



INFLATION REPORT

May 2010

Research Services Department
Bank of Jamaica
16 November 2010

CONTENTS

A.	NOTE: May 2010	i
B.	APPENDIX:	
	TABLE 1A: Jamaica Headline Inflation Rates	1
	TABLE 1B: CPI without Food & Fuel (CPIFF)	2
	TABLE 1C: CPI without Agriculture & Fuel (CPIAF)	3
	TABLE 1D: Trimmed Mean Core Inflation	4
	TABLE 2: Regional Inflation	5
	TABLE 3: Contribution to Inflation	6
	TABLE 4: Annual Contribution to Inflation	7



Overview

The outturn for headline inflation in May was **0.6 per cent**. This brought the calendar year to date inflation to **6.2 per cent** which was higher than the **2.6 per cent** recorded in the comparable period of 2009. The 12-month point-to-point inflation of **14.1 per cent**, was significantly higher than the **9.6 per cent** recorded at the end of May 2009. Inflation over the next few months should continue to be dominated by higher international commodity price movements, restrained domestic demand and supply conditions. Supplies of domestic agricultural produce have begun to show signs of recovery from a prolonged drought. Nonetheless, potentially adverse weather conditions in the upcoming hurricane season could negatively affect domestic production and raise related prices. The forecast for inflation for the June quarter remains in the band of **2.5 per cent to 3.5 per cent**.

The foreign exchange market appreciated in May, reflecting generally low demand for US dollars among authorised foreign currency dealers and cambios. This appreciating trend was at a slightly faster pace than the previous month.

Financial Markets & Monetary Conditions

The appreciating trend of the Jamaican Dollar vis-à-vis the US Dollar seen since March 2010 continued in May. On 14 May, the Government began accepting subscriptions on a 4-year fixed rate Benchmark Investment Note. The investment offer was for a coupon rate of **12.00 per cent**, which was **50 basis points** lower than a JDJ instrument with the same tenor offered in February.

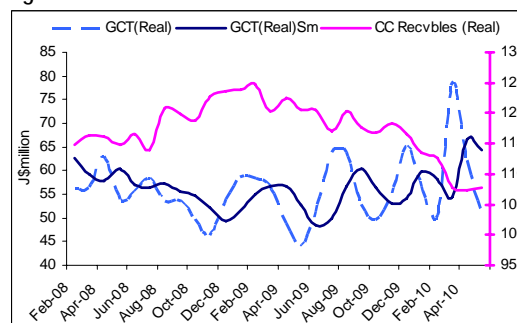
The *Public Sector Foreign Currency Facility*, by which the Central Bank intermediates the demand for foreign currency by public sector institutions, reflected net inflows of **US\$14.5 million** as at end-May due to low public sector demand. Similarly, lower overall domestic demand resulted in, the end-month selling rate of the Jamaica Dollar vis-à-vis its US dollar counterpart appreciating at a faster pace than that experienced in April, and compared to stability in February. However, NIR decreased by **US\$60.7 million** to **US\$1 675.6 million** for the month. At the end of May, the Gross International Foreign Reserves (GIFR) stood at **US\$2 339.0 million**, **US\$59.7 million** lower than the stock at the end of the previous month. The GIFR at end-April represented 17.3 weeks of imports of goods and services, compared to 17.7 weeks at end-April.

There were contractions in all monetary aggregates except for M2 in the review month. Real M1 and M3 decreased by **2.0 per cent**, and **0.2 per cent**, respectively, while M2 increased by **0.2 per cent**. In the corresponding month of 2009 all three monetary aggregates decreased by **0.3 per cent**.

Domestic Demand

Domestic demand conditions continued to reflect general weakness. In May real GCT receipts and credit card receivables declined by **17.8 per cent** and **0.4 per cent**, respectively. The large reduction in GCT receipts reflected a return to normal levels following the seasonal revenue collection drive in March. We note that although GCT decreased significantly for the month, the smooth series showed a smaller contraction of **3.4 per cent**.¹ The 12-month change in real GCT receipts, however, reflected an increase of **15.9 per cent**, while real credit card receivables decreased by **10.7 per cent**. The general pattern remained one of sluggish demand and constrained credit usage as incomes continue to fall.

Figure 1: GCT Collection and Credit Card Receivables



Domestic Supply

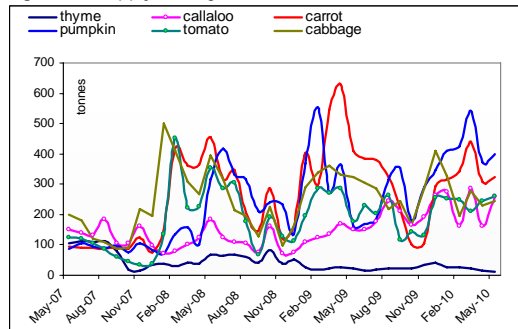
Data on supplies of domestic agricultural produce indicate a general contraction in vegetable and starchy foods supply (see Figures 2 & 3).² As a

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.

