



Short term Inflation Analyses and Forecasts

January 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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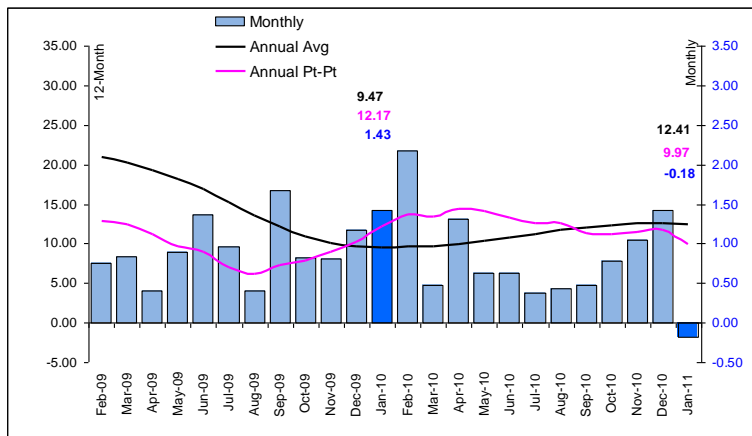
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1.0 Review of Outturn

Headline inflation for January 2011 was **-0.2 per cent**. This outturn resulted in a fiscal year to date (FYTD) inflation rate of **7.1 per cent**, which was lower than the **10.4 per cent** recorded for the corresponding period of FY 2009/10. The 12-month point-to-point inflation rate was 10.0 per cent, which was lower than the 11.7 per cent in the previous month and the 12.2 per cent recorded one year ago.

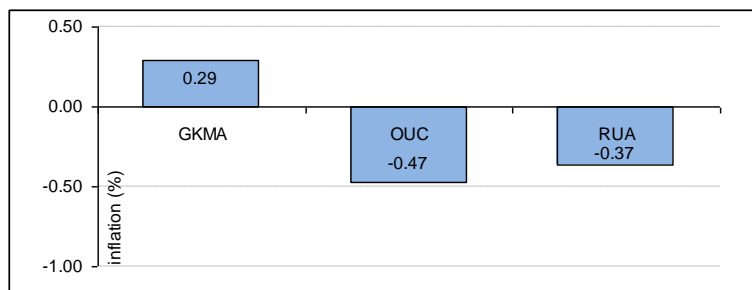
Figure 1: Trend in monthly inflation



The inflation outturn in January was the first monthly deflation since January 2009.

All regions, except for the *Greater Kingston Metropolitan Area* (GKMA), reflected deflation during January 2011. Prices declined by **0.5 per cent** and **0.4 per cent** in *Other Urban Centres* (OUC) and *Rural Areas* (RUA), respectively. The impact of these declines was partially offset by an average price increase of **0.3 per cent** in GKMA (see Figure 2). The deflation in January was heavily influenced by the significant reductions of vegetable prices across all regions and also for starchy foods within OUC and RUA.

Figure 2: Regional Inflation



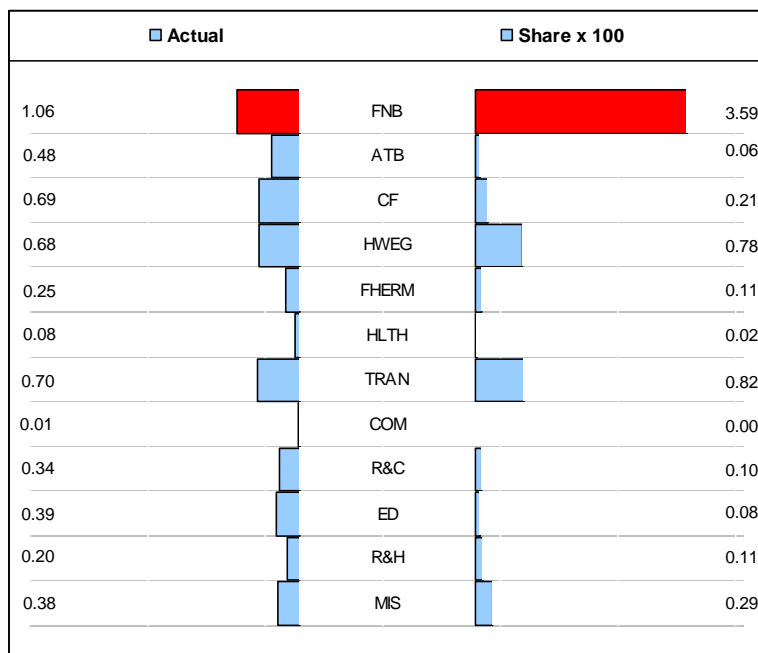
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The main driver of January’s deflation was *Food & Non-Alcoholic Beverages (FNB)*. The unprocessed agriculture components of *Fruits and Vegetables & Starchy Foods* reflected average price declines, while all other components of Food reflected price increases. Additionally, all other divisions reflected increased prices during the review month. Among the divisions reflecting price increases, the largest contribution emanated from *Transport (TRAN)*, followed by *Housing, Water, Electricity, Gas & Other Fuels (HWEG)* and *Miscellaneous Goods & Services (MIS)* (see Figure 3).

