



INFLATION REPORT

July/August 2008



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Monthly Inflation Analysis July/August 2008

Overview

Headline inflation was **2.8 per cent** in July and **1.2 per cent** in August. At the end of August, the adjustment in the 12-month point-to-point inflation rate was **26.5 per cent** and for the fiscal year-to-date **10.3 per cent**. Forecasts for international commodity prices and indicators of aggregate supply and demand suggest that price increases will tend to moderate in the second half of the fiscal year.

Domestic financial markets displayed mild instability in July largely due to a decline in private capital inflows as well as increased demand for foreign currency to meet the country's rising energy bill. The offer of various instruments to absorb liquidity supported by the sale of foreign exchange to the market helped to restrain the movement in the exchange rate and its transmission to consumer price increases. In August, depreciation pressures were eased with the supply of foreign currency being augmented by flows from the payments by Angostura to the shareholders of Lascelles de Mercado. The stability in the exchange rate as well as weak domestic demand moderated the impact of the lagged pass-through of earlier increases in international commodity prices. The spike in the monthly inflation rate in July primarily reflected the administered increase in bus fares.

Financial Markets & Monetary Conditions

Changes in inflation expectations continued to be reflected in short-term interest rates. Money market interest rates largely reflected increases in August as the markets adjusted to higher rates of domestic inflation and increased demand for financing from both the public and private sector. The Government's 90 day and 180 day Treasury bills ended the month at **14.58 per cent** and **15.08 per cent**, respectively, **12 basis points** and **18 basis points** higher than the previous month, while the Bank of Jamaica's 180 day certificate of deposit (CD) held at **14.70 per cent**.

The month's average selling rate of the Jamaican dollar versus its US counterpart appreciated by **0.2 per cent** for August compared to depreciation of **0.7 per cent** in July. The depreciation in July was influenced by heightened demand to pay for imports and the widening inflation differential between the Jamaican and US economies. In August, foreign currency supply was augmented by payments to the shareholders of Lascelles de Mercado consequent on the purchase of the company by Angostura Ltd of Trinidad and Tobago.

In July and August, the monetary base expanded by **2.8 per cent** and **4.1 per cent**, respectively, relative to projections of **2.0 per cent** and **1.0 per cent**. However, the

expansion in August largely occurred on the last day due to disruptions caused by the passage of Tropical Storm Gustav.

Domestic Demand

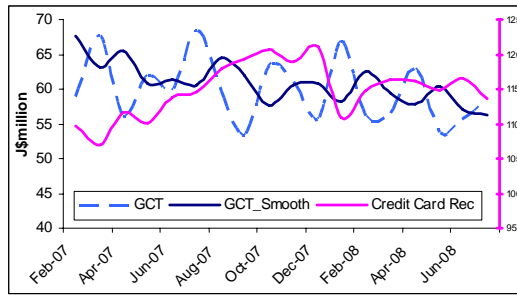
Indicators of domestic demand suggest sustained moderation in spending. Continuing the pattern since February 2008, GCT receipts, in real terms, and real credit card receivables showed declines of **1.3 per cent** and **2.2 per cent**, respectively, for July.¹ This fall in demand comes as price increases, real wage restraints and tighter monetary conditions have resulted in a reduction in spending. Current reports by producers suggest that there has been a fall in the consumption of some basic food items like eggs, chicken and flour. The 12-month change in real GCT and real credit card receivables reflect respective declines of **7.0 per cent** and **0.7 per cent**. Both indicators suggest that consumption expenditure has fallen over the year. However, it is anticipated that spending will increase in September, relative to August, to meet the demands of the new school year.

¹ GCT returns are smoothed to remove the volatility in the series that results from the fact that many retailers file returns with a lag.