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).

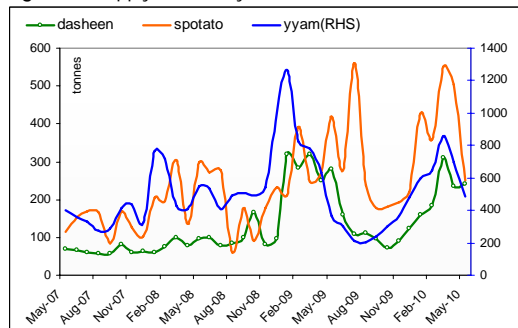
consequence, the average price of starchy foods increased by **3.6 per cent** for the month. This impact was further compounded by the **1.3 per cent** increase in the price of vegetables.

Figure 2: Supply of Vegetables



Source: Rural Agricultural Development Agency (RADA)

Figure 3: Supply of Starchy Foods



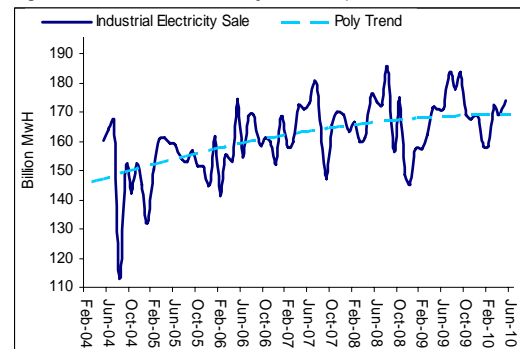
Source: Rural Agricultural Development Agency (RADA)

Industrial electricity consumption in May 2010, which is used as an indicator of industrial production, increased by **3.0 per cent** relative to April 2010. Also, sales of industrial electricity in May 2010 were **1.8 per cent** higher than levels attained in May 2009 (see **Figure 4**). The current production level remains above the historical average. The production levels appear to have recovered from the initial shock of the crisis in 2008.

Costs

In May 2010, the prices of the major imported commodities, except for corn, reflected declines. Crude oil, wheat and soybeans prices decreased by **12.4 per cent**, **2.3 per cent** and **1.0 per cent** respectively, while corn prices increased by **4.0 per cent**. Only wheat reflected a price change in the same direction as the previous month, however, the decline for May was significantly greater than

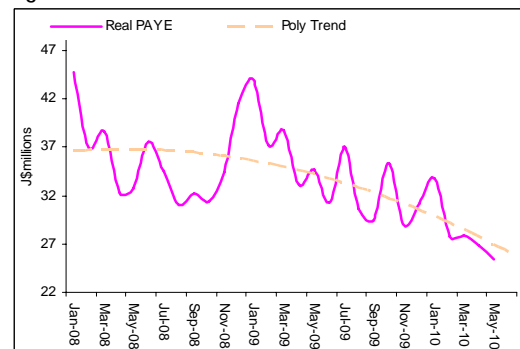
Figure 4: Industrial Electricity Consumption



the previous month. All other commodities reflected a reversal in price changes. Crude oil prices reflected the largest change which was attributed to an appreciated US Dollar against its major trading partners, stemming from developments surrounding the financial crisis in Greece.

Real wages, as proxied by CPI deflated PAYE returns, decreased by **5.8 per cent** in May 2010 relative to April 2010. Similarly, real PAYE returns decreased by **26.8 per cent** for the 12-month period to May 2010 (see **Figure 5**). The overall declining trend in PAYE is consistent with the current economic environment and corroborates the weak aggregate demand suggested by other variables. Consumer spending power continues to deteriorate and should be a notable countervailing pressure on inflation going forward.

Figure 5: Trends in PAYE Returns



Consumer Prices

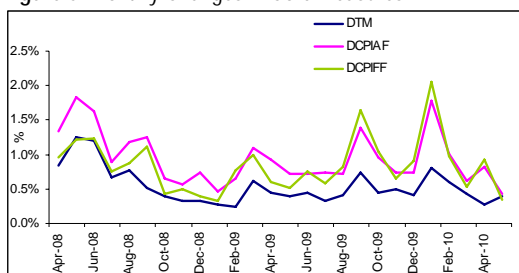
The **0.6 per cent** inflation for May largely reflected the impact of higher food prices and electricity costs. The main contributor was food that accounted for **50.4 per cent** of the month's inflation. This was mainly due to starchy foods and vegetables that increased by **3.6 per cent** and **1.3 per cent**, respectively. All other food



items reflected marginal price increases. The second largest contributor was *Housing Water Electricity Gas & Other Fuels* which accounted for **26.8 per cent** of the month's inflation. This was mainly influenced by higher prices for electricity, gas and other fuels as well as rental rates which increased by **1.5 per cent** and **2.0 per cent**, respectively. The price of *Water Supply & Miscellaneous Services* however contracted, leading to **3.6 per cent** offsetting of the total inflation.

