



Short term Inflation Analyses and Forecasts

February 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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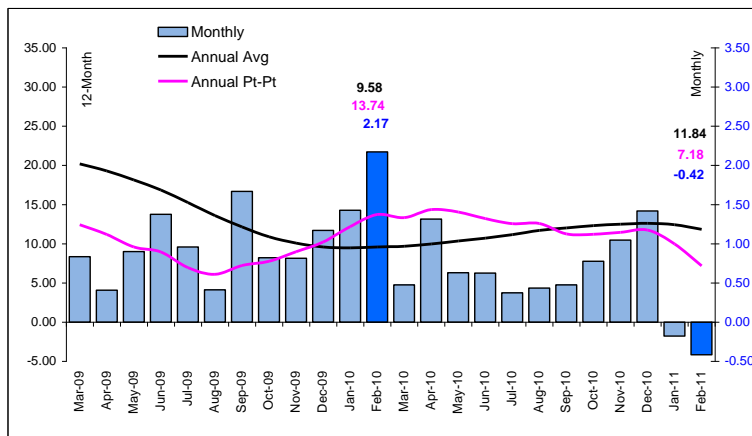
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1.0 Review of Outturn

Headline inflation for February 2011 was **-0.4 per cent**. This outturn resulted in a fiscal year to date (FYTD) inflation rate of **6.7 per cent**, which was lower than the **12.8 per cent** recorded in the same period ended February 2010. The 12-month point-to-point inflation rate was 7.2 per cent, which was lower than the 10.0 per cent recorded at January 2011 and the 13.7 per cent as at February 2010.

Figure 1: Trend in monthly inflation

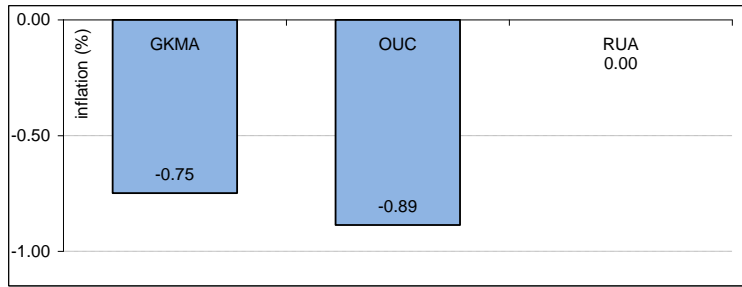


Both *Greater Kingston Metropolitan Area (GKMA)* and *Other Urban Centres (OUC)* reflected deflation in February 2011 (See **Figure 2**). Prices declined by **0.8 per cent** and **0.9 per cent** in GKMA and OUC, respectively, while *Rural Areas (RUA)* was unchanged. The deflation in February was attributed to the significant contraction in vegetable and starchy food prices, which was evident across all regions. The stable inflation in RUA was due in part to notable price increases for *Alcoholic Beverages & Tobacco (ABT)*, and *Electricity, Gas & Other Fuels (EGOF)* offsetting the impact of the declines in agriculture prices for the month.

The inflation outturn in February marks the second monthly decline in prices.



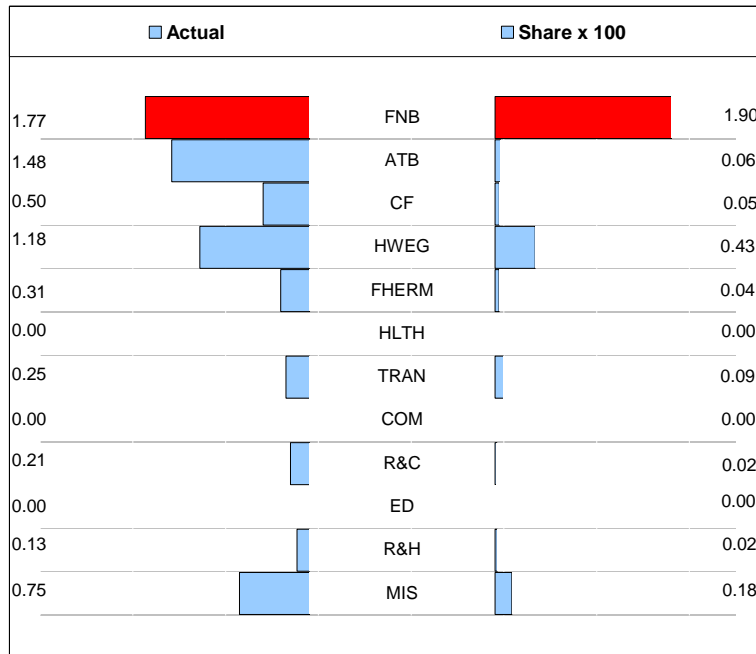
Figure 2: Regional Inflation



The main driver of February’s deflation was *Food & Non-Alcoholic Beverages (FNB)*. This was directly related to a decline of 10.6 per cent in *Vegetables & Starchy Foods*. This contraction reflected the continuation of the glut that emerged as agriculture supplies recovered from the adverse impact of Tropical Storm Nicole. All other divisions reflected increased prices during the review month. The largest contributors to positive inflation during the month were *Housing, Water, Electricity, Gas & Other Fuels (HWEG)* and *Miscellaneous Goods & Services (MIS)* which, when combined, represented 61 per cent of positive inflation (see **Figure 3**).