Monthly Inflation Analysis July/August 2008

Figure 1: GCT Collection and Credit Card Receivables

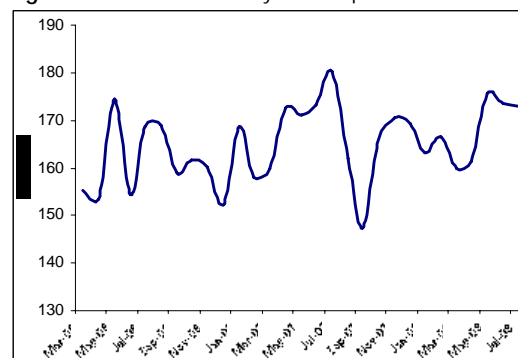


The leading indicator of industrial production, industrial electricity sales, suggest that there will be marginal economic growth for FY 2008/09. A **1.3 per cent** decrease in industrial electricity consumption for June 2008 relative to May 2008 was followed by a **0.4 per cent** decline in July. Further, consumption of industrial electricity in July 2008 was **4.1 per cent** below the peak level attained prior to Hurricane Dean in July 2007 (See fig. 4). For the fiscal year-to-date,

Domestic Supply

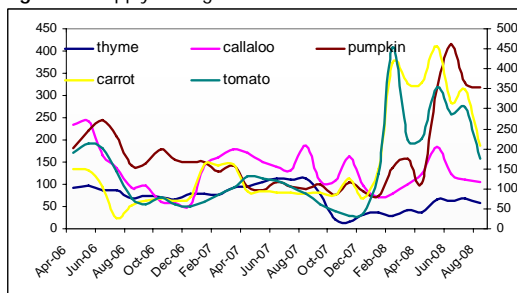
Food comprises the largest proportion of the domestic consumption basket (37.5 per cent). Data on supplies of agricultural produce indicate general declines with respect to the output of vegetables (see fig. 2). However, the supply of tubers remains robust (see fig. 3). Of note, with the exception of tomatoes, the volumes of vegetables and tubers are currently above seasonal levels and price impulses are relatively restrained. The price of tomatoes reflected the strongest movement but this development should be alleviated shortly as planned imported supplies address the shortfall.

Figure 4: Industrial Electricity Consumption



industrial electricity consumption increased by only **2.1 per cent**. The sluggishness in industrial electricity sales implies that the supply of manufactured commodities will be weak.

Figure 2: Supply of Vegetables

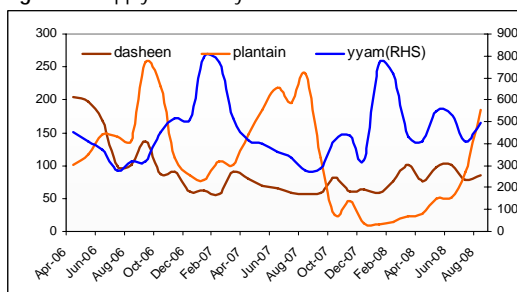


Source: Rural Agricultural Development Agency (RADA)

Costs

The unprecedented rate of increases observed since October 2007 in the international prices of food, raw materials and energy was reversed in July. Further declines in these prices were recorded in August due to weakening demand and improving output. On the international markets, oil, corn, wheat and rice prices fell by **12.5 per cent**, **15.8 per cent**, **1.3 per cent** and **4.0 per cent**, respectively, for August. This disinflation should affect prices later in the year as the lagged impact of significant past price increases are currently being passed through. However, domestic energy cost rose much more slowly in August, while food prices increased at almost the same pace as in July. Domestic energy and food prices rose by approximately **3.2 per cent** and **1.4 per**

Figure 3: Supply of Starchy Foods



Source: Rural Agricultural Development Agency (RADA)



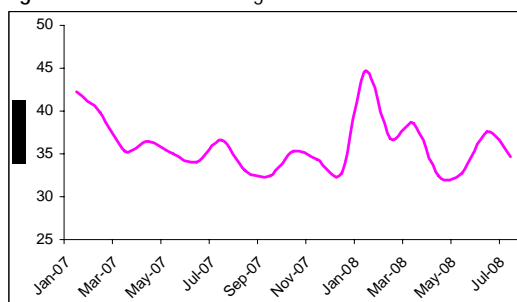
Monthly Inflation Analysis July/August 2008

cent, respectively, in the month and were the largest contributors to inflation.

