



INFLATION REPORT

January 2010

Research Services Department
Bank of Jamaica

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Overview

Headline inflation was **1.4 per cent** in January 2010, which resulted in a fiscal year-to-date inflation of **10.4 per cent**. This was slightly lower than the **10.7 per cent** attained in the comparable period of FY2008/09. At the end of January, the 12-month point-to-point and annual average inflation were **12.2 per cent** and **9.5 per cent**, respectively. The inflation outturn in January primarily reflected the impact of tax measures announced in December 2009. Despite indications of strengthening agricultural supply and weak consumer demand, domestic prices are expected to rise in February and March 2010. Inflation during the quarter will be strongly influenced by the pass-through from international commodity price movements and impulses emanating from the effects of announced fiscal measures. However, weak domestic demand and stable exchange rates will constrain upward price pressures. The foreign exchange market displayed relative stability in December 2009, largely due to the continued cooperation between the Bank, authorised foreign currency dealers and cambios. This relative stability occurred despite foreign currency supplies from net exports and net private capital inflows remaining low. The current forecast for inflation for the March 2010 quarter is in the band of **3.5 per cent to 4.5 per cent**, while the current forecast for the full fiscal year is in the band of **11.5 per cent to 13.5 per cent**.

Financial Markets & Monetary Conditions

The exchange rate of the Jamaica Dollar vis-à-vis the US dollar was stable in January. Also, during the month, there were progressively lower interest rates reflected in Government's issues of fixed and variable rate investment bonds. On 12 January, the Bank withdrew all tenors of its OMO instruments except the 30-days instrument. This action preceded the Jamaica Debt Exchange Programme. On January 14, 2010, the GOJ launched the Jamaica Debt Exchange (JDX). The JDX was introduced in order to re-set the cost of domestic debt and the GOJ spending pattern to more sustainable levels. The interest rate adjustments effected by the Bank, combined with the introduction of the JDX, triggered lower yields for the Treasury Bills in both the 90-day and 180-day tenors. At the end of January, the average yields on the 90-day and 180-day tenors were **11.68 per cent** and **12.5 per cent**, respectively.

The *Public Sector Foreign Currency Facility*, by which the Central Bank intermediates the demand for foreign currency by public sector institutions, received net inflows of **US\$13.6 million** as at end-January. As a result of this and other measures instituted by the Bank to stem foreign exchange pressures, the end-month selling rate of the Jamaica Dollar vis-à-vis its US counterpart depreciated marginally by **0.1 per cent** compared to stability in December and a **0.4 per cent** depreciation in November. However, the NIR decreased by **US\$163.3 million** to **US\$1566.0 million** for the month as a result of debt service payments on behalf of the GOJ. At the end of January, Gross Foreign Reserves stood at **US\$1,588.5 million**, which was **US\$230.3 million** lower than the stock at the end of the previous month. The Gross Reserves at end January represented 12 weeks of imports of goods

and services, compared to 13.4 weeks at end-December.

There were seasonal contractions in the real values of the monetary aggregates in the review month. Real M1, M2 and M3 declined by **0.5 per cent**, **1.8 per cent** and **1.2 per cent**, respectively. These contractions were, however, lower than those observed in January 2009. This was also consistent with the slower expansions in the aggregates in December 2009, relative to the corresponding period in 2008. These developments in the monetary aggregates remain consistent with an overall trend slowdown in economic activity and weakening aggregate demand.

Domestic Demand

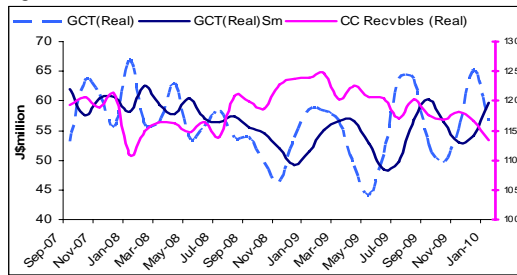
Domestic demand conditions continue to reflect general weakness. Both GCT receipts and credit card receivables, in real terms, showed respective decreases of **13.4 per cent** and **2.8 per cent**, for January¹. This fall in demand was in the context that price increases, wage restraints, and weaker economic activity resulted in a reduction in spending. The 12-month change in real GCT receipts reflected a decline of **3.5 per cent**, while real credit card receivables decreased by **8.5 per cent**. Hence, the general pattern is one of sluggish demand and increasing indebtedness occasioned by falling incomes.