Lower agriculture prices reflected reversals following tropical storm related shortage.

Figure 3: Inflation Contribution



	POSITIVE
	NEGATIVE

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The increase in HWEG reflected higher petroleum prices as well as increased cost for services provided by masons, carpenters, electricians, plumbers and painters following a revision of artisan's rates by the Incorporated Masterbuilders Association of Jamaica. During February, there was also an increase in *Transport* due to higher petroleum prices. The impact of higher petroleum prices was triggered by adverse supply shocks associated with anti-government protests in oil producing countries in the Middle East and Northern Africa.

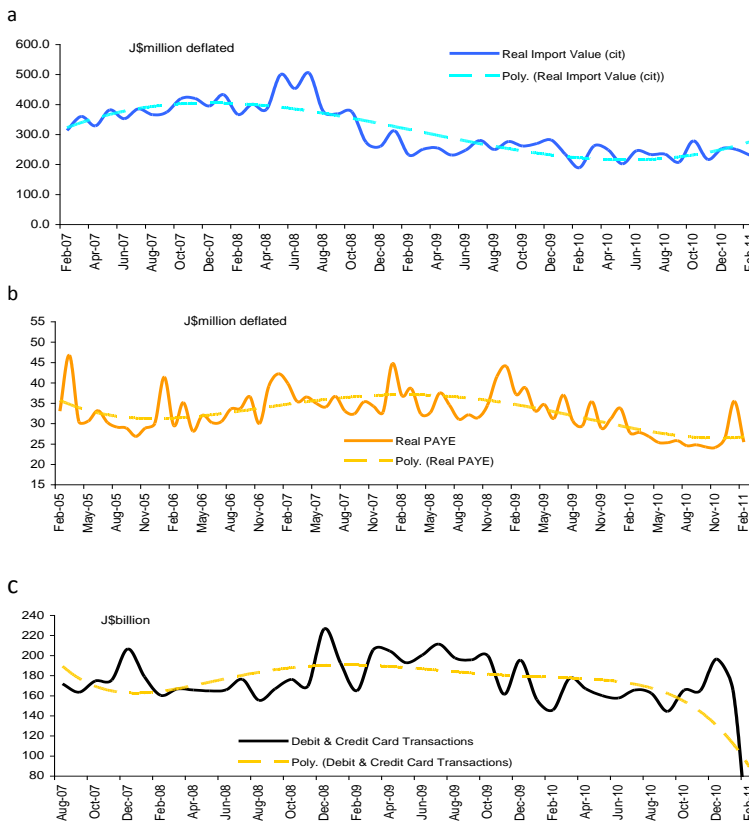
2.0 Factors underpinning the revised forecast

2.1 Trends in demand

In February 2011 indicators of domestic demand continued to reflect depressed consumer demand (see **Figure 4**). Real PAYE decreased by **28.3 per cent** relative to the **34.4 per cent** increase in January 2011. The real value of imports for the 12 months to February 2011 increased by **2.3 per cent**, relative to an increase of **1.8 per cent** in the previous month. Both indicators, however, remained at levels significantly below the pre-2008 crisis levels (see **Figure 4a & 4b**). The real value of debit and credit card transactions reflected a contraction of **15.7 per cent** in January 2011 following a seasonal spike in December 2010.

Demand conditions remain depressed.

Figure 4: Short-term Indicators of Demand





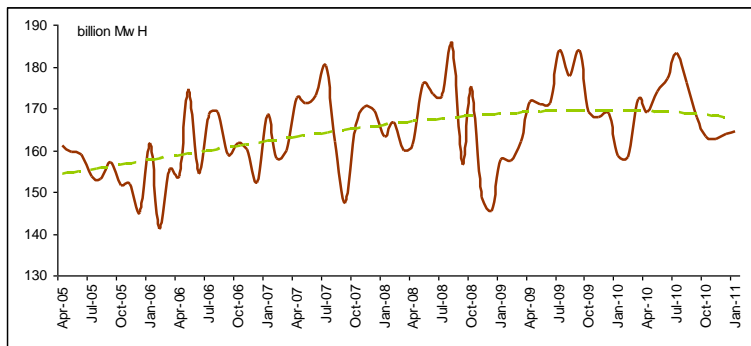
2.2 Trends in supply

There were increased supplies of agricultural produce during February 2011. This reflected continued buoyancy in the supply of vegetable especially carrots, cabbages, tomatoes, escallion, callaloo, lettuce and pumpkins (*see Appendices for trends in selected agriculture production*). Starchy foods reflected some contraction in supplies with the exception of yellow yam that reflected a marginal increase for the month. While prices for vegetable items have fallen to extremely low levels and are unlikely to decline much further, starchy foods are likely to reflect some excess supplies in the interim, particularly Irish potatoes, plantains and sweet potatoes.