Trends in real wages, as proxied by PAYE returns, suggest that there has been a trend decline in real wage pressures since January 2008. Real wages fell by **5.6 per cent** for the 12-month period to July 2008. Additionally, there was a **7.8 per cent** decline in real wages in July 2008 relative to June 2008. The decline in real wages is consistent with the slackening in the labour market and increasing unemployment. It is anticipated that increases could be observed over the ensuing months as new wage contracts are finalised.

cent, **12.9 per cent** and **13.8 per cent**, respectively, as at August 2008. With core inflation being below headline Inflation, it is expected that overall inflation should fall over the medium term.

Figure 5: Trends in Real Wages Based on PAYE Returns



Prices

Inflation for July largely reflected the impact of administered price increases as well as the current and lagged impact of increases in international commodity prices. With the ending of the administered price adjustments, inflation in August was primarily driven by the lagged impact of supply shocks to international commodities. The pass through to domestic prices would have been tempered by moderation in domestic aggregate demand, as well as exchange rate stability in the prior months. Annual food inflation remained stable at **35.9 per cent** in July but fell slightly to **35.5 per cent** in August. However, reflecting lagged impulses, annual energy inflation rose to **33.5 per cent** at August from **31.5 per cent** in July.

Annual core inflation as measured by the CPI excluding agriculture and fuel (CPIAF), CPI excluding food and fuel (CPIFF) and the trimmed mean was approximately **20.8 per**

