



INFLATION REPORT

DECEMBER 2008



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Overview

Headline inflation was **0.0 per cent** in December, which brought the fiscal year-to-date and calendar year inflation to **11.0 per cent** and **16.8 per cent**, respectively. At the end of December, the 12-month annual average inflation was **22.0 per cent**. Forecasts for international commodity prices and indicators of aggregate supply suggest that price declines will slow in the latter months of the fiscal year. Exchange rate depreciation will offset these impulses leading to higher inflation in the last quarter. The current forecast for inflation for the full fiscal year is in the band of **12.5 per cent** to **14.0 per cent**.

Domestic financial markets displayed continued instability in December largely due to the decline in net private capital inflows and increased demand for foreign currency given the reduction in international credit lines. However, the rate of depreciation slowed relative to November as increased remittance flows in the last week of December fostered appreciation in that period. Timely intervention, the issue of a US\$ indexed bond, an increase in interest rates across the spectrum of OMO instruments as well as an increase in the cash reserve requirement were all measures employed to temper pressures on the exchange rate over the course of the month.

Financial Markets & Monetary Conditions

The turmoil in international financial markets was reflected in sharp adjustments in short-term domestic interest rates as the markets incorporated the depreciation of the Jamaica Dollar and weakening economic prospects. On 1 December, there was an increase across the spectrum of the Bank's interest rates, ranging from **235 basis points (bps)** on the 30-day tenor to **730 bps** on the 365-day. Following an increase of 2 percentage points in the cash reserve requirement on 3 December, the Bank gave notice on 15 December of a further increase for January. These adjustments were aimed at maintaining stability in the domestic and foreign exchange markets. There were sharp adjustments in market interest rates. On 17 December, the Government's 90-day and 180-day Treasury Bills yielded **22.01 per cent** and **24.45 per cent**, respectively, **509 bps** and **519 bps** higher than the previous month.

The monthly average selling rate of the Jamaica Dollar versus its US counterpart depreciated by **3.3 per cent** for December compared to depreciation of **3.9 per cent** in November. The movement was influenced by sharp contraction in net private capital inflows associated with increased margin and repo payments on GOJ global bonds to overseas institutions as well as restrictions on lines of credit from overseas merchandise suppliers and financial houses. The Bank intervened on several occasions selling **US\$112.0 million** over the course of the month. A positive development during the month was the receipt of **US\$90.0 million**, proceeds of an Inter-American Development Bank (IDB) loan to the GOJ. The NIR ended December at **US\$1772.9 million**, a decline of **US\$21.1 million** relative to end-November.

In December, there were the customary seasonal expansions in the monetary aggregates. However, the annual point-to-point increases were below comparable measures for December 2007. Similarly, FYTD growth in all measures was below that of the corresponding period in 2007. This was consistent with the slowdown in money demand and the decelerating trend in spending observed since the beginning of the year.

Domestic Demand

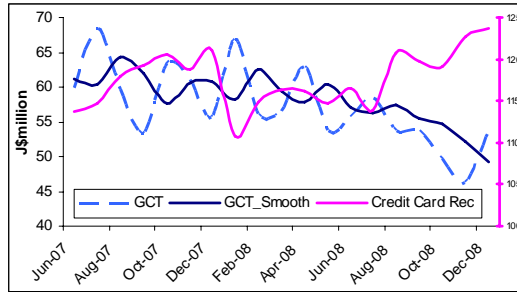
Indicators of domestic demand suggest sustained moderation in spending. Continuing the pattern since February 2008, GCT receipts, in real terms, showed a decline of **5.5 per cent**, for December¹, while real credit card receivables increased marginally by **0.8 per cent**. This fall in demand was in the context that price increases, wage restraints, weaker economic activity and outlook as well as tighter monetary conditions resulted in a reduction in spending. The 12-month change in real GCT reflected a sharp decline of **19.0 per cent**, while real credit card receivables rose by **2.1 per cent**. The decline in real GCT suggests that consumption expenditure fell over the year while the increase in credit card balances

Figure 1: GCT Collection and Credit Card Receivables

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.



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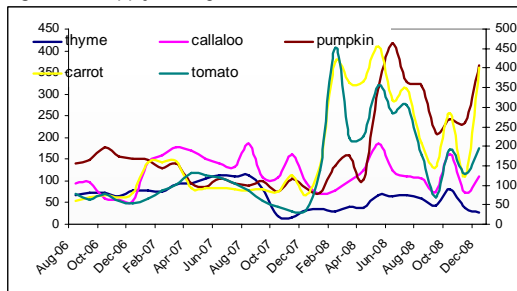


could be indicative of greater use of the short-term financing that this affords.