Vegetable supplies remained strong.

Average industrial electricity sales, used as a proxy for industrial production, reflected a general normalization since mid-2009 (see **Figure 5**). This may be an indication that industrial production has plateaued given current demand conditions.

Figure 5: Industrial Electricity Sales



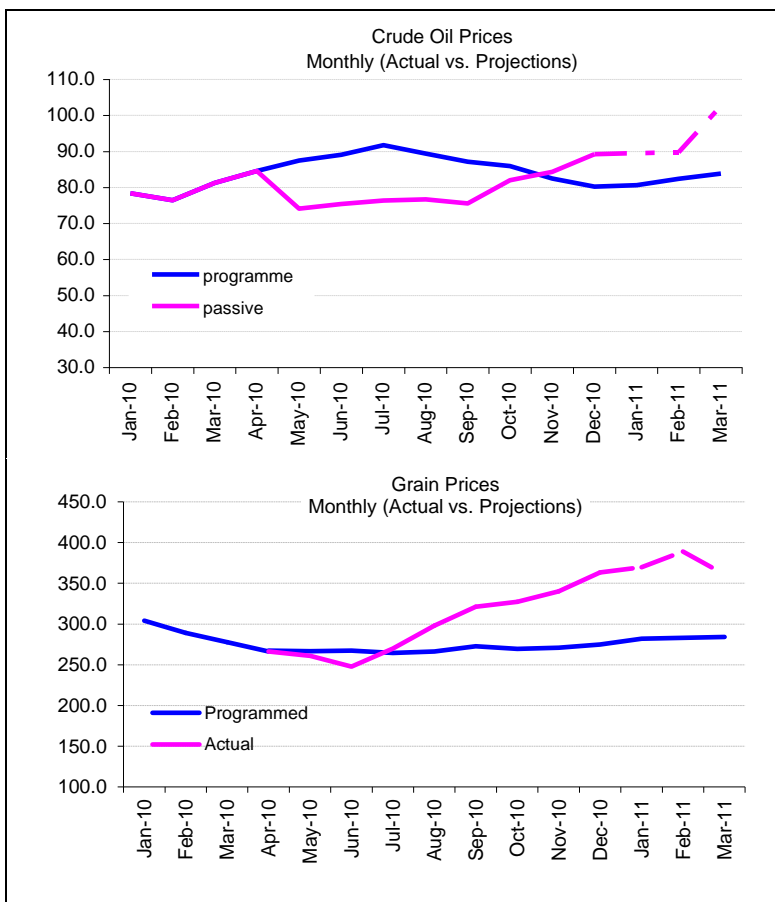


3.3 Import prices

The average price of crude oil increased to **US\$89.74 per bbl** in February 2011. This was **0.2 per cent** higher than the average price recorded in January 2010. The projection for March 2011 currently stands at **US\$102.73 per bbl**, which is higher than the previous forecast of **US\$88.44 per bbl**. The current projection for average crude oil price for fiscal year 2010/11 is **US\$83.35 per bbl**, exceeding the previous estimate of **US\$82.01 per bbl**. The forecast is, however, below the programmed **US\$85.74 per bbl**.

Oil prices expected to increase in March 2011.

Figure 6: International Commodity Prices



The risk to the oil projection is currently skewed to the upside as a result of the political instability in some Middle Eastern and Northern African countries. Additionally, there are fears that the unstable conditions will spread to surrounding territories.

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Non-oil commodity prices on the global market in February 2011, relative to the January 2011, reflected increases for both hard and soft grain wheat by **6.6 per cent** and **7.7 per cent**, respectively. The WTI crude oil price is expected to increase by a notable **14.4 per cent** in March, reflecting continued unrest in Middle East and North Africa. In addition, the prices of corn and rice increased by **10.6 per cent** and **2.4 per cent**, respectively. The increase in wheat prices was due to delayed harvesting in Australia following higher than typical rainfall in the eastern wheat growing territories. The higher price for corn was attributed to dry weather in Argentina and Brazil coupled with strong demand from China and the high demand for ethanol as a substitute for oil. The increase in rice price during February was attributed to stockpiling influenced by fears of food inflation. Additionally, demand from Indonesia and Sri Lanka increased, leading to higher prices.