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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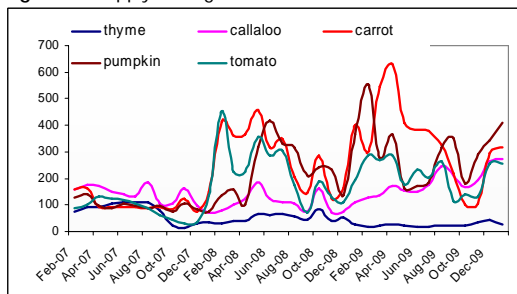
Figure 1: GCT Collection and Credit Card Receivables



Domestic Supply

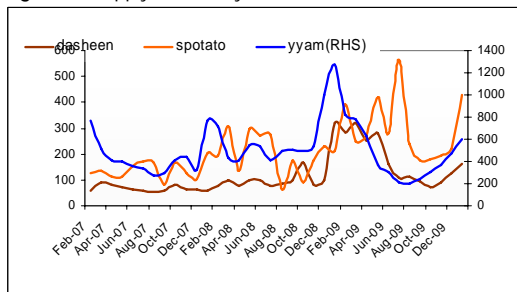
Data on supplies of domestic agricultural produce indicate that vegetable and starchy foods supply were readily available, with the volumes being fairly buoyant (see **Figures 2 & 3**).² As a result, the average prices of *Vegetables & Starchy Foods* declined in the month. This was largely as a result of the reduction in the prices of vegetables, which decreased by nearly twice the reduction in starchy foods prices.

Figure 2: Supply of Vegetables



Source: Rural Agricultural Development Agency (RADA)

Figure 3: Supply of Starchy Foods



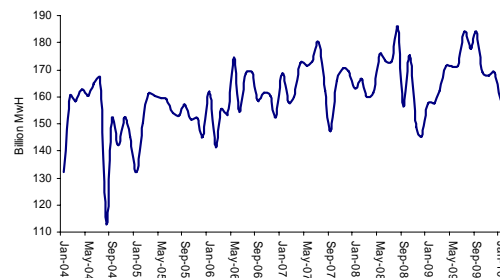
Source: Rural Agricultural Development Agency (RADA)

Industrial electricity consumption, which is used as a leading indicator of industrial production, decreased by **6.2 per cent** for January 2010 relative to December 2009. Also, sales of industrial electricity in January 2010 were **0.6 per cent** above the level

² Domestic agricultural produce, namely starchy foods, vegetables and fruit, account for more than a fifth of *Food & Non-Alcoholic Beverages*, the largest division in the consumption basket (37.5 per cent).

attained in January 2009 (see **Figure 4**). Production levels appear to have recovered from the initial shock of the crisis. This, as the shock of the spike in energy prices forced greater efficiency on the part of users. Additionally, a few companies have installed co-generation facilities which produce enough power to obviate the need for electricity from the national grid.

Figure 4: Industrial Electricity Consumption

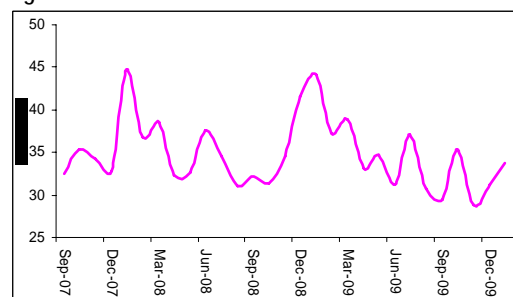


Costs

There were mixed movements in the prices of the major imported commodities on the international markets in January. Crude oil and corn prices increased by **5.2 per cent** and **1.7 per cent**, while wheat and soybeans prices both declined by **3.1 per cent**.