Lower agriculture prices reflected reversals following tropical storm related shortage.

Figure 3: Inflation Contribution



■	POSITIVE
■	NEGATIVE

The higher inflation for TRAN and HWEG reflected the increased cost of petroleum and related products, as well as electricity rates during January 2011. Higher energy costs reflected the impact of the increase in the price of fuel on the international market. Colder than normal temperatures in USA and Europe contributed to a rise in demand for heating oil and alternative fuels such as ethanol.



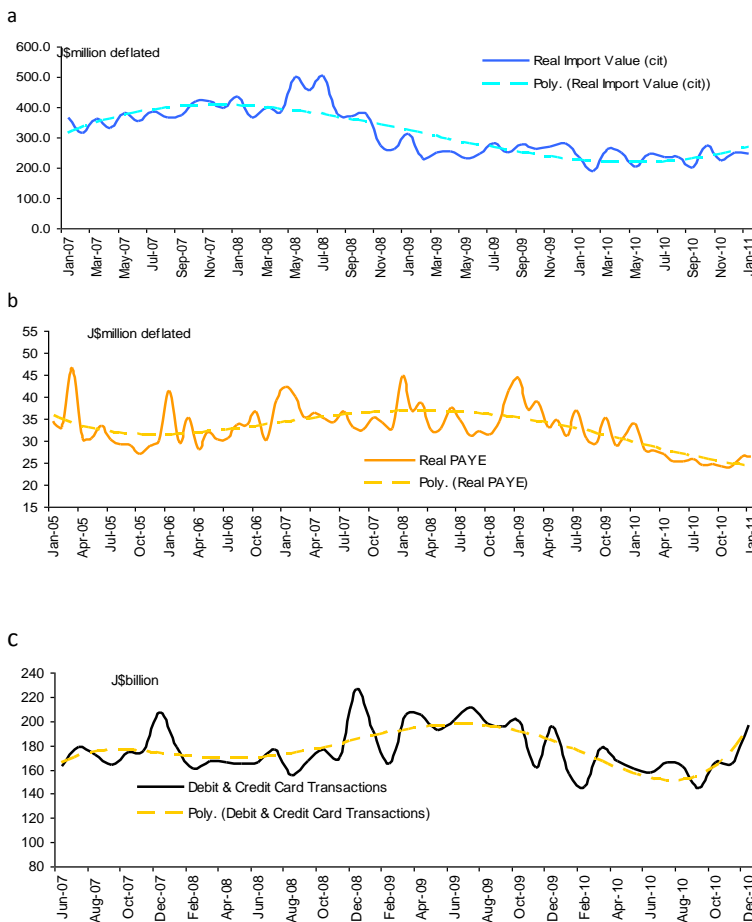
2.0 Factors underpinning the revised forecast

2.1 Trends in demand

In January 2011, indicators of domestic demand reflected marginal improvements, though the levels remain depressed relative to the pre-2008 global economic crisis period (see **Figure 4**). Real annual import value increased by **5.4 per cent** while real annual PAYE decreased by **22.9 per cent** as at January 2011. Of note, both indicators remained at levels significantly below the pre-2008 crisis period (see **Figure 4a & 4b**). The real value of debit and credit card transactions, however, reflected notable increases in the December 2010 quarter. Nonetheless, the increase was not as high as the seasonal spike seen in the corresponding quarters of 2007 and 2008.

Demand conditions remain depressed while seasonal increase in value of combined debit and credit card transactions remain lower than previous periods.

Figure 4: Short-term Indicators of Demand





2.2 Trends in supply

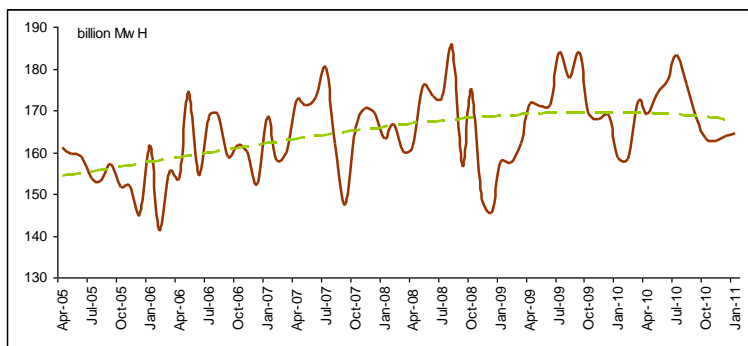
Some improvement was seen in domestic agricultural supplies in January 2011. Vegetables, which continued to increase following the rebound in December 2010, included carrots, tomatoes, lettuce and pumpkins. Cabbage, callaloo, and escallion supplies, however, reflected some contractions in January 2011 after signs of a rebound in December 2010 (see *Appendices for trends in selected agriculture production*). Starchy foods reflected increases for yellow yam and sweet potato for the review month while the supplies of other ground provisions remained relatively stable.