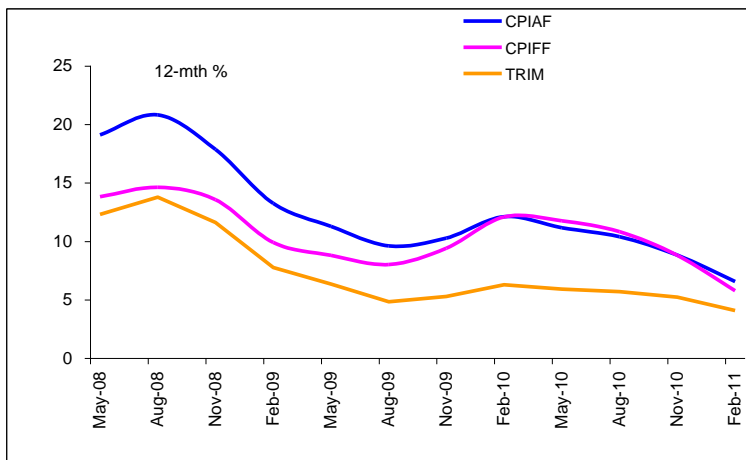


2.4 Trends in Core Inflation

Core inflation as indicated by the change in CPI without Agriculture and Fuel (CPI-AF) remained stable in February 2011 relative to January 2011 while the CPI without Food and Fuel (CPI-FF) and the Trimmed Mean (TRIM) reflected a higher rate. The increase in CPI-AF, CPI-FF and TRIM in February was **0.4 per cent, 0.4 per cent and 0.7 per cent**, respectively. The annual percentage change in all core measures declined in February 2011 relative to January 2011, continuing the trend observed over the past 12 months. At February 2011 the 12-month core measures for CPI-AF, CPI-FF, and TRIM were **6.6 per cent, 5.8 per cent, and 4.1 per cent**, respectively (see **Figure 7**). The current inflation trends are indicative of the prevailing weak demand conditions.

Core inflation indicates continued weak domestic demand conditions.

Figure 7: Core Inflation (12-month change)





3.0 Revised Forecasts

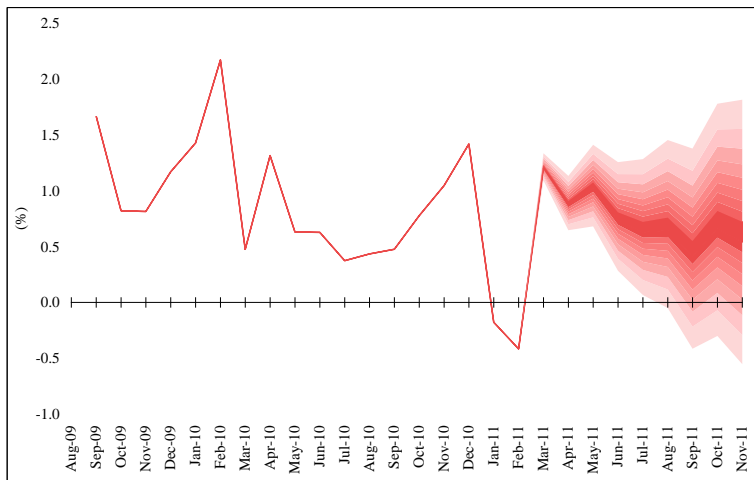
The inflation forecast for FY2010/11 remains well within the programme range of **7.5 per cent to 9.5 per cent** with the point estimate biased towards the lower end. The downward adjustment is attributed to the significant price reversals among domestic agricultural commodities.

Prices are projected to increase in the range of **0.5 per cent to 1.5 per cent** in March 2011. This will be driven mainly by HWEG, which is expected to reflect higher electricity rates caused by rising fuel costs for electricity generation. Transport is also forecasted to add significantly to inflation in March 2011 due to higher cost of petroleum. Additionally, the 10 per cent increase in minimum wage in January 2010 is expected to lead to higher service costs related to routine household maintenance in March.

FY2010/11 inflation is forecasted to be well within the target range.

Upside risks remain for energy related inflation from a potential worsening of the unstable political conditions in the Middle East and Northern Africa. Downside risks pertain to greater than anticipated declines in key agricultural produce.