Real wages, as proxied by deflated PAYE returns, increased by **8.2 per cent** in January 2010 relative to December 2009. However, real PAYE returns decreased by **23.3 per cent** for the 12-month period to January 2010. The overall declining trend in PAYE is consistent with the current economic environment and corroborates weakness in other indicators of aggregate demand (see **Figure 5**).

Figure 5: Trends in PAYE Returns



Consumer Prices

The inflation for January largely reflected the impact of commodity price pass-through, higher food prices and tax measures announced in December 2009. The cost of energy, reflected primarily in the *Housing Water*

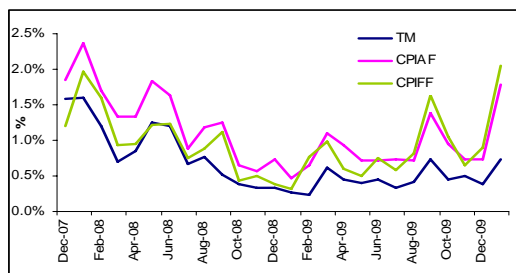


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Gas & Other Fuels group, increased by 1.7 per cent. This was principally due to the increase in the price of crude oil in the international market. The index of *Sugar Jam Honey & Confectionary* prices, which was influenced by increase in sugar prices on the global market, rose by 2.5 per cent and was the strongest impulse in *Food & Non-Alcoholic Beverages*. Commodity price pass-through was also evident in *Transport*, which increased 3.1 per cent contributing 25.8 per cent of inflation. In addition, administered price adjustments emanating from the Government's revenue enhancement measures were important in their cumulative impact on *Alcoholic Beverages & Tobacco* and *Furnishings, Household Equipment & Routine Household Maintenance*.

Monthly core inflation as at January 2010 as measured by the change in the CPI excluding agriculture and fuel (CPIAF), CPI excluding food and fuel (CPIFF) and the trimmed mean, was approximately 1.8 per cent, 2.0 per cent and 0.8 per cent, respectively. These measures were, on average, higher than comparable measures at December 2009. Nonetheless, the trend decline in core inflation (see Figure 6) is likely due to the relatively weak demand conditions as highlighted by abovementioned indicators.

Figure 6: Monthly Changes in Core Measures



Inflation Outlook

Inflation for February 2010 is estimated in the range of 1.5 per cent to 2.5 per cent. This estimate primarily reflects higher household energy costs, second round impact of the new tax measures and increases in bus fares. Inflation in March 2010 should reflect higher commodity prices as well as lower demand impulses as a result of further declines in real wages. Despite the expectation of increases in international commodity prices, weak domestic demand should restrain impulses. Consequently, inflation for the March quarter is projected in the range 3.5 per cent to 4.5 per cent. The annual inflation rate is projected to fall within the range of 11.5 per cent to 13.5 per cent by the end of the FY 2009/10 (see Figure 8).

Downside risks to the forecast include the occurrence of an El Niño phenomenon, which usually moderates the Tropical Atlantic hurricane season. This has resulted in a further downward revision to the number of hurricanes expected by the National Oceanographic and Atmospheric Administration (NOAA). On the negative side, El Niño can also exacerbate drought conditions such as those seen at the start of the summer of 2009.

Figure 7: Inflation forecast

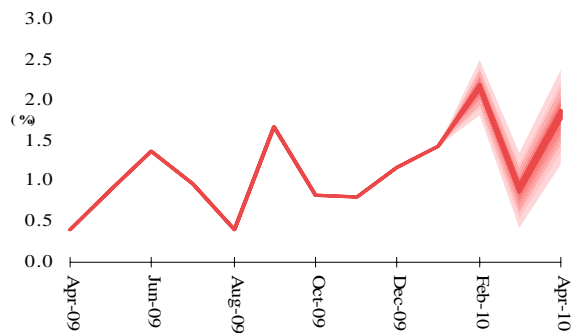
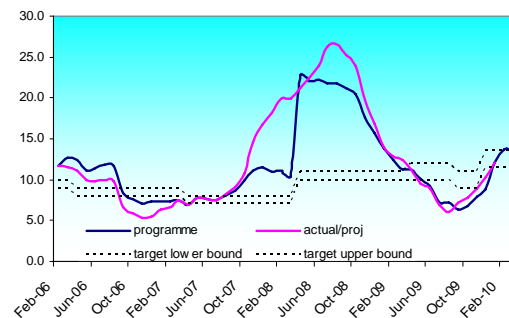