Recovery of some vegetables and starchy foods.

Average industrial electricity sales, used as a proxy for industrial production, reflected a general normalization with average trends reflecting a marginal decline in January 2011 relative to December 2010 (see **Figure 5**). This may be an indication that industrial production has peaked at current levels.

Industrial output appears to have peaked.

Figure 5: Industrial Electricity Sales



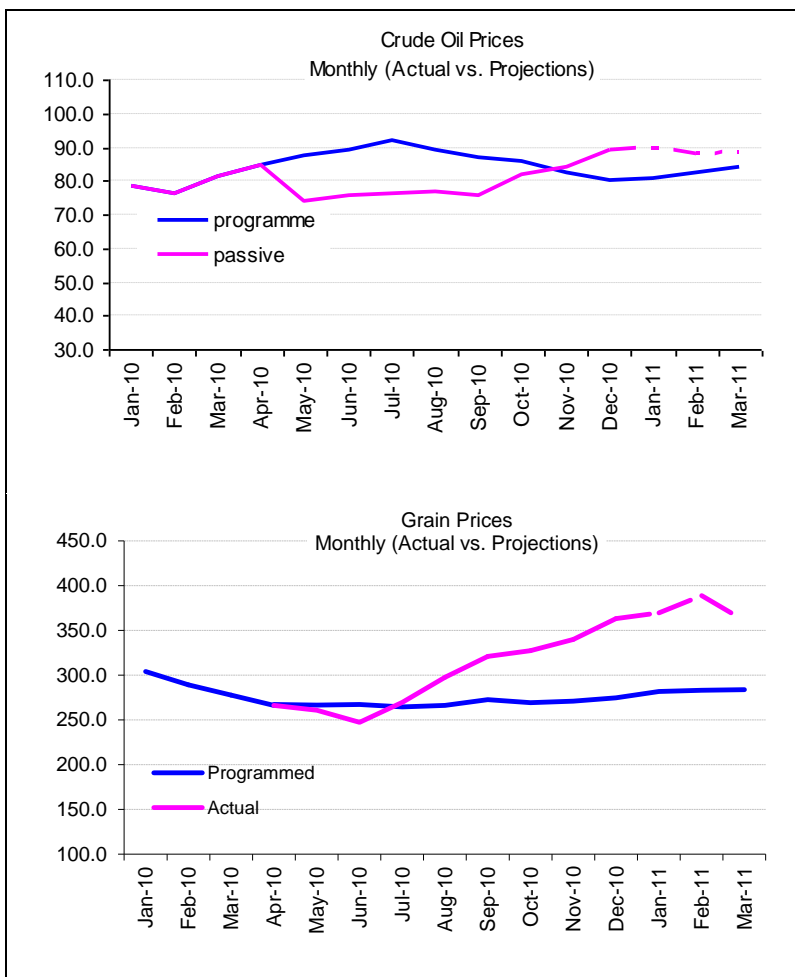


2.3 Import prices

The price of crude oil increased to average **US\$89.58 per bbl** in January 2011. This was **0.4 per cent** higher than the average price recorded in December 2010. The projection for February 2011 currently stands at **US\$87.93 per bbl**. This is lower than the previous February forecast of **US\$95.05 per bbl**. The current projection for average crude oil price for fiscal year 2010/11 is **US\$82.01 per bbl**, slightly lower than the previous estimate of **US\$82.51 per bbl** and the programmed forecast of **US\$85.74 per bbl**.

Oil prices expected to decline in February 2011.

Figure 6: International Commodity Prices



The current upside risk for crude oil prices pertains to the political instability in some Middle Eastern and Northern African countries with the potential for other oil exporting territories in the region becoming negatively affected.



Non-oil commodity prices on the global market in January 2011, relative to the December 2010, reflected increases for both hard and soft grain wheat of **6.5 per cent** and **3.8 per cent**, respectively. Corn prices also rose by **5.8 per cent** while rice prices declined by **2.9 per cent**. The increase in wheat prices was largely due to heavy rains in Australia which led to price speculation influenced by fears of poor quality yield, following delays in harvesting. There were also concerns that the dry weather in US Great Plains could affect the winter crop. The higher price for corn was attributed to dry weather in Argentina coupled with strong demand from China and the high demand for ethanol as a substitute for oil. The decline in rice price during January was attributed to a bumper harvest in Vietnam and strong supplies in Thailand.