Figure 8: Inflation Fan Chart





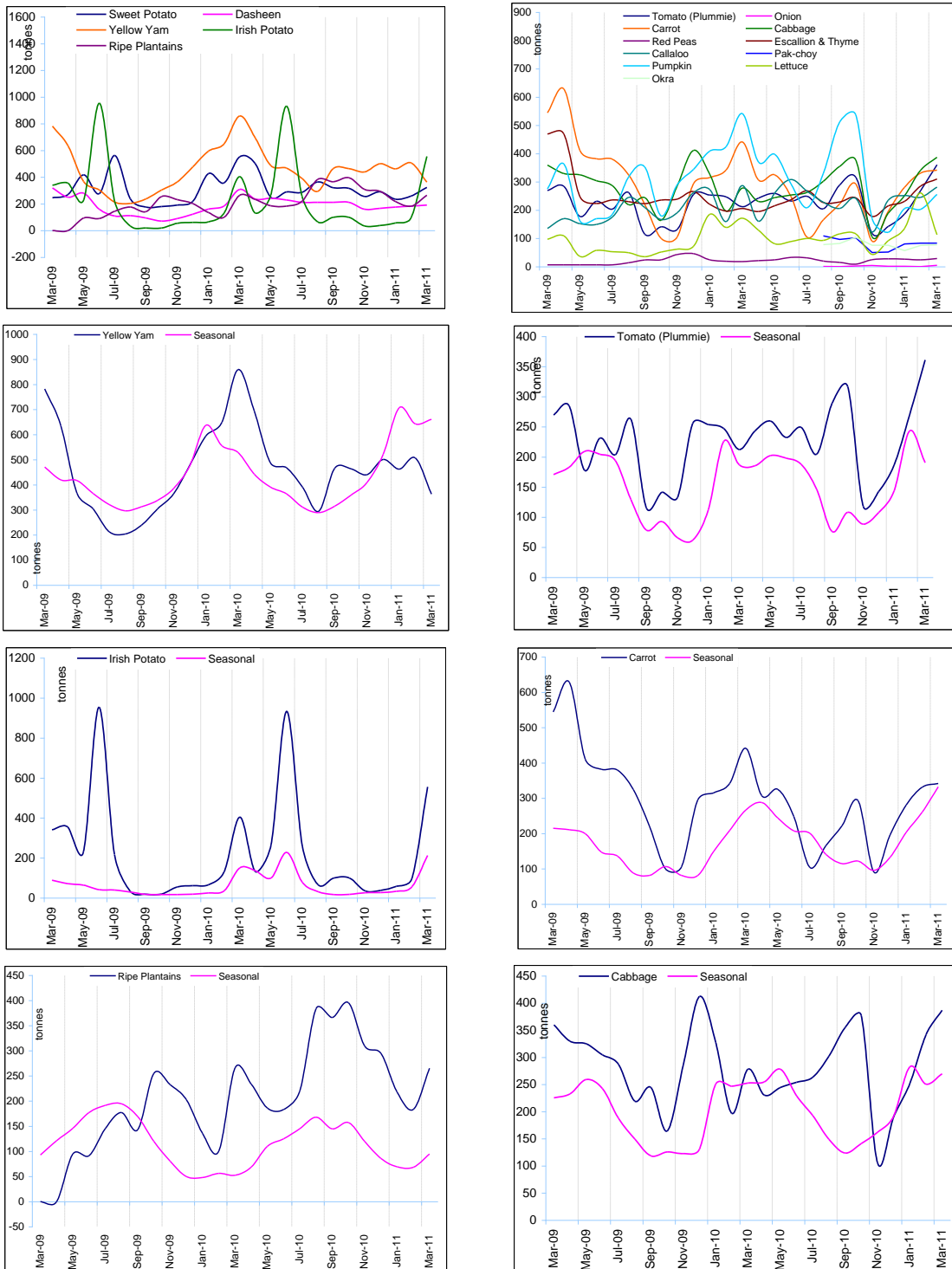
4.0 Summary and conclusions

There was significant price reversal in agriculture commodities for February 2011. This reflected a glut in the supply of these commodities, reflecting recovery from the devastating impact of Tropical Storm Nicole. Nonetheless, positive inflation emerged from higher fuel costs as international oil prices climbed in response to political instability in the Middle East and Northern Africa.