Table 1A
JAMAICA: HEADLINE INFLATION RATES

	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	
2004	Jan	74.7	74.1	0.8	2.5	3.7	14.9	10.7	14.5	0.8
	Feb	75.3	74.7	0.8	2.4	2.8	16.0	11.5	15.4	1.6
	Mar	75.9	75.3	0.9	2.5	2.5	16.4	12.3	16.4	2.5
	Apr	76.3	75.8	0.5	2.2	2.4	15.6	13.0	0.5	3.0
	May	76.7	76.3	0.6	1.9	2.2	14.7	13.5	1.0	3.6
	Jun	77.2	76.7	0.7	1.7	1.9	13.4	13.8	1.7	4.3
	Jul	77.9	77.3	0.8	2.1	1.9	12.9	14.1	2.5	5.1
	Aug	80.0	78.4	2.7	4.3	2.7	14.5	14.4	5.3	8.0
2005	Sep	80.6	79.5	0.8	4.4	3.6	12.6	14.4	6.1	8.8
	Oct	83.9	81.5	4.1	7.8	5.5	15.2	14.5	10.5	13.3
	Nov	85.4	83.3	1.8	6.8	6.3	16.2	14.7	12.5	15.3
	Dec	85.8	85.0	0.4	6.4	7.0	15.8	14.8	13.0	15.8
	Jan	85.6	85.6	-0.2	2.0	5.0	14.6	14.8	12.7	-0.2
	Feb	85.1	85.5	-0.5	-0.3	2.6	13.1	14.6	12.1	-0.7
	Mar	85.5	85.4	0.4	-0.3	0.4	12.6	14.3	12.6	-0.3
	Apr	86.7	85.8	1.4	1.3	0.2	13.7	14.1	1.4	1.1
	May	88.1	86.8	1.6	3.5	1.5	14.8	14.1	3.0	2.7
	Jun	89.0	87.9	1.0	4.0	2.9	15.2	14.3	4.0	3.7
	Jul	89.8	88.9	1.0	3.6	3.7	15.3	14.5	5.0	4.7
	Aug	90.2	89.6	0.4	2.4	3.3	12.7	14.3	5.5	5.1
2006	Sep	93.6	91.2	3.8	5.2	3.7	16.2	14.6	9.5	9.1
	Oct	94.2	92.6	0.6	4.9	4.2	12.2	14.3	10.1	9.8
	Nov	94.6	94.1	0.4	4.9	5.0	10.7	13.9	10.6	10.3
	Dec	94.8	94.5	0.2	1.3	3.6	10.5	13.4	10.9	10.5
	Jan	95.0	94.8	0.2	0.9	2.3	11.0	13.1	11.1	0.2
	Feb	95.1	95.0	0.1	0.5	0.9	11.7	13.0	11.2	0.3
	Mar	95.4	95.2	0.3	0.6	0.7	11.6	12.9	11.6	0.6
	Apr	96.3	95.6	1.0	1.4	0.8	11.1	12.7	1.0	1.6
	May	96.8	96.2	0.5	1.8	1.3	9.9	12.3	1.5	2.1
	Jun	97.7	96.9	0.9	2.4	1.9	9.8	11.8	2.4	3.0
	Jul	98.8	97.8	1.1	2.5	2.3	10.0	11.4	3.5	4.2
	Aug	99.1	98.5	0.3	2.3	2.4	9.9	11.2	3.8	4.5
2007	Sep	99.8	99.2	0.7	2.1	2.3	6.6	10.4	4.6	5.2
	Oct	99.7	99.5	-0.1	0.9	1.8	5.9	9.8	4.5	5.2
	Nov	99.6	99.7	-0.1	0.5	1.2	5.3	9.4	4.4	5.0
	Dec	100.0	99.7	0.4	0.2	0.6	5.5	8.9	4.8	5.5
	Jan	101.0	100.2	1.0	1.3	0.7	6.3	8.5	5.9	1.0
	Feb	101.3	100.8	0.3	1.8	1.1	6.6	8.1	6.2	1.3
	Mar	102.5	101.6	1.1	2.5	1.9	7.4	7.8	7.4	2.5
	Apr	103.0	102.3	0.5	2.0	2.1	6.9	7.5	0.5	3.0
	May	104.3	103.3	1.3	2.9	2.5	7.8	7.3	1.8	4.3
	Jun	105.1	104.1	0.8	2.5	2.5	7.6	7.1	2.5	5.1
	Jul	106.2	105.2	1.0	3.1	2.9	7.5	6.9	3.6	6.2
	Aug	107.2	106.2	1.0	2.8	2.8	8.2	6.8	4.6	7.2
2008	Sep	108.9	107.4	1.6	3.6	3.2	9.2	7.0	6.2	8.9
	Oct	110.4	108.8	1.4	4.0	3.5	10.8	7.4	7.7	10.4
	Nov	114.0	111.1	3.2	6.3	4.7	14.5	8.2	11.2	14.0
	Dec	116.8	113.7	2.5	7.3	5.9	16.8	9.2	14.0	16.8
	Jan	119.4	116.7	2.2	8.1	7.2	18.2	10.2	16.4	2.2
	Feb	121.5	119.2	1.8	6.6	7.3	19.9	11.3	18.5	4.0
	Mar	122.9	121.3	1.2	5.2	6.6	19.9	12.3	19.9	5.2
	Apr	124.8	123.1	1.5	4.6	5.4	21.2	13.5	1.5	6.8
	May	127.8	125.2	2.4	5.2	5.0	22.5	14.8	4.0	9.4
	Jun	130.3	127.6	2.0	6.0	5.3	24.0	16.2	6.0	11.6
	Jul	134.0	130.7	2.8	7.4	6.2	26.2	17.7	9.0	14.7
	Aug	135.6	133.3	1.2	6.1	6.5	26.5	19.3	10.3	16.1

