health Services	2.07	1.88	0.04	0.56
07	TRANSPORT	12.82	4.59	0.59	8.49
08	COMMUNICATION	3.99	2.29	0.09	1.32
09	RECREATION & CULTURE	3.36	4.34	0.15	2.10
10	EDUCATION	2.14	5.00	0.11	1.54
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	3.11	0.19	2.78
12	MISCELLANEOUS GOODS & SERVICES	8.37	7.23	0.60	8.73
	ALL DIVISIONS	100.00	6.93	6.93	100.00