Domestic Supply

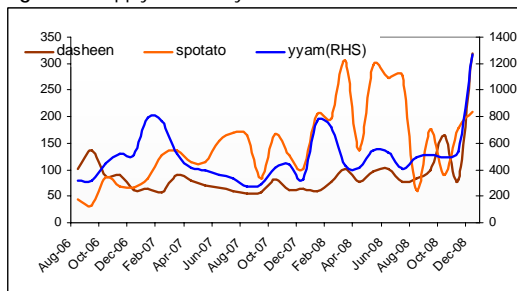
Food comprises the largest proportion of the domestic consumption basket (37.5 per cent) with domestic agricultural produce accounting for 20.0 per cent of that amount. Data on supplies of domestic agricultural produce indicate that vegetable and starchy foods supplies were readily available, with volumes being relatively buoyant (see figs. 2 & 3). This contributed to falling fruit and tubers prices in the month.

Figure 2: Supply of Vegetables



Source: Rural Agricultural Development Agency (RADA)

Figure 3: Supply of Starchy Foods



Source: Rural Agricultural Development Agency (RADA)

Industrial electricity consumption, the leading indicator of industrial production, declined by 2.4 per cent for December 2008 relative to November 2008. Further, sales of industrial electricity in December 2008 were 14.2 per cent below the level attained in December 2007 (see fig. 4). For the fiscal year-to-date, industrial

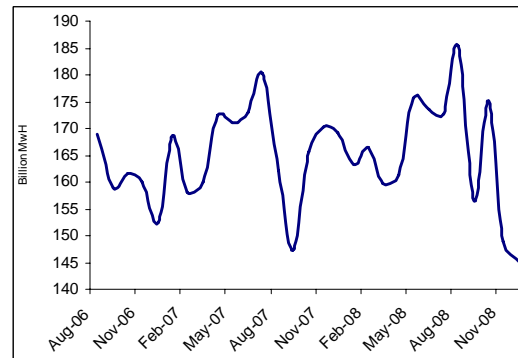
electricity sales decreased by 9.1 per cent relative to an increase of 5.8 per cent in the corresponding period of last FY.

Costs

The increasingly dismal prospects for global growth and the attendant slump in demand combined to foster declines in imported food raw materials and oil

prices in December. On the international markets, oil, wheat, corn and rice prices fell by 27.7 per cent, 2.5 per cent, 3.4 per cent and 3.8 per cent, respectively, in December.

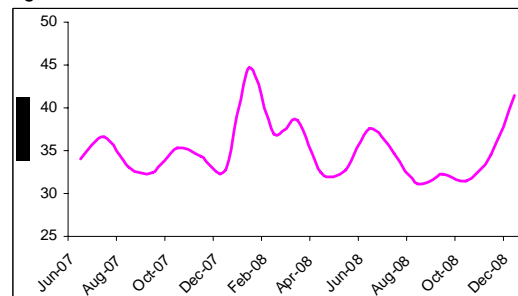
Figure 4: Industrial Electricity Consumption



These movements, while representing consecutive months of declines, also represent a slowing in the pace of decreases.

Since January 2008, real wages, as proxied by deflated PAYE returns, indicated that there was a trend decline in real wage pressures (see fig. 5). However, increases in wages were observed in December as end-of year bonuses were paid and retroactive agreements and public sector wage contracts were settled. As a result there was a 20.4 per cent increase in real wages in December 2008 relative to November 2008. Further, real PAYE returns increased by 26.8 per cent for the 12-month period to December 2008.

Figure 5: Trends in PAYE Returns





Prices

The negligible movement in prices in December largely reflected the decline in the cost of energy related products stemming from falling crude oil prices, which offset the increases in meat, bread and durables prices. Disinflation was observed in household utilities as well as in transport costs, which fell by approximately **4.0 per cent** and **2.0 per cent**, respectively. Annual energy inflation fell sharply to **10.1 per cent** at December from **16.6 per cent** in November. Sharp depreciation in the exchange rate in November added impetus to durables prices which increased by **0.6 per cent**. However, the pass-through to domestic prices was tempered by moderation in domestic aggregate demand. The outturn was also aided by the fall of **2.2 per cent** and **1.9 per cent** in the prices of starchy foods and fruit, respectively, in December.

The quarterly change in core inflation as measured by the CPI excluding agriculture and fuel (CPIAF), CPI excluding food and fuel (CPIFF) and the trimmed mean was approximately **2.0 per cent**, **1.1 per cent** and **1.1 per cent**, respectively, as at December 2008. These measures all fell sharply relative to September. The moderation in core inflation was due to the tight monetary policy stance of the Bank and corroborates the expectation that overall inflation should fall over the medium-term (see fig. 6).