Appendices

Figure 9: Trends in selected agricultural production



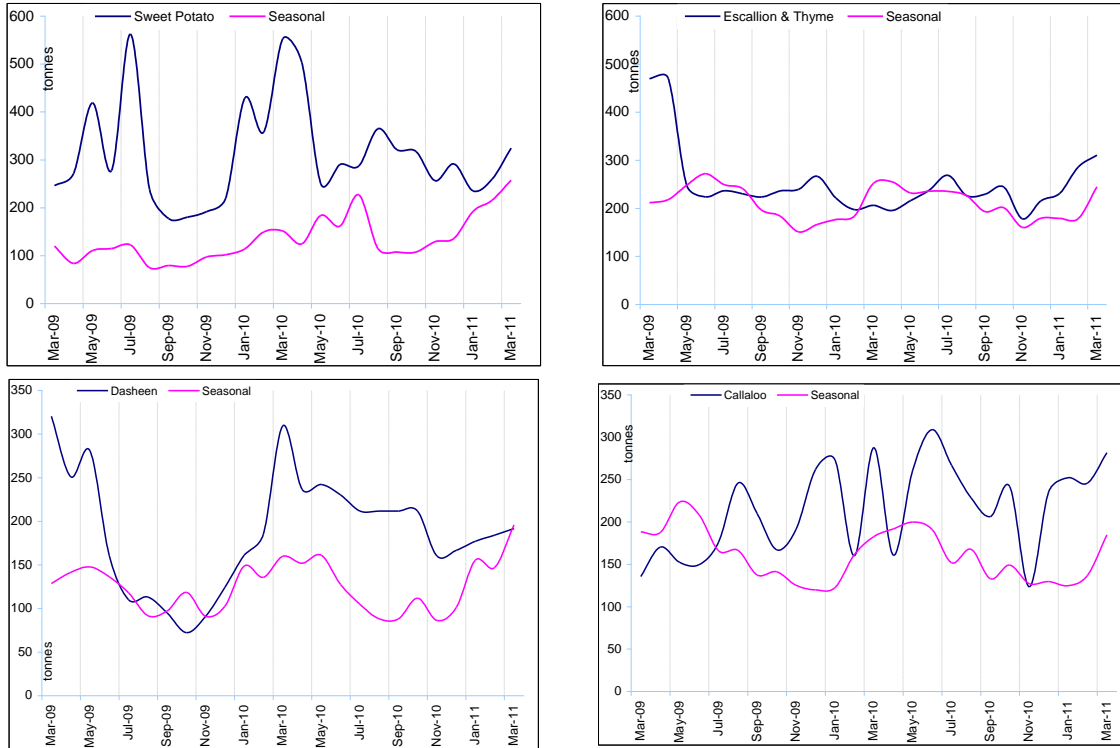


Figure 10: Trends in Weather related Factors

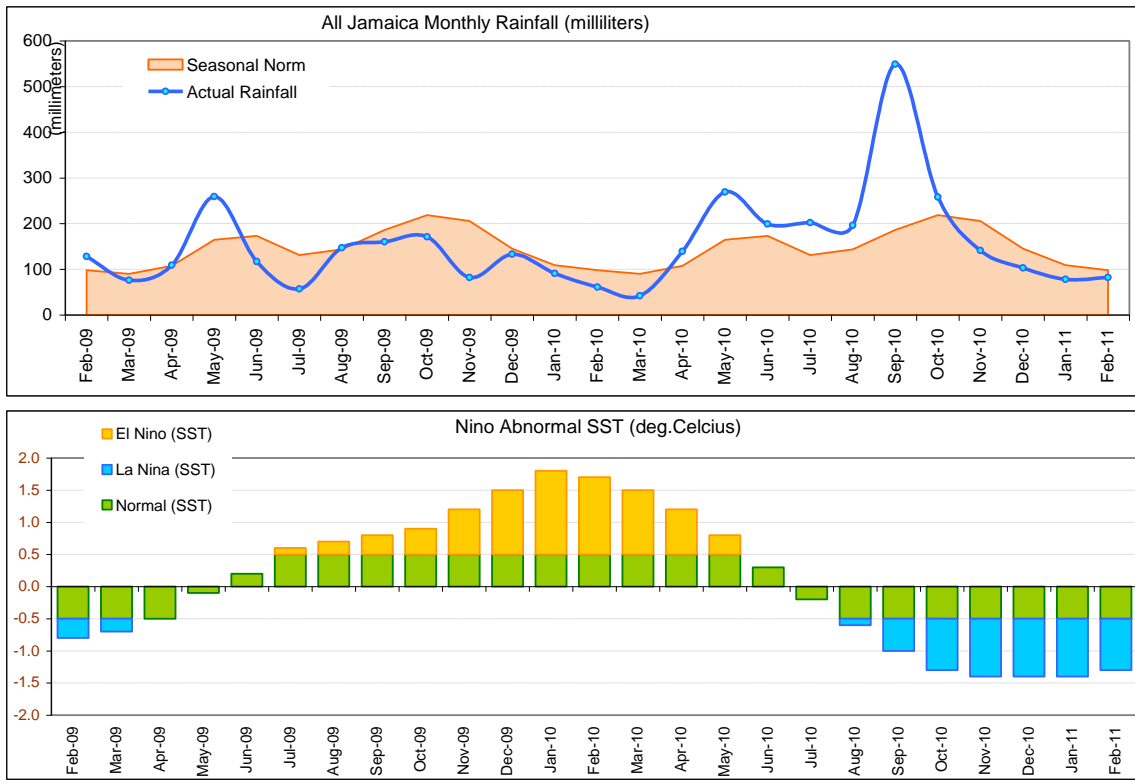


Table 1A
JAMAICA: HEADLINE INFLATION RATES
Feb. 2011

		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
2008	Dec-07	116.82	113.73	2.50	7.27	5.86	16.82	18.79	13.97	16.82
	Jan-08	119.36	116.72	2.18	8.13	7.24	18.18	10.17	16.45	2.18
	Feb-08	121.47	119.22	1.77	6.58	7.32	19.87	11.29	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
2009	Dec-08	136.50	136.61	0.04	0.03	0.92	16.84	22.01	11.03	16.84
	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