Crude oil prices are projected to decline in the context of continued surplus in US supplies and if there are no further supply disruptions. A continuation of the drought in China as well as increased demand for Australian wheat is likely to result in further increases in wheat prices in February 2011. Additionally, higher ethanol usage is likely to result in higher corn prices in February.

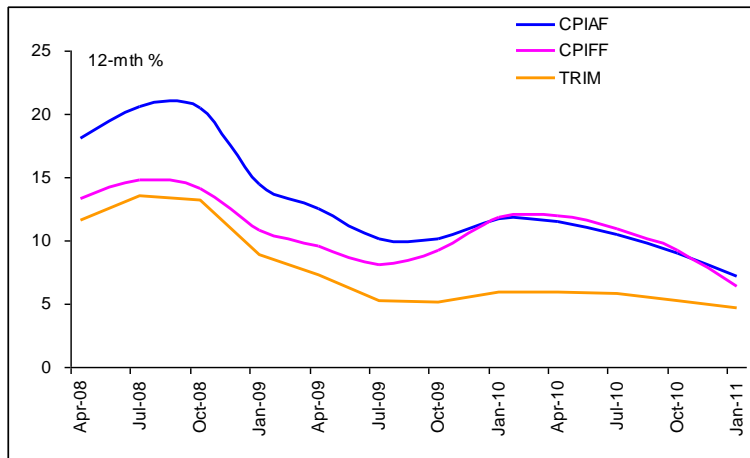
2.4 Trends in Core Inflation

Core inflation as indicated by the change in CPI without Agriculture and Fuel (CPI-AF) and CPI without Food and Fuel (CPI-FF) reflected an increase in January 2011, relative to December 2010. The Trimmed Mean (TRIM), however, was relatively unchanged. The increase in CPI-AF and CPI-FF was **0.4 per cent** and **0.3 per cent**, respectively. The annual percentage change in both CPI-AF and CPI-FF reflected continued downward trend as inflationary pressures abated, while the decline in the similar measure for TRIM has slowed considerably (see **Figure 7**). The current inflation trends are indicative of the existing weak demand conditions.

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Figure 7: Core Inflation (12-month change)



Trends in core inflation indicate weak demand conditions.



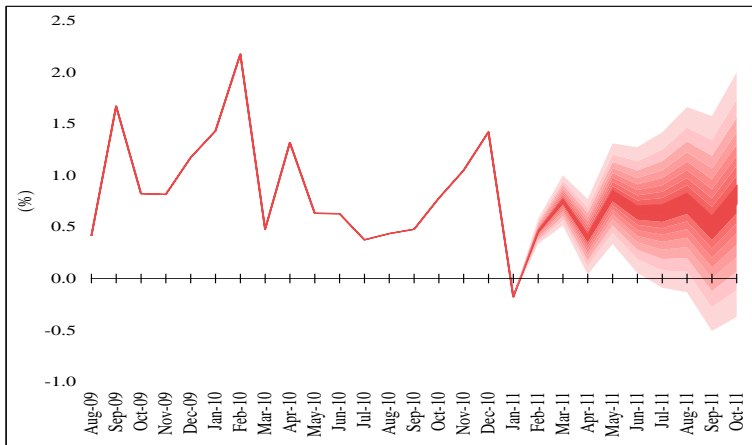
3.0 Revised Forecasts

The current forecast for FY2010/11 remains well within the target range of **7.5 per cent to 9.5 per cent**. Prices are projected to increase by **0.0 per cent to 1.0 per cent** in February 2010, towards the lower end of the range. This will be driven mainly by HWEG, which is expected to reflect higher electricity rates caused by rising oil prices on the international market in January. Additionally FNB is expected to reflect announced price increases for meat products during the month. However, further price declines are expected for agriculture items.

FY2010/11 inflation remains well within the target range.

The risks to the inflation forecast are balanced. The main upside risks include the possibility of higher commodity prices and rental rates as well as a worsening the impact of political instability in the Middle East and North Africa. The downside risk includes greater than anticipated reversal of local agriculture prices and the persistent low demand conditions.