1/ December 2006 = 100

* Point to point

Moving average

Source: STATIN

Table 1B
JAMAICA: CPI WITHOUT AGRICULTURE AND FUEL

	1/	3 Month	Monthly	3 Month *	3 Month #	12 Month*	12 Month#	FYTD	CYTD	
	CPI-A	AVG. CPI-A	% change	% change	% change	% change	% change	% change	% change	
2004	Jan	140.9	139.8	0.98	2.65	2.82	13.72	10.17	12.41	0.98
	Feb	142.3	140.9	0.96	2.51	2.58	14.24	10.92	13.48	1.94
	Mar	143.5	142.2	0.83	2.79	2.65	14.43	11.65	14.43	2.79
	Apr	144.4	143.4	0.62	2.43	2.58	13.91	12.27	0.62	3.43
	May	145.0	144.3	0.44	1.91	2.38	12.52	12.64	1.07	3.89
	Jun	145.7	145.0	0.47	1.55	1.96	10.97	12.74	1.55	4.38
	Jul	146.4	145.7	0.51	1.44	1.63	10.09	12.68	2.07	4.92
	Aug	149.6	147.2	2.17	3.18	2.06	11.26	12.66	4.28	7.20
2005	Sep	150.4	148.8	0.55	3.26	2.63	10.58	12.52	4.86	7.78
	Oct	155.0	151.7	3.06	5.87	4.11	12.92	12.54	8.06	11.08
	Nov	156.7	154.1	1.11	4.77	4.64	12.93	12.53	9.26	12.31
	Dec	157.9	156.5	0.71	4.94	5.19	13.11	12.53	10.03	13.11
	Jan	159.0	157.9	0.73	2.57	4.07	12.83	12.46	10.84	0.73
	Feb	159.5	158.8	0.31	1.76	3.06	12.11	12.29	11.18	1.04
	Mar	160.2	159.6	0.47	1.52	1.94	11.70	12.08	11.70	1.52
	Apr	161.7	160.5	0.94	1.72	1.67	12.05	11.93	0.94	2.47
	May	163.4	161.8	1.03	2.45	1.90	12.70	11.96	1.98	3.52
	Jun	164.5	163.2	0.65	2.64	2.27	12.90	12.12	2.64	4.20
	Jul	165.4	164.4	0.56	2.26	2.45	12.95	12.35	3.21	4.78
	Aug	166.7	165.5	0.81	2.03	2.31	11.45	12.35	4.05	5.62
2006	Sep	168.9	167.0	1.32	2.70	2.33	12.30	12.49	5.42	7.02
	Oct	170.2	168.6	0.76	2.91	2.55	9.79	12.21	6.22	7.83
	Nov	171.6	170.3	0.84	2.95	2.85	9.51	11.92	7.11	8.74
	Dec	173.1	171.7	0.87	2.49	2.78	9.68	11.62	8.04	9.68
	Jan	174.4	173.1	0.75	2.48	2.63	9.70	11.36	8.85	0.75
	Feb	176.4	174.6	1.11	2.75	2.57	10.57	11.23	10.05	1.86
	Mar	177.8	176.2	0.81	2.69	2.64	10.95	11.17	10.95	2.69
	Apr	179.1	177.7	0.74	2.68	2.70	10.73	11.06	0.74	3.45
	May	180.4	179.1	0.71	2.28	2.55	10.38	10.87	1.46	4.19
	Jun	181.6	180.4	0.69	2.16	2.37	10.42	10.68	2.16	4.91
	Jul	182.6	181.5	0.51	1.93	2.12	10.37	10.48	2.68	5.44
	Aug	183.8	182.7	0.69	1.91	2.00	10.25	10.38	3.39	6.17
2007	Sep	185.3	183.9	0.82	2.04	1.96	9.71	10.17	4.24	7.05
	Oct	185.9	185.0	0.30	1.83	1.93	9.21	10.12	4.56	7.37
	Nov	186.7	186.0	0.46	1.59	1.82	8.80	10.05	5.04	7.86
	Dec	187.2	186.6	0.24	1.01	1.47	8.13	9.92	5.29	8.13
	Jan	189.6	187.8	1.28	1.99	1.53	8.69	9.83	6.64	1.28
	Feb	192.1	189.6	1.32	2.86	1.95	8.92	9.69	8.04	2.61
	Mar	194.7	192.1	1.34	3.99	2.95	9.49	9.57	9.49	3.99
	Apr	196.0	194.3	0.70	3.40	3.41	9.45	9.47	0.70	4.71
	May	197.9	196.2	0.94	3.01	3.46	9.69	9.42	1.64	5.69
	Jun	199.1	197.7	0.65	2.31	2.90	9.65	9.36	2.31	6.38
	Jul	200.4	199.1	0.64	2.24	2.52	9.79	9.31	2.96	7.06
	Aug	202.4	200.6	0.96	2.27	2.27	10.08	9.31	3.95	8.09
2008	Sep	204.6	202.5	1.10	2.73	2.42	10.39	9.37	5.10	9.29
	Oct	206.8	204.6	1.10	3.21	2.74	11.27	9.55	6.26	10.50
	Nov	212.5	208.0	2.75	5.04	3.66	13.81	9.97	9.19	13.54
	Dec	216.5	211.9	1.84	5.80	4.69	15.63	10.61	11.20	15.63
	Jan	221.6	216.9	2.37	7.13	6.00	16.88	11.30	13.83	2.37
	Feb	225.3	221.1	1.70	6.03	6.32	17.32	12.01	15.77	4.11
	Mar	228.4	225.1	1.34	5.50	6.20	17.31	12.68	17.31	5.50
	Apr	231.4	228.4	1.34	4.44	5.31	18.06	13.40	1.34	6.91
	May	235.7	231.8	1.84	4.58	4.83	19.11	14.20	3.20	8.88
	Jun	239.5	235.5	1.62	4.88	4.63	20.26	15.09	4.88	10.64
	Jul	241.6	238.9	0.89	4.41	4.62	20.56	15.99	5.81	11.63
	Aug	244.5	241.9	1.18	3.74	4.34	20.82	16.88	7.06	12.95