Figure 8: Forecast versus Target



APPENDIX
Inflation Tables

Table 1A
JAMAICA: HEADLINE INFLATION RATES
Jan. 2010

		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
	Nov-06	99.57	99.67	-0.11	0.52	1.18	5.27	18.91	4.37	5.04
	Dec-06	100.00	99.75	0.44	0.24	0.55	5.49	8.92	4.82	5.49
2007	Jan-07	101.01	100.19	1.01	1.33	0.70	6.31	8.53	5.88	1.01
	Feb-07	101.34	100.78	0.33	1.78	1.12	6.59	8.12	6.22	1.34
	Mar-07	102.50	101.61	1.15	2.50	1.87	7.44	7.79	7.44	2.50
	Apr-07	102.98	102.27	0.47	1.96	2.08	6.90	7.46	0.47	2.98
	May-07	104.31	103.27	1.29	2.94	2.47	7.76	7.29	1.77	4.31
	Jun-07	105.10	104.13	0.75	2.54	2.48	7.60	7.12	2.54	5.10
	Jul-07	106.16	105.19	1.01	3.09	2.86	7.48	6.92	3.57	6.16
	Aug-07	107.23	106.17	1.01	2.80	2.81	8.26	6.81	4.62	7.23
	Sep-07	108.90	107.43	1.55	3.61	3.17	9.16	7.03	6.24	8.90
	Oct-07	110.39	108.84	1.37	3.98	3.47	10.75	7.44	7.70	10.39
	Nov-07	113.97	111.09	3.24	6.28	4.63	14.46	8.22	11.19	13.97
	Dec-07	116.82	113.73	2.50	7.27	5.86	16.82	9.17	13.97	16.82
2008	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
	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

1/ December 2006 = 100

* Point to Point

Moving average

Source: STATIN

Table 1B
JAMAICA: CPI WITHOUT FOOD AND FUEL
Jan. 2010

		1/ CPI-FF	3 Month Avg.CPIFF	Monthly % change	3 mth* % change	3mth# % change	12 Month* % change	12 Month# % change	FYTD % change	CYTD % change
	Nov-06	188.26	187.75	0.31	1.17	1.36	7.00	17.51	4.23	6.42
	Dec-06	188.78	188.24	0.28	0.79	1.08	6.72	7.94	4.52	6.72
2007	Jan-07	190.59	189.21	0.96	1.55	1.17	7.17	7.80	5.52	0.96
	Feb-07	193.11	190.83	1.32	2.58	1.64	7.41	7.69	6.91	2.29
	Mar-07	195.41	193.04	1.20	3.51	2.55	8.19	7.67	8.19	3.51
	Apr-07	196.10	194.87	0.35	2.89	2.99	7.80	7.61	0.35	3.88
	May-07	197.51	196.34	0.72	2.28	2.89	7.99	7.61	1.07	4.62
	Jun-07	198.88	197.50	0.70	1.78	2.31	7.93	7.59	1.78	5.35
	Jul-07	199.82	198.74	0.47	1.90	1.98	7.83	7.55	2.26	5.85
	Aug-07	201.80	200.17	0.99	2.17	1.95	8.44	7.59	3.27	6.90
	Sep-07	204.66	202.09	1.42	2.90	2.33	9.26	7.76	4.73	8.41
	Oct-07	206.02	204.16	0.67	3.10	2.73	9.77	7.98	5.43	9.13
	Nov-07	207.88	206.19	0.90	3.01	3.01	10.43	8.26	6.38	10.12
	Dec-07	210.41	208.11	1.21	2.81	2.97	11.46	8.66	7.67	11.46
2008	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1C
JAMAICA: CPI WITHOUT AGRICULTURE AND FUEL
Jan. 2010