Figure 8: Inflation Fan Chart





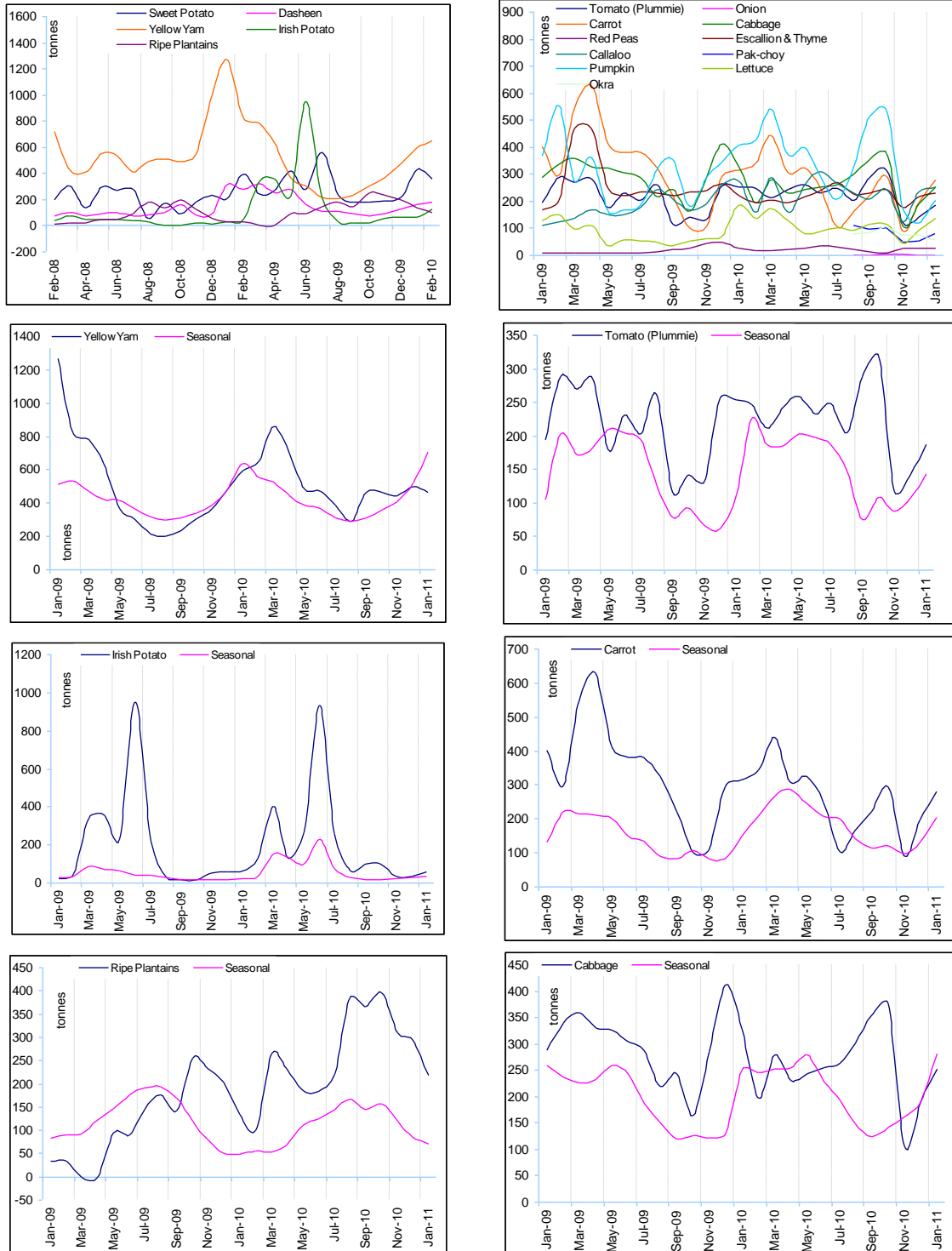
4.0 Summary and conclusions

Domestic demand conditions remain weak but are showing signs of improvement. Though further price reversals are expected among domestic agriculture items reflecting surplus supplies, inflationary impulses are expected from increased cost of food arising from rising import costs as well as increased cost of household and some basic services. Nonetheless, inflation for the fiscal year 2010/11 should remain within the targeted band.