1/ February 2000 = 100

* Point to point

Moving average

Source: BOJ

Table 2A
Component Contribution to Inflation
August 2008

	Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01 FOOD & NON-ALCOHOLIC BEVERAGES	37.46	1.39	0.52	44.7
01.1 Food	35.12	1.38	0.48	41.6
Bread and Cereals	6.10	1.26	0.08	6.6
Meat	7.66	1.95	0.15	12.8
Fish and Seafood	5.33	1.80	0.10	8.2
Milk, Cheese and Eggs	3.11	1.10	0.03	3.0
Oils and Fats	1.64	4.12	0.07	5.8
Fruit	1.14	0.93	0.01	0.9
Vegetables and Starchy Foods	6.86	0.44	0.03	2.6
Vegetables	4.64	1.17	0.05	4.7
Starchy Foods	2.21	-0.91	-0.02	-1.7
Sugar, Jam, Honey, Chocolate and Confectionery	1.72	0.98	0.02	1.5
Food Products n.e.c.	1.55	1.12	0.02	1.5
01.2 Non-Alcoholic Beverages	2.35	0.93	0.02	1.9
Coffee, Tea and Cocoa	0.66	0.50	0.00	0.3
Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	1.14	0.02	1.7
02 ALCOHOLIC BEVERAGES & TOBACCO	1.38	1.26	0.02	1.5
03 CLOTHING & FOOTWEAR	3.33	1.10	0.04	3.1
03.1 Clothing	2.12	0.99	0.02	1.8
03.2 Footwear	1.22	1.23	0.01	1.3
04 HOUSING, WATER, ELECTRICITY, GAS & OTHER F	12.76	2.57	0.33	28.2
04.1 Rentals for Housing	3.01	0.00	0.00	0.0
04.3 Maintenance and Repair of Dwelling	0.80	1.17	0.01	0.8
04.4 Water Supply and Miscellaneous Services Related to the Dw	1.32	6.23	0.08	7.1
04.5 Electricity, Gas and Other Fuels	7.12	3.18	0.23	19.4
05 FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTI	4.93	1.31	0.06	5.5
05.1 Furniture and Furnishings (inc. Floor Coverings)	0.69	2.38	0.02	1.4
05.2 Household Textiles	0.32	0.72	0.00	0.2
05.3 Household Appliances	0.56	0.76	0.00	0.4
05.4 Glassware, Tableware and Household Utensils	0.05	1.05	0.00	0.0
05.5 Tools and Equipment for House and Garden	0.15	0.62	0.00	0.1
05.6 Goods and Services for Routine Household Maintenance	3.16	1.17	0.04	3.2
06 HEALTH	3.29	0.36	0.01	1.0
06.1 Medical Products, Appliances and Equipment	1.22	0.71	0.01	0.7
06.2 Health Services	2.07	0.09	0.00	0.2
07 TRANSPORT	12.82	0.24	0.03	2.6
08 COMMUNICATION	3.99	0.00	0.00	0.0
09 RECREATION & CULTURE	3.36	0.50	0.02	1.5
10 EDUCATION	2.14	0.00	0.00	0.0
11 RESTAURANTS & ACCOMMODATION SERVICES	6.19	1.03	0.06	5.5
12 MISCELLANEOUS GOODS & SERVICES	8.37	0.89	0.07	6.4
ALL DIVISIONS	100.00	1.19	1.16	100.0