		1/ CPI-AF	3 Month Avg.CPIAF	Monthly % change	3 mth* % change	3mth# % change	12 Month* % change	12 Month# % change	FYTD % change	CYTD % change
	Nov-06	186.74	185.99	0.46	1.59	1.82	8.80	19.64	5.04	7.86
	Dec-06	187.20	186.61	0.24	1.01	1.47	8.13	9.92	5.29	8.13
2007	Jan-07	189.58	187.84	1.28	1.99	1.53	8.69	9.83	6.64	1.28
	Feb-07	192.08	189.62	1.32	2.86	1.95	8.92	9.69	8.04	2.61
	Mar-07	194.66	192.11	1.34	3.99	2.95	9.49	9.57	9.49	3.99
	Apr-07	196.02	194.25	0.70	3.40	3.41	9.45	9.47	0.70	4.71
	May-07	197.86	196.18	0.94	3.01	3.46	9.69	9.42	1.64	5.69
	Jun-07	199.15	197.67	0.65	2.31	2.90	9.65	9.36	2.31	6.38
	Jul-07	200.42	199.14	0.64	2.24	2.52	9.79	9.31	2.96	7.06
	Aug-07	202.35	200.64	0.96	2.27	2.27	10.08	9.31	3.95	8.10
	Sep-07	204.58	202.45	1.10	2.73	2.42	10.39	9.37	5.10	9.29
	Oct-07	206.87	204.60	1.12	3.22	2.74	11.29	9.55	6.27	10.51
	Nov-07	212.53	207.99	2.74	5.03	3.67	13.81	9.97	9.18	13.53
	Dec-07	216.44	211.95	1.84	5.80	4.69	15.62	10.61	11.19	15.62
2008	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1D
JAMAICA: TRIMMED MEAN CORE INFLATION
Jan. 2010

	1/ CPI-TRIM	3 Month Avg.TRIM	Monthly % change	3 mth* % change	3mth# % change	12 Month* % change	12 Month# % change	FYTD % change	CYTD % change	
	Nov-06	136.97	136.96	-0.02	0.53	0.91	3.78	13.63	2.73	3.65
	Dec-06	137.19	137.06	0.16	0.21	0.53	3.82	4.30	2.90	3.82
2007	Jan-07	138.06	137.41	0.63	0.77	0.51	4.13	4.26	3.54	0.63
	Feb-07	138.86	138.04	0.58	1.38	0.79	4.56	4.23	4.15	1.21
	Mar-07	139.80	138.91	0.68	1.90	1.35	4.85	4.22	4.85	1.90
	Apr-07	140.34	139.67	0.38	1.65	1.65	4.67	4.22	0.38	2.29
	May-07	141.24	140.46	0.64	1.71	1.76	5.03	4.29	1.03	2.95
	Jun-07	141.64	141.07	0.28	1.31	1.56	4.87	4.36	1.31	3.24
	Jul-07	142.32	141.73	0.48	1.41	1.48	4.77	4.42	1.80	3.74
	Aug-07	143.14	142.37	0.58	1.35	1.36	5.06	4.49	2.39	4.33
	Sep-07	144.29	143.25	0.80	1.87	1.54	5.40	4.58	3.21	5.17
	Oct-07	145.15	144.19	0.60	1.99	1.73	5.94	4.75	3.82	5.80
	Nov-07	147.71	145.72	1.77	3.20	2.35	7.84	5.09	5.66	7.67
	Dec-07	150.04	147.63	1.58	3.99	3.06	9.37	5.55	7.32	9.37
2008	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 2
Regional Inflation
Jan-MTH. 2010