1/ December 2006 = 100

* Point to Point

Moving average

Source: STATIN

Table 1B
JAMAICA: CPI WITHOUT FOOD AND FUEL
Feb. 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
2008	Dec-07	210.41	208.11	1.21	2.81	2.97	11.46	18.17	7.67	11.46
	Jan-08	214.53	210.94	1.96	4.13	3.32	12.56	9.11	9.78	1.96
	Feb-08	217.99	214.31	1.61	4.86	3.94	12.89	9.58	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
2009	Dec-08	237.01	236.02	0.39	1.32	1.93	12.64	13.63	7.73	12.64
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1C
JAMAICA: CPI WITHOUT AGRICULTURE AND FUEL
Feb. 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
2008	Dec-07	216.44	211.95	1.84	5.80	4.69	15.62	20.22	11.19	15.62
	Jan-08	221.57	216.85	2.37	7.10	5.98	16.87	11.30	13.82	2.37
	Feb-08	225.34	221.12	1.70	6.03	6.31	17.31	12.01	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
2009	Dec-08	252.38	250.68	0.74	1.96	2.51	16.61	18.86	10.52	16.61
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1E
JAMAICA: TRIMMED MEAN CORE INFLATION
Feb. 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
2008	Dec-07	150.04	147.63	1.58	3.99	3.06	9.37	14.95	7.32	9.37
	Jan-08	152.45	150.07	1.60	5.03	4.08	10.42	6.08	9.04	1.60
	Feb-08	154.28	152.26	1.20	4.44	4.49	11.10	6.63	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
2009	Dec-08	165.43	164.89	0.33	1.05	1.33	10.26	12.16	6.48	10.26
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 2
Regional Inflation
Feb-MTH. 2011

		GKMA	OUC	RUA
		Inflation(%)	Inflation(%)	Inflation(%)
01	FOOD & NON-ALCOHOLIC BEVERAGES	-2.32	-2.85	-0.95
01.1	Food	-2.46	-3.07	-0.99
	Bread and Cereals	0.05	0.35	0.25
	Meat	0.16	0.42	0.54
	Fish and Seafood	0.17	0.72	0.40
	Milk, Cheese and Eggs	0.75	0.74	1.18
	Oils and Fats	0.39	0.24	0.40
	Fruit	2.36	1.69	2.90
	Vegetables and Starchy Foods	-11.42	-14.55	-7.74
	Vegetables	-14.05	-19.57	-9.61
	Starchy Foods	-4.13	-1.47	-2.35
	Sugar, Jam, Honey, Chocolate and Confectionery	0.74	0.27	0.83
	Food Products n.e.c.	0.15	0.32	0.90
01.2	Non-Alcoholic Beverages	0.77	1.10	0.39
	Coffee, Tea and Cocoa	1.38	1.24	0.87
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	0.59	1.04	0.19
02	ALCOHOLIC BEVERAGES & TOBACCO	0.53	1.56	2.08
03	CLOTHING & FOOTWEAR	0.55	0.87	0.32
03.1	Clothing	0.96	1.15	0.53
03.2	Footwear	0.04	0.51	0.00
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	0.63	0.85	1.94
04.1	Rentals for Housing	0.00	0.00	0.00
04.3	Maintenance and Repair of Dwelling	3.84	3.39	3.49
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.12	1.12	1.12
04.5	Electricity, Gas and Other Fuels	0.92	1.03	2.25
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENAN	0.18	0.43	0.26
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.24	0.79	0.81
05.2	Household Textiles	2.18	0.43	0.00
05.3	Household Appliances	0.18	0.25	0.19
05.4	Glassware, Tableware and Household Utensils	0.41	0.20	0.45
05.5	Tools and Equipment for House and Garden	0.07	5.32	0.33
05.6	Goods and Services for Routine Household Maintenance	0.06	0.31	0.13
06	HEALTH	0.00	0.00	0.00
06.1	Medical Products, Appliances and Equipment	0.00	0.00	0.00
06.2	Health Services	0.00	0.00	0.00
07	TRANSPORT	0.12	0.19	0.33
08	COMMUNICATION	0.00	0.00	0.00
09	RECREATION & CULTURE	0.07	0.54	0.13
10	EDUCATION	0.00	0.00	0.00
11	RESTAURANTS & ACCOMMODATION SERVICES	0.06	0.26	0.15
12	MISCELLANEOUS GOODS & SERVICES	0.12	0.83	1.17
ALL DIVISIONS		-0.75	-0.89	0.00