Monthly core inflation, as at May 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 **0.4 per cent**, **0.3 per cent** and **0.4 per cent**, respectively. Both the CPIAF and the CPIFF were, on average, lower than comparable measures at April 2010. The trimmed mean measure however, experienced an increase relative to the previous month. Both CPIAF and CPIFF continued to decline following an uptick in the previous month. That uptick was mainly attributed to some administered price adjustments and tax measures (see **Figure 6**). The general downward trend in core measures, to a great extent, reflects the persistent weak demand conditions as highlighted by the abovementioned indicators.

Figure 6: Monthly Changes in Core Measures



Inflation Outlook

For June 2010, inflation is forecasted to be in the range of **0.0 per cent** to **1.0 per cent**. This forecast primarily reflects increased prices among agricultural items mainly attributed to lagged weather impacts on vegetables and some starchy foods. Further, inflation in June 2010 should reflect higher transportation costs. The resulting June quarter inflation forecast remains in the range **2.5 per cent** to **3.5 per cent**. Alongside declining international commodity prices during May 2010, weak domestic demand conditions continue to restrain inflation. In this context, the projection for the annual inflation rate remains within

the range of **7.5 per cent** to **9.5 per cent** for FY 2010/11 (see **Figure 8**).

The risks to the forecast are balanced, with upside risk stemming from possible adverse weather conditions which may negatively affect domestic production. However, on the downside, lower demand impulses as a result of further declines in real wages and consumer sentiments are expected to temper upward impulses to inflation.

Figure 7: Inflation forecast

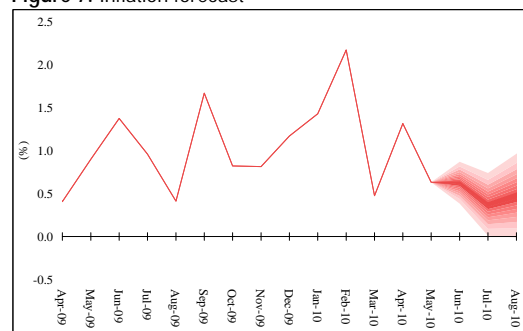
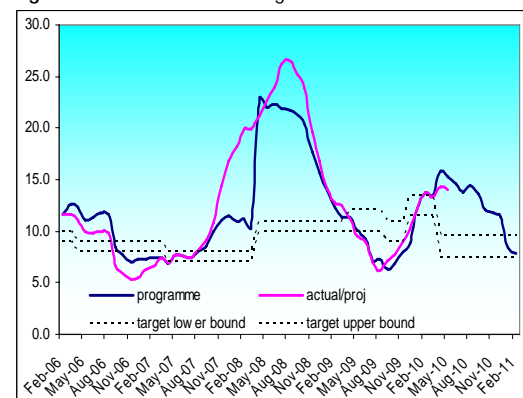


Figure 8: Forecast versus Target



APPENDIX
Inflation Tables

Table 1A
JAMAICA: HEADLINE INFLATION RATES
May. 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
	Mar-07	102.50	101.61	1.15	2.50	1.87	7.44	16.96	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
	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

1/ December 2006 = 100

* Point to Point

Moving average

Source: STATIN

Table 1B
JAMAICA: CPI WITHOUT FOOD AND FUEL
May. 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
	Mar-07	195.41	193.04	1.20	3.51	2.55	8.19	17.04	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1C
JAMAICA: CPI WITHOUT AGRICULTURE AND FUEL
May. 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	
	Mar-07	194.66	192.11	1.34	3.99	2.95	9.49	19.04	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1D
JAMAICA: TRIMMED MEAN CORE INFLATION
May. 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
	Mar-07	139.80	138.91	0.68	1.90	1.35	4.85	13.45	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 2
Regional Inflation
May-MTH. 2010