Appendices

Figure 9: Trends in selected agricultural production



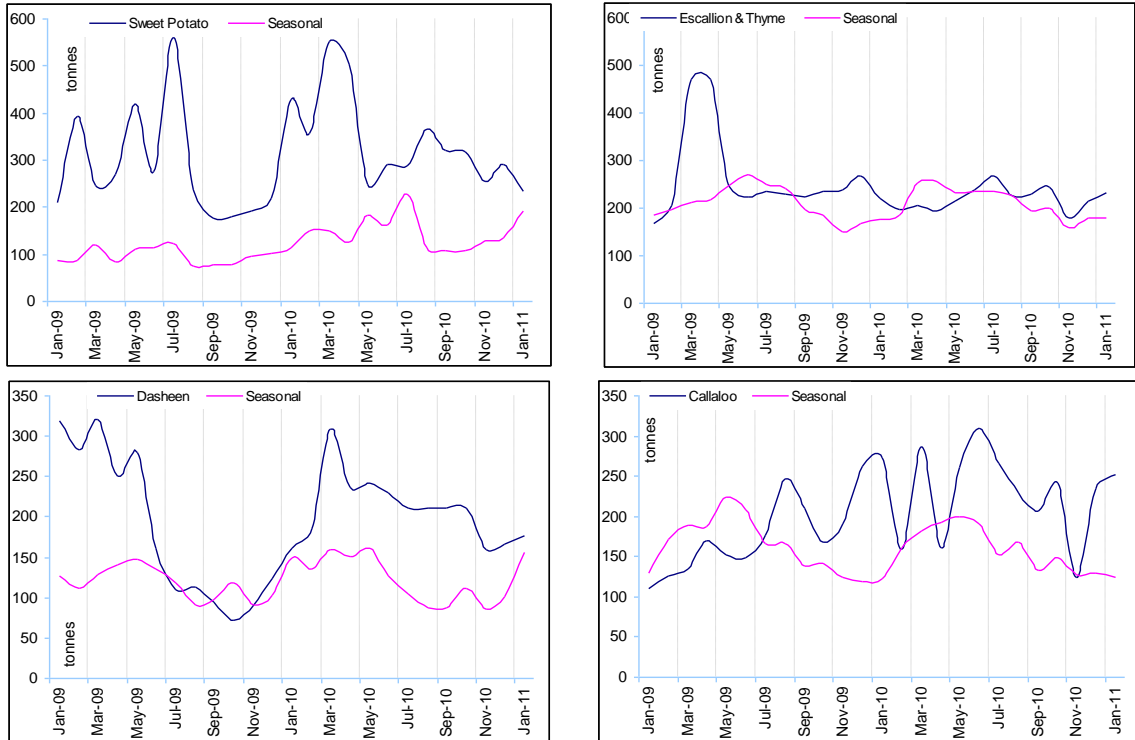


Figure 10: Trends in Weather related Factors

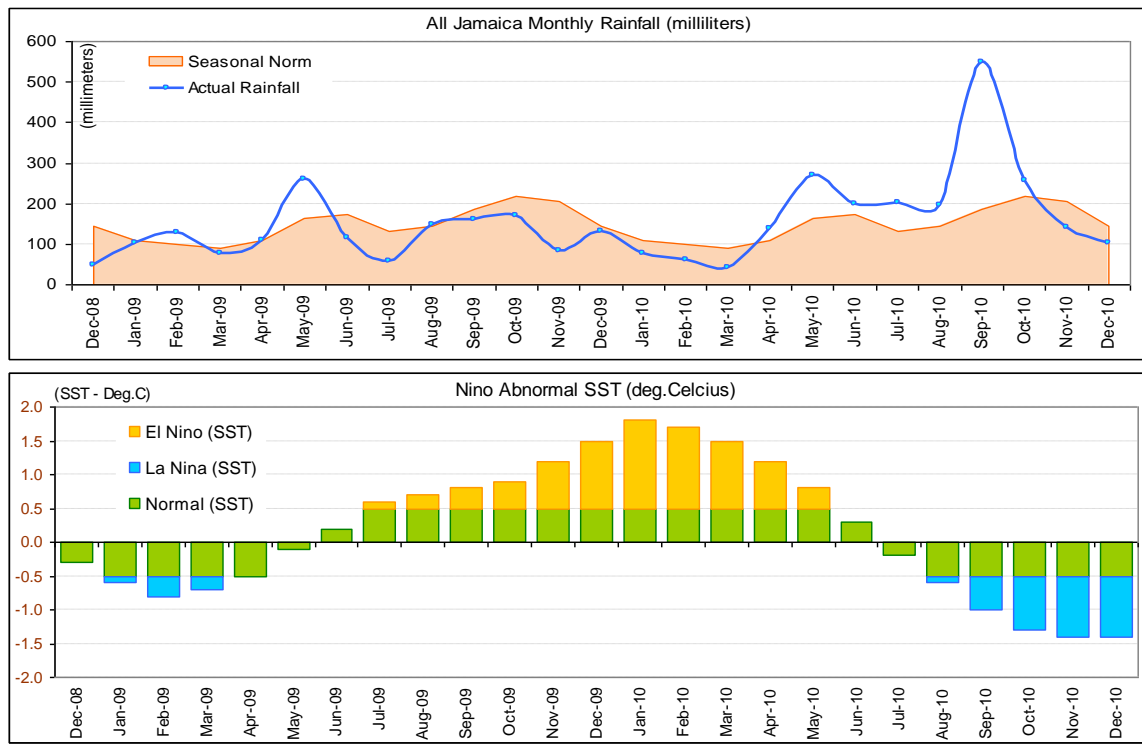


Table 1A
JAMAICA: HEADLINE INFLATION RATES
Jan. 2011

		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
	Nov-07	113.97	111.09	3.24	6.28	4.63	14.46	17.78	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
	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