**Table 3
Regional Inflation
August 2008**

	GKMA	OUC	Rural
	(%)	(%)	(%)
01 FOOD & NON-ALCOHOLIC BEVERAGES	2.3	1.4	0.7
01.1 Food	2.4	1.5	0.7
Bread and Cereals	2.2	0.8	0.9
Meat	2.5	1.6	1.7
Fish and Seafood	3.7	1.7	0.6
Milk, Cheese and Eggs	2.3	1.0	0.2
Oils and Fats	3.5	5.5	4.0
Fruit	2.3	1.3	-1.5
Vegetables and Starchy Foods	1.5	1.3	-0.7
Vegetables	1.6	1.4	0.6
Starchy Foods	1.2	1.0	-3.6
Sugar, Jam, Honey, Chocolate and Confectionery	2.5	0.7	0.3
Food Products n.e.c.	1.7	1.1	0.8
01.2 Non-Alcoholic Beverages	1.3	1.2	0.6
Coffee, Tea and Cocoa	0.3	0.9	0.6
Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.7	1.3	0.6
02 ALCOHOLIC BEVERAGES & TOBACCO	2.7	0.5	0.6
03 CLOTHING & FOOTWEAR	1.4	1.6	0.7
03.1 Clothing	0.9	0.7	1.1
03.2 Footwear	2.0	3.1	0.0
04 HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	2.2	2.8	2.9
04.1 Rentals for Housing	0.0	0.0	0.0
04.3 Maintenance and Repair of Dwelling	0.7	0.9	1.6
04.4 Water Supply and Miscellaneous Services Related to the Dwelling	6.2	6.2	6.2
04.5 Electricity, Gas and Other Fuels	3.2	3.5	3.1
05 FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HO	1.9	1.4	0.8
05.1 Furniture and Furnishings (inc. Floor Coverings)	2.1	2.6	2.6
05.2 Household Textiles	1.0	0.9	0.5
05.3 Household Appliances	0.1	1.1	1.1
05.4 Glassware, Tableware and Household Utensils	0.9	0.8	1.2
05.5 Tools and Equipment for House and Garden	2.0	0.6	0.5
05.6 Goods and Services for Routine Household Maintenance	2.2	1.3	0.3
06 HEALTH	0.4	0.1	0.4
06.1 Medical Products, Appliances and Equipment	0.6	0.2	1.0
06.2 Health Services	0.3	0.0	0.1
07 TRANSPORT	0.6	0.2	0.2
08 COMMUNICATION	0.0	0.0	0.0
09 RECREATION & CULTURE	0.5	0.7	0.5
10 EDUCATION	0.0	0.0	0.0
11 RESTAURANTS & ACCOMMODATION SERVICES	1.1	2.7	0.1
12 MISCELLANEOUS GOODS & SERVICES	1.2	1.1	0.8
ALL DIVISIONS	1.7	1.4	0.8