Table 3A
Component Contribution to Inflation
Feb. 2011

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	-1.77	-0.66	-190.37
01.1	Food	35.10	-1.91	-0.67	-192.88
	Bread and Cereals	6.10	0.20	0.01	3.53
	Meat	7.66	0.40	0.03	8.91
	Fish and Seafood	5.33	0.35	0.02	5.31
	Milk, Cheese and Eggs	3.11	0.95	0.03	8.47
	Oils and Fats	1.64	0.38	0.01	1.79
	Fruit	1.14	2.38	0.03	7.79
	Vegetables and Starchy Foods	6.85	-10.55	-0.72	-207.75
	Vegetables	4.64	-13.56	-0.63	-180.86
	Starchy Foods	2.21	-2.76	-0.06	-17.50
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	0.70	0.01	3.44
	Food Products n.e.c.	1.55	0.53	0.01	2.37
01.2	Non-Alcoholic Beverages	2.35	0.68	0.02	4.59
	Coffee, Tea and Cocoa	0.66	1.09	0.01	2.06
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	0.55	0.01	2.67
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	1.48	0.02	5.89
03	CLOTHING & FOOTWEAR	3.33	0.50	0.02	4.78
03.1	Clothing	2.12	0.73	0.02	4.47
03.2	Footwear	1.22	0.11	0.00	0.39
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	1.18	0.15	43.39
04.1	Rentals for Housing	3.52	0.00	0.00	0.00
04.3	Maintenance and Repair of Dwelling	0.80	3.58	0.03	8.24
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	1.12	0.01	4.25
04.5	Electricity, Gas and Other Fuels	7.12	1.57	0.11	32.18
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINT	4.93	0.31	0.02	4.42
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	0.59	0.00	1.16
05.2	Household Textiles	0.32	0.74	0.00	0.68
05.3	Household Appliances	0.56	0.19	0.00	0.30
05.4	Glassware, Tableware and Household Utensils	0.05	0.37	0.00	0.05
05.5	Tools and Equipment for House and Garden	0.15	0.85	0.00	0.37
05.6	Goods and Services for Routine Household Maintenance	3.16	0.13	0.00	1.14
06	HEALTH	3.29	0.00	0.00	0.00
06.1	Medical Products, Appliances and Equipment	1.22	0.00	0.00	0.00
06.2	Health Services	2.07	0.00	0.00	0.00
07	TRANSPORT	12.82	0.25	0.03	9.37
08	COMMUNICATION	3.99	0.00	0.00	0.00
09	RECREATION & CULTURE	3.36	0.21	0.01	1.99
10	EDUCATION	2.14	0.00	0.00	0.00
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	0.13	0.01	2.39
12	MISCELLANEOUS GOODS & SERVICES	8.37	0.75	0.06	18.13
	ALL DIVISIONS	100.00	-0.42	-0.35	100.00

Table 3A
Annual Component Contribution to Inflation
Feb. 2011

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	7.76	2.91	40.45
01.1	Food	35.10	7.76	2.72	37.91
	Bread and Cereals	6.10	5.73	0.35	4.86
	Meat	7.66	6.57	0.50	7.00
	Fish and Seafood	5.33	8.50	0.45	6.31
	Milk, Cheese and Eggs	3.11	9.43	0.29	4.08
	Oils and Fats	1.64	9.82	0.16	2.24
	Fruit	1.14	15.96	0.18	2.53
	Vegetables and Starchy Foods	6.85	6.87	0.47	6.55
	Vegetables	4.64	6.52	0.30	4.21
	Starchy Foods	2.21	8.87	0.20	2.73
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	9.36	0.16	2.24
	Food Products n.e.c.	1.55	11.01	0.17	2.37
01.2	Non-Alcoholic Beverages	2.35	7.88	0.19	2.58
	Coffee, Tea and Cocoa	0.66	9.49	0.06	0.87
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	7.29	0.12	1.72
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	7.95	0.11	1.53
03	CLOTHING & FOOTWEAR	3.33	8.27	0.28	3.83
03.1	Clothing	2.12	9.64	0.20	2.85
03.2	Footwear	1.22	6.20	0.08	1.05
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	5.28	0.67	9.37
04.1	Rentals for Housing	3.52	10.46	0.37	5.13
04.3	Maintenance and Repair of Dwelling	0.80	7.65	0.06	0.85
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	3.44	0.05	0.63
04.5	Electricity, Gas and Other Fuels	7.12	2.77	0.20	2.74
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENANCE	4.93	5.86	0.29	4.02
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	6.64	0.05	0.64
05.2	Household Textiles	0.32	7.40	0.02	0.33
05.3	Household Appliances	0.56	6.92	0.04	0.54
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	6.50	0.01	0.14
05.6	Goods and Services for Routine Household Maintenance	3.16	5.28	0.17	2.32
06	HEALTH	3.29	2.37	0.08	1.09
06.1	Medical Products, Appliances and Equipment	1.22	2.30	0.03	0.39
06.2	Health Services	2.07	2.33	0.05	0.67
07	TRANSPORT	12.82	11.92	1.53	21.28
08	COMMUNICATION	3.99	2.38	0.10	1.32
09	RECREATION & CULTURE	3.36	4.51	0.15	2.11
10	EDUCATION	2.14	6.57	0.14	1.96
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	3.69	0.23	3.18
12	MISCELLANEOUS GOODS & SERVICES	8.37	7.36	0.62	8.58
	ALL DIVISIONS	100.00	7.18	7.18	100.00