Figure 6: Three-Month Changes in CPI and CPIAF

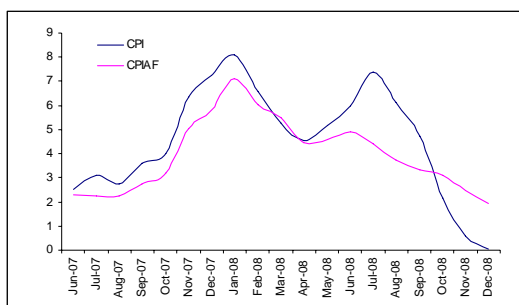


Table 1A
JAMAICA: HEADLINE INFLATION RATES

	1/ C.P.I	3 Month AVG. C.P.I	Monthly % change	3 mth* % change	3mth# % change	12 Month* % change	12 Month# % change	FYTD % change	CYTD % 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
	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
2005	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
	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
2006	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
	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
2007	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
	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	10.7	7.4	7.7	10.4
	Nov	114.0	111.1	3.2	6.3	4.6	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
2008	Jan	119.4	116.7	2.2	8.1	7.2	18.2	10.2	16.5	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	3.9	9.4
	Jun	130.3	127.6	2.0	6.0	5.3	24.0	16.1	6.0	11.5
	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
	Sep	136.5	135.4	0.6	4.7	6.1	25.3	20.6	11.0	16.8
	Oct	136.9	136.3	0.3	2.2	4.3	24.0	21.7	11.4	17.2
	Nov	136.4	136.6	-0.3	0.6	2.5	19.7	22.1	11.0	16.8
	Dec	136.5	136.6	0.0	0.0	0.9	16.8	22.0	11.0	16.8

1/ December 2006 = 100

* Point to point

Moving average

Source: STATIN

Table 1B
JAMAICA: CPI WITHOUT AGRICULTURE AND FUEL

	1/ CPI-A	3 Month AVG. CPI-A	Monthly % change	3 Month * % change	3 Month # % change	12 Month* % change	12 Month# % change	FYTD % change	CYTD % 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
	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
2005	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
	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
2006	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
	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
2007	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
	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
2008	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	1.63	4.88	4.64	20.27	15.09	4.88	10.65
	Jul	241.6	238.9	0.89	4.42	4.63	20.57	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
	Sep	247.5	244.5	1.24	3.34	3.83	20.99	17.76	8.39	14.35
	Oct	249.1	247.0	0.64	3.09	3.39	20.44	18.50	9.09	15.09
	Nov	250.5	249.1	0.57	2.47	2.97	17.88	18.81	9.71	15.74
	Dec	252.4	250.7	0.73	1.95	2.50	16.58	18.86	10.51	16.58

1/ February 2000 = 100

* Point to point

Moving average

Source: BOJ

Table 2A
Component Contribution to Inflation
December 2008

	Weight in the CPI	Monthly Inflation(%)	Weighted Inflation
01 FOOD & NON-ALCOHOLIC BEVERAGES	37.46	0.98	0.37
01.1 Food	35.12	0.97	0.34
Bread and Cereals	6.10	0.75	0.05
Meat	7.66	1.78	0.14
Fish and Seafood	5.33	1.78	0.09
Milk, Cheese and Eggs	3.11	0.47	0.01
Oils and Fats	1.64	1.82	0.03
Fruit	1.14	-1.90	-0.02
Vegetables and Starchy Foods	6.86	0.34	0.02
Vegetables	4.64	1.35	0.06
Starchy Foods	2.21	-2.21	-0.05
Sugar, Jam, Honey, Chocolate and Confectionery	1.72	0.51	0.01
Food Products n.e.c.	1.55	1.07	0.02
01.2 Non-Alcoholic Beverages	2.35	0.76	0.02
Coffee, Tea and Cocoa	0.66	0.65	0.00
Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	0.59	0.01
02 ALCOHOLIC BEVERAGES & TOBACCO	1.38	0.89	0.01
03 CLOTHING & FOOTWEAR	3.33	0.53	0.02
03.1 Clothing	2.12	0.65	0.01
03.2 Footwear	1.22	0.55	0.01
04 HOUSING, WATER, ELECTRICITY, GAS & OTHER F	12.76	-2.72	-0.35
04.1 Rentals for Housing	3.01	0.23	0.01
04.3 Maintenance and Repair of Dwelling	0.80	0.23	0.00
04.4 Water Supply and Miscellaneous Services Related to the Dw	1.32	-4.63	-0.06
04.5 Electricity, Gas and Other Fuels	7.12	-4.02	-0.29
05 FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTI	4.93	1.04	0.05
05.1 Furniture and Furnishings (inc. Floor Coverings)	0.69	0.28	0.00
05.2 Household Textiles	0.32	1.09	0.00
05.3 Household Appliances	0.56	0.37	0.00
05.4 Glassware, Tableware and Household Utensils	0.05	0.51	0.00
05.5 Tools and Equipment for House and Garden	0.15	0.68	0.00
05.6 Goods and Services for Routine Household Maintenance	3.16	1.43	0.05
06 HEALTH	3.29	0.36	0.01
06.1 Medical Products, Appliances and Equipment	1.22	0.79	0.01
06.2 Health Services	2.07	0.09	0.00
07 TRANSPORT	12.82	-2.01	-0.26
08 COMMUNICATION	3.99	0.00	0.00
09 RECREATION & CULTURE	3.36	0.49	0.02
10 EDUCATION	2.14	0.00	0.00
11 RESTAURANTS & ACCOMMODATION SERVICES	6.19	0.46	0.03
12 MISCELLANEOUS GOODS & SERVICES	8.37	0.86	0.07
ALL DIVISIONS	100.00	0.04	-0.03