1/ December 2006 = 100

* Point to Point

Moving average

Source: STATIN

Table 1B
JAMAICA: CPI WITHOUT FOOD AND FUEL
Jan. 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
	Nov-07	207.88	206.19	0.90	3.01	3.01	10.43	17.74	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1C
JAMAICA: CPI WITHOUT AGRICULTURE AND FUEL
Jan. 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
	Nov-07	212.53	207.99	2.74	5.03	3.67	13.81	19.52	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1E
JAMAICA: TRIMMED MEAN CORE INFLATION
Jan. 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
	Nov-07	147.71	145.72	1.77	3.20	2.35	7.84	14.44	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 2
Regional Inflation
Jan-MTH. 2011

		GKMA	OUC	RUA
		Inflation(%)	Inflation(%)	Inflation(%)
01	FOOD & NON-ALCOHOLIC BEVERAGES	-0.15	-1.59	-1.48
01.1	Food	-0.15	-1.72	-1.63
	Bread and Cereals	0.31	0.10	0.05
	Meat	2.18	0.55	0.30
	Fish and Seafood	0.23	0.36	0.29
	Milk, Cheese and Eggs	1.32	2.04	0.84
	Oils and Fats	0.56	0.44	0.85
	Fruit	0.94	1.17	-3.50
	Vegetables and Starchy Foods	-3.72	-8.28	-8.70
	Vegetables	-5.12	-10.78	-9.36
	Starchy Foods	0.11	-0.86	-6.85
	Sugar, Jam, Honey, Chocolate and Confectionery	0.50	0.54	0.50
	Food Products n.e.c.	0.97	0.27	0.33
01.2	Non-Alcoholic Beverages	0.33	0.13	0.65
	Coffee, Tea and Cocoa	0.64	0.33	1.22
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	0.22	0.13	0.39
02	ALCOHOLIC BEVERAGES & TOBACCO	0.31	0.15	0.65
03	CLOTHING & FOOTWEAR	0.66	0.14	0.97
03.1	Clothing	0.77	0.22	0.94
03.2	Footwear	0.48	0.00	1.03
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	0.93	0.43	0.52
04.1	Rentals for Housing	0.00	0.00	0.04
04.3	Maintenance and Repair of Dwelling	0.83	0.19	0.06
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	0.79	0.79	0.79
04.5	Electricity, Gas and Other Fuels	2.04	0.64	0.72
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENAN	0.12	0.00	0.52
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.36	0.00	0.00
05.2	Household Textiles	0.07	0.12	1.44
05.3	Household Appliances	0.00	0.06	0.06
05.4	Glassware, Tableware and Household Utensils	0.83	0.07	0.77
05.5	Tools and Equipment for House and Garden	0.53	0.20	0.52
05.6	Goods and Services for Routine Household Maintenance	0.06	0.00	0.66
06	HEALTH	0.00	0.08	0.08
06.1	Medical Products, Appliances and Equipment	0.17	0.16	0.23
06.2	Health Services	0.00	0.08	0.00
07	TRANSPORT	0.80	0.76	0.66
08	COMMUNICATION	0.00	0.00	0.00
09	RECREATION & CULTURE	0.79	0.41	0.13
10	EDUCATION	0.00	0.69	0.62
11	RESTAURANTS & ACCOMMODATION SERVICES	0.13	0.06	0.22
12	MISCELLANEOUS GOODS & SERVICES	0.24	0.13	0.65
ALL DIVISIONS		0.29	-0.47	-0.37