Table 4
Inflation: Headline & Core

	Monthly		Fiscal Year to Date		12-Mth Core	
	Headline	Core	Headline	Core	Pt to Pt	Average
2003/04						
Apr	1.19	1.08	1.19	1.08	6.44	6.33
May	1.33	1.69	2.54	2.79	7.95	6.25
Jun	1.80	1.87	4.39	4.71	9.57	6.31
Jul	1.26	1.32	5.71	6.10	10.52	6.72
Aug	1.28	1.09	7.06	7.26	11.40	7.20
Sep	2.48	1.16	9.72	8.50	12.07	7.73
Oct	1.76	0.93	11.65	9.51	12.74	8.31
Nov	0.95	1.09	12.71	10.71	13.11	8.89
Dec	0.73	0.56	13.53	11.32	13.16	9.46
Jan	0.83	0.98	14.47	12.41	13.72	10.17
Feb	0.80	0.96	15.38	13.48	14.24	10.92
Mar	0.89	0.83	16.41	14.43	14.43	11.65
2004/05						
Apr	0.45	0.62	0.45	0.62	13.91	12.27
May	0.55	0.44	1.00	1.07	12.52	12.64
Jun	0.67	0.47	1.68	1.55	10.97	12.74
Jul	0.84	0.51	2.53	2.07	10.09	12.68
Aug	2.71	2.17	5.32	4.28	11.26	12.66
Sep	0.76	0.55	6.12	4.86	10.58	12.52
Oct	4.13	3.06	10.50	8.06	12.92	12.54
Nov	1.79	1.11	12.48	9.26	12.93	12.53
Dec	0.42	0.71	12.95	10.03	13.11	12.53
Jan	-0.22	0.73	12.70	10.84	12.83	12.46
Feb	-0.53	0.31	12.10	11.18	12.11	12.29
Mar	0.42	0.47	12.58	11.70	11.70	12.08
2005/06						
Apr	1.43	0.94	1.43	0.94	12.05	11.93
May	1.57	1.03	3.02	1.98	12.70	11.96
Jun	1.00	0.65	4.05	2.64	12.90	12.12
Jul	0.95	0.56	5.04	3.21	12.95	12.35
Aug	0.41	0.81	5.47	4.05	11.45	12.35
Sep	3.81	1.32	9.48	5.42	12.30	12.49
Oct	0.60	0.76	10.14	6.22	9.79	12.21
Nov	0.45	0.84	10.63	7.11	9.51	11.92
Dec	0.22	0.87	10.88	8.04	9.68	11.62
Jan	0.23	0.75	11.14	8.85	9.70	11.36
Feb	0.06	1.11	11.21	10.05	10.57	11.23
Mar	0.34	0.81	11.59	10.95	10.95	11.17
2006/07						
Apr	0.98	0.74	0.98	0.74	10.73	11.06
May	0.49	0.71	1.48	1.46	10.38	10.87
Jun	0.90	0.69	2.39	2.16	10.42	10.68
Jul	1.12	0.51	3.54	2.68	10.37	10.48
Aug	0.29	0.69	3.83	3.39	10.25	10.38
Sep	0.72	0.82	4.58	4.24	9.71	10.17
Oct	-0.09	0.30	4.49	4.56	9.21	10.12
Nov	-0.11	0.46	4.37	5.04	8.80	10.05
Dec	0.44	0.24	4.82	5.29	8.13	9.92
Jan	1.01	1.28	5.88	6.64	8.69	9.83
Feb	0.33	1.32	6.22	8.04	8.92	9.69
Mar	1.15	1.34	7.44	9.49	9.49	9.57
2007/08						
Apr	0.47	0.70	0.47	0.70	9.45	9.47
May	1.29	0.94	1.77	1.64	9.69	9.42
Jun	0.75	0.65	2.54	2.31	9.65	9.36
Jul	1.01	0.64	3.57	2.96	9.79	9.31
Aug	0.98	0.96	4.59	3.95	10.08	9.31
Sep	1.59	1.10	6.24	5.10	10.39	9.37
Oct	1.41	1.10	7.74	6.26	11.27	9.55
Nov	3.23	2.75	11.22	9.19	13.81	9.97
Dec	2.46	1.84	13.95	11.20	15.63	10.61
Jan	2.19	2.37	16.44	13.83	16.88	11.30
Feb	1.80	1.70	18.54	15.77	17.32	12.01
Mar	1.15	1.34	19.90	17.31	17.31	12.68
2008/09						
Apr	1.55	1.34	1.55	1.34	18.06	13.40
May	2.40	1.84	3.99	3.20	19.11	14.20
Jun	1.96	1.62	6.02	4.88	20.26	15.09
Jul	2.84	0.89	9.03	5.81	20.56	15.99
Aug	1.19	1.18	10.33	7.06	20.82	16.88