Table 3
Regional Inflation
December 2008

	GKMA	OUC	Rural
	(%)	(%)	(%)
01 FOOD & NON-ALCOHOLIC BEVERAGES	1.2	0.8	0.8
01.1 Food	1.2	0.9	0.8
Bread and Cereals	1.0	0.2	0.9
Meat	3.2	1.1	0.9
Fish and Seafood	0.8	1.2	2.7
Milk, Cheese and Eggs	0.4	0.3	0.6
Oils and Fats	3.6	0.6	1.3
Fruit	-2.6	0.3	-2.1
Vegetables and Starchy Foods	0.6	1.5	-0.3
Vegetables	1.9	2.2	0.7
Starchy Foods	-2.0	0.0	-3.5
Sugar, Jam, Honey, Chocolate and Confectionery	0.4	0.5	0.5
Food Products n.e.c.	0.7	1.3	1.1
01.2 Non-Alcoholic Beverages	0.7	0.5	0.9
Coffee, Tea and Cocoa	0.1	0.9	0.8
Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	0.9	0.3	0.9
02 ALCOHOLIC BEVERAGES & TOBACCO	0.3	0.1	1.6
03 CLOTHING & FOOTWEAR	0.7	0.1	0.7
03.1 Clothing	0.6	0.1	0.8
03.2 Footwear	0.8	0.0	0.5
04 HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	-2.1	-2.3	-3.7
04.1 Rentals for Housing	0.1	0.1	0.1
04.3 Maintenance and Repair of Dwelling	0.5	0.2	0.1
04.4 Water Supply and Miscellaneous Services Related to the Dwelling	-4.6	-4.6	-4.6
04.5 Electricity, Gas and Other Fuels	-3.6	-3.2	-4.6
05 FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HO	1.1	0.8	1.1
05.1 Furniture and Furnishings (inc. Floor Coverings)	0.1	0.5	0.3
05.2 Household Textiles	1.9	0.7	0.7
05.3 Household Appliances	0.3	0.4	0.5
05.4 Glassware, Tableware and Household Utensils	0.4	0.4	0.6
05.5 Tools and Equipment for House and Garden	0.6	0.1	0.9
05.6 Goods and Services for Routine Household Maintenance	1.5	1.0	1.5
06 HEALTH	0.6	0.3	0.2
06.1 Medical Products, Appliances and Equipment	1.3	0.9	0.4
06.2 Health Services	0.2	0.0	0.1
07 TRANSPORT	-2.3	-2.2	-1.6
08 COMMUNICATION	0.0	0.0	0.0
09 RECREATION & CULTURE	0.4	0.4	0.5
10 EDUCATION	0.0	0.0	0.0
11 RESTAURANTS & ACCOMMODATION SERVICES	0.6	0.2	0.5
12 MISCELLANEOUS GOODS & SERVICES	1.3	1.0	0.5
ALL DIVISIONS	0.2	-0.1	0.0

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
Sep	0.61	1.24	10.99	8.39	20.99	17.76
Oct	0.33	0.64	11.36	9.09	20.44	18.50
Nov	-0.34	0.57	10.98	9.71	17.88	18.81
Dec	0.04	0.73	11.03	10.51	16.58	18.86