Table 3A
Component Contribution to Inflation
Jan. 2011

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	-1.06	-0.40	-358.74
01.1	Food	35.10	-1.15	-0.41	-366.16
	Bread and Cereals	6.10	0.15	0.01	8.32
	Meat	7.66	0.99	0.08	68.71
	Fish and Seafood	5.33	0.29	0.02	13.96
	Milk, Cheese and Eggs	3.11	1.24	0.04	34.88
	Oils and Fats	1.64	0.72	0.01	10.63
	Fruit	1.14	-0.36	0.00	-3.66
	Vegetables and Starchy Foods	6.85	-6.90	-0.47	-427.11
	Vegetables	4.64	-8.12	-0.38	-340.29
	Starchy Foods	2.21	-3.28	-0.07	-65.40
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	0.48	0.01	7.52
	Food Products n.e.c.	1.55	0.48	0.01	6.75
01.2	Non-Alcoholic Beverages	2.35	0.43	0.01	9.22
	Coffee, Tea and Cocoa	0.66	0.84	0.01	5.00
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	0.24	0.00	3.73
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	0.48	0.01	6.00
03	CLOTHING & FOOTWEAR	3.33	0.69	0.02	20.80
03.1	Clothing	2.12	0.81	0.02	15.43
03.2	Footwear	1.22	0.68	0.01	7.48
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	0.68	0.09	78.45
04.1	Rentals for Housing	3.52	0.05	0.00	1.65
04.3	Maintenance and Repair of Dwelling	0.80	0.32	0.00	2.28
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	0.79	0.01	9.42
04.5	Electricity, Gas and Other Fuels	7.12	1.12	0.08	71.97
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINT	4.93	0.25	0.01	11.14
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	0.12	0.00	0.73
05.2	Household Textiles	0.32	0.75	0.00	2.16
05.3	Household Appliances	0.56	0.06	0.00	0.31
05.4	Glassware, Tableware and Household Utensils	0.05	0.69	0.00	0.31
05.5	Tools and Equipment for House and Garden	0.15	0.46	0.00	0.62
05.6	Goods and Services for Routine Household Maintenance	3.16	0.31	0.01	8.99
06	HEALTH	3.29	0.08	0.00	2.46
06.1	Medical Products, Appliances and Equipment	1.22	0.16	0.00	1.77
06.2	Health Services	2.07	0.00	0.00	0.00
07	TRANSPORT	12.82	0.70	0.09	81.55
08	COMMUNICATION	3.99	0.01	0.00	0.44
09	RECREATION & CULTURE	3.36	0.34	0.01	10.44
10	EDUCATION	2.14	0.39	0.01	7.54
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	0.20	0.01	11.31
12	MISCELLANEOUS GOODS & SERVICES	8.37	0.38	0.03	28.60
	ALL DIVISIONS	100.00	-0.18	-0.11	100.00

Table 3A
Annual Component Contribution to Inflation
Jan. 2011

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	10.74	4.02	40.35
01.1	Food	35.10	10.90	3.82	38.36
	Bread and Cereals	6.10	5.91	0.36	3.62
	Meat	7.66	7.86	0.60	6.04
	Fish and Seafood	5.33	9.29	0.49	4.96
	Milk, Cheese and Eggs	3.11	9.66	0.30	3.01
	Oils and Fats	1.64	10.38	0.17	1.71
	Fruit	1.14	13.57	0.15	1.55
	Vegetables and Starchy Foods	6.85	20.30	1.39	13.95
	Vegetables	4.64	25.33	1.18	11.79
	Starchy Foods	2.21	10.25	0.23	2.27
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	10.01	0.17	1.73
	Food Products n.e.c.	1.55	11.67	0.18	1.81
01.2	Non-Alcoholic Beverages	2.35	8.08	0.19	1.91
	Coffee, Tea and Cocoa	0.66	9.68	0.06	0.64
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	7.48	0.13	1.27
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	7.63	0.11	1.06
03	CLOTHING & FOOTWEAR	3.33	8.68	0.29	2.90
03.1	Clothing	2.12	9.88	0.21	2.10
03.2	Footwear	1.22	7.04	0.09	0.86
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	7.25	0.93	9.28
04.1	Rentals for Housing	3.52	15.34	0.54	5.42
04.3	Maintenance and Repair of Dwelling	0.80	10.03	0.08	0.81
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	3.06	0.04	0.40
04.5	Electricity, Gas and Other Fuels	7.12	3.81	0.27	2.72
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENANCE	4.93	6.51	0.32	3.22
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	7.82	0.05	0.54
05.2	Household Textiles	0.32	7.54	0.02	0.24
05.3	Household Appliances	0.56	9.31	0.05	0.52
05.4	Glassware, Tableware and Household Utensils	0.05	8.06	0.00	0.04
05.5	Tools and Equipment for House and Garden	0.15	6.26	0.01	0.09
05.6	Goods and Services for Routine Household Maintenance	3.16	5.64	0.18	1.79
06	HEALTH	3.29	2.54	0.08	0.84
06.1	Medical Products, Appliances and Equipment	1.22	2.55	0.03	0.31
06.2	Health Services	2.07	2.50	0.05	0.52
07	TRANSPORT	12.82	22.70	2.91	29.19
08	COMMUNICATION	3.99	2.38	0.10	0.95
09	RECREATION & CULTURE	3.36	5.81	0.20	1.96
10	EDUCATION	2.14	6.57	0.14	1.41
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	3.92	0.24	2.43
12	MISCELLANEOUS GOODS & SERVICES	8.37	6.99	0.59	5.87
	ALL DIVISIONS	100.00	9.97	9.97	100.00