		GKMA	OUC	RUA
		Inflation(%)	Inflation(%)	Inflation(%)
01	FOOD & NON-ALCOHOLIC BEVERAGES	0.74	0.60	0.92
01.1	Food	0.63	0.60	14.81
	Bread and Cereals	0.71	0.21	0.69
	Meat	2.26	0.27	1.85
	Fish and Seafood	1.48	0.47	1.67
	Milk, Cheese and Eggs	0.89	0.82	2.25
	Oils and Fats	1.32	0.54	2.56
	Fruit	-1.60	1.93	-3.69
	Vegetables and Starchy Foods	-2.17	0.45	-1.63
	Vegetables	-2.07	0.05	-0.05
	Starchy Foods	-2.31	1.39	-5.95
	Sugar, Jam, Honey, Chocolate and Confectionery	2.87	1.74	2.65
	Food Products n.e.c.	2.08	1.29	1.65
01.2	Non-Alcoholic Beverages	2.04	1.35	1.00
	Coffee, Tea and Cocoa	1.45	3.03	1.81
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	2.25	0.91	0.63
02	ALCOHOLIC BEVERAGES & TOBACCO	5.19	6.63	7.85
03	CLOTHING & FOOTWEAR	1.15	2.70	0.28
03.1	Clothing	1.01	3.23	0.51
03.2	Footwear	1.37	1.78	0.13
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	2.60	1.73	0.78
04.1	Rentals for Housing	5.46	4.72	4.54
04.3	Maintenance and Repair of Dwelling	0.52	0.28	0.07
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	3.54	3.51	3.51
04.5	Electricity, Gas and Other Fuels	-0.12	-0.06	-0.18
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENAN	1.28	0.39	0.49
05.1	Furniture and Furnishings (inc. Floor Coverings)	2.78	0.80	0.63
05.2	Household Textiles	2.00	1.38	0.08
05.3	Household Appliances	2.28	0.42	0.28
05.4	Glassware, Tableware and Household Utensils	1.08	0.45	0.07
05.5	Tools and Equipment for House and Garden	0.28	0.22	1.68
05.6	Goods and Services for Routine Household Maintenance	0.76	0.20	0.42
06	HEALTH	0.26	0.51	0.50
06.1	Medical Products, Appliances and Equipment	0.26	0.16	0.08
06.2	Health Services	0.26	0.69	0.69
07	TRANSPORT	3.32	3.90	2.73
08	COMMUNICATION	2.41	2.94	3.33
09	RECREATION & CULTURE	3.51	1.02	0.07
10	EDUCATION	3.68	0.30	0.23
11	RESTAURANTS & ACCOMMODATION SERVICES	0.68	3.84	1.43
12	MISCELLANEOUS GOODS & SERVICES	2.09	1.68	1.86
ALL DIVISIONS		1.57	1.45	1.28

Table 3
Component Contribution to Inflation
Jan. 2010

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	0.78	0.29	18.69
01.1	Food	35.10	0.77	0.27	17.38
	Bread and Cereals	6.10	0.59	0.04	2.31
	Meat	7.66	1.65	0.13	8.11
	Fish and Seafood	5.33	1.34	0.07	4.60
	Milk, Cheese and Eggs	3.11	1.49	0.05	2.97
	Oils and Fats	1.64	1.76	0.03	1.85
	Fruit	1.14	-1.40	-0.02	-1.02
	Vegetables and Starchy Foods	6.85	-1.35	-0.09	-5.95
	Vegetables	4.64	-0.71	-0.03	-2.11
	Starchy Foods	2.21	-3.13	-0.07	-4.44
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	2.54	0.04	2.80
	Food Products n.e.c.	1.55	1.76	0.03	1.75
01.2	Non-Alcoholic Beverages	2.35	1.42	0.03	2.15
	Coffee, Tea and Cocoa	0.66	1.93	0.01	0.82
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	1.19	0.02	1.30
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	6.83	0.09	6.05
03	CLOTHING & FOOTWEAR	3.33	0.96	0.03	2.05
03.1	Clothing	2.12	1.11	0.02	1.51
03.2	Footwear	1.22	0.79	0.01	0.62
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	1.72	0.22	14.09
04.1	Rentals for Housing	3.52	5.08	0.18	11.48
04.3	Maintenance and Repair of Dwelling	0.80	0.21	0.00	0.11
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	3.52	0.05	2.99
04.5	Electricity, Gas and Other Fuels	7.12	-0.12	-0.01	-0.55
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINT	4.93	0.74	0.04	2.33
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	1.41	0.01	0.62
05.2	Household Textiles	0.32	0.95	0.00	0.20
05.3	Household Appliances	0.56	1.02	0.01	0.37
05.4	Glassware, Tableware and Household Utensils	0.05	0.47	0.00	0.02
05.5	Tools and Equipment for House and Garden	0.15	1.34	0.00	0.13
05.6	Goods and Services for Routine Household Maintenance	3.16	0.47	0.01	0.95
06	HEALTH	3.29	0.43	0.01	0.90
06.1	Medical Products, Appliances and Equipment	1.22	0.16	0.00	0.13
06.2	Health Services	2.07	0.61	0.01	0.81
07	TRANSPORT	12.82	3.14	0.40	25.82
08	COMMUNICATION	3.99	2.92	0.12	7.49
09	RECREATION & CULTURE	3.36	1.40	0.05	3.01
10	EDUCATION	2.14	1.75	0.04	2.40
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	1.63	0.10	6.49
12	MISCELLANEOUS GOODS & SERVICES	8.37	1.99	0.17	10.68
	ALL DIVISIONS	100.00	1.43	1.56	100.00

Table 4
Annual Component Contribution to Inflation
Jan. 2010

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	8.30	3.11	25.53
01.1	Food	35.10	8.06	2.83	23.26
	Bread and Cereals	6.10	7.21	0.44	3.61
	Meat	7.66	10.65	0.82	6.71
	Fish and Seafood	5.33	14.46	0.77	6.33
	Milk, Cheese and Eggs	3.11	8.31	0.26	2.12
	Oils and Fats	1.64	8.70	0.14	1.17
	Fruit	1.14	5.81	0.07	0.54
	Vegetables and Starchy Foods	6.85	-2.15	-0.15	-1.21
	Vegetables	4.64	-2.44	-0.11	-0.93
	Starchy Foods	2.21	-0.53	-0.01	-0.10
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	23.79	0.41	3.36
	Food Products n.e.c.	1.55	17.11	0.27	2.18
01.2	Non-Alcoholic Beverages	2.35	12.92	0.30	2.49
	Coffee, Tea and Cocoa	0.66	14.28	0.09	0.77
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	12.42	0.21	1.73
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	30.46	0.42	3.46
03	CLOTHING & FOOTWEAR	3.33	10.06	0.33	2.75
03.1	Clothing	2.12	8.66	0.18	1.51
03.2	Footwear	1.22	12.13	0.15	1.22
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	33.26	4.24	34.87
04.1	Rentals for Housing	3.52	29.04	1.02	8.40
04.3	Maintenance and Repair of Dwelling	0.80	8.82	0.07	0.58
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	22.76	0.30	2.47
04.5	Electricity, Gas and Other Fuels	7.12	40.99	2.92	23.99
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENANCE	4.93	10.09	0.50	4.09
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	7.28	0.05	0.41
05.2	Household Textiles	0.32	5.74	0.02	0.15
05.3	Household Appliances	0.56	9.74	0.05	0.45
05.4	Glassware, Tableware and Household Utensils	0.05	6.92	0.00	0.03
05.5	Tools and Equipment for House and Garden	0.15	7.46	0.01	0.09
05.6	Goods and Services for Routine Household Maintenance	3.16	11.46	0.36	2.98
06	HEALTH	3.29	4.33	0.14	1.17
06.1	Medical Products, Appliances and Equipment	1.22	5.49	0.07	0.55
06.2	Health Services	2.07	3.64	0.08	0.62
07	TRANSPORT	12.82	9.51	1.22	10.02
08	COMMUNICATION	3.99	6.19	0.25	2.03
09	RECREATION & CULTURE	3.36	10.99	0.37	3.03
10	EDUCATION	2.14	7.24	0.15	1.27
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	8.78	0.54	4.47
12	MISCELLANEOUS GOODS & SERVICES	8.37	14.62	1.22	10.06
	ALL DIVISIONS	100.00	12.17	12.17	100.00