		GKMA	OUC	RUA
		Inflation(%)	Inflation(%)	Inflation(%)
01	FOOD & NON-ALCOHOLIC BEVERAGES	0.94	0.82	0.76
01.1	Food	1.00	0.75	0.78
	Bread and Cereals	0.54	0.47	0.12
	Meat	0.56	1.22	0.08
	Fish and Seafood	0.83	1.53	0.55
	Milk, Cheese and Eggs	1.07	1.03	0.08
	Oils and Fats	0.36	1.10	0.98
	Fruit	1.60	-1.64	2.84
	Vegetables and Starchy Foods	1.79	0.76	2.69
	Vegetables	1.58	-0.87	2.28
	Starchy Foods	2.21	4.87	3.87
	Sugar, Jam, Honey, Chocolate and Confectionery	0.94	0.11	0.24
	Food Products n.e.c.	1.38	0.28	0.81
01.2	Non-Alcoholic Beverages	0.64	0.96	0.43
	Coffee, Tea and Cocoa	0.43	0.77	0.32
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	0.74	1.03	0.48
02	ALCOHOLIC BEVERAGES & TOBACCO	1.79	0.31	0.03
03	CLOTHING & FOOTWEAR	0.52	0.38	0.55
03.1	Clothing	0.96	0.15	0.46
03.2	Footwear	0.05	0.61	0.68
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	1.66	0.84	1.15
04.1	Rentals for Housing	2.78	0.75	0.88
04.3	Maintenance and Repair of Dwelling	0.31	0.27	0.60
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	-1.66	-1.64	-1.67
04.5	Electricity, Gas and Other Fuels	1.53	1.51	1.63
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENAN	0.50	0.52	0.33
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.12	0.96	0.93
05.2	Household Textiles	0.48	2.20	0.12
05.3	Household Appliances	1.53	0.65	0.60
05.4	Glassware, Tableware and Household Utensils	0.19	0.93	0.93
05.5	Tools and Equipment for House and Garden	0.14	2.49	0.33
05.6	Goods and Services for Routine Household Maintenance	0.37	0.26	0.14
06	HEALTH	0.09	0.25	0.16
06.1	Medical Products, Appliances and Equipment	0.18	0.16	0.03
06.2	Health Services	0.09	0.25	0.24
07	TRANSPORT	0.37	0.46	0.22
08	COMMUNICATION	0.00	0.00	0.00
09	RECREATION & CULTURE	0.07	0.21	0.16
10	EDUCATION	0.00	0.00	0.00
11	RESTAURANTS & ACCOMMODATION SERVICES	0.07	0.13	0.09
12	MISCELLANEOUS GOODS & SERVICES	0.43	0.07	0.44
ALL DIVISIONS		0.80	0.57	0.57

Table 3
Component Contribution to Inflation
May. 2010

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	0.81	0.30	50.55
01.1	Food	35.10	0.86	0.30	50.39
	Bread and Cereals	6.10	0.32	0.02	3.22
	Meat	7.66	0.49	0.04	6.20
	Fish and Seafood	5.33	0.86	0.05	7.60
	Milk, Cheese and Eggs	3.11	0.59	0.02	3.07
	Oils and Fats	1.64	0.82	0.01	2.24
	Fruit	1.14	1.20	0.01	2.27
	Vegetables and Starchy Foods	6.85	1.95	0.13	22.28
	Vegetables	4.64	1.31	0.06	10.10
	Starchy Foods	2.21	3.58	0.08	13.17
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	0.40	0.01	1.13
	Food Products n.e.c.	1.55	0.92	0.01	2.37
01.2	Non-Alcoholic Beverages	2.35	0.59	0.01	2.30
	Coffee, Tea and Cocoa	0.66	0.41	0.00	0.45
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	0.71	0.01	2.00
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	0.59	0.01	1.37
03	CLOTHING & FOOTWEAR	3.33	0.53	0.02	2.93
03.1	Clothing	2.12	0.57	0.01	2.01
03.2	Footwear	1.22	0.47	0.01	0.95
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	1.26	0.16	26.75
04.1	Rentals for Housing	3.52	1.98	0.07	11.60
04.3	Maintenance and Repair of Dwelling	0.80	0.39	0.00	0.52
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	-1.65	-0.02	-3.63
04.5	Electricity, Gas and Other Fuels	7.12	1.53	0.11	18.16
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINT	4.93	0.46	0.02	3.74
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	0.67	0.00	0.77
05.2	Household Textiles	0.32	0.71	0.00	0.38
05.3	Household Appliances	0.56	0.97	0.01	0.90
05.4	Glassware, Tableware and Household Utensils	0.05	0.66	0.00	0.05
05.5	Tools and Equipment for House and Garden	0.15	0.62	0.00	0.15
05.6	Goods and Services for Routine Household Maintenance	3.16	0.26	0.01	1.37
06	HEALTH	3.29	0.17	0.01	0.92
06.1	Medical Products, Appliances and Equipment	1.22	0.08	0.00	0.17
06.2	Health Services	2.07	0.17	0.00	0.59
07	TRANSPORT	12.82	0.32	0.04	6.90
08	COMMUNICATION	3.99	0.00	0.00	0.00
09	RECREATION & CULTURE	3.36	0.14	0.00	0.80
10	EDUCATION	2.14	0.00	0.00	0.00
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	0.14	0.01	1.43
12	MISCELLANEOUS GOODS & SERVICES	8.37	0.33	0.03	4.62
	ALL DIVISIONS	100.00	0.63	0.60	100.00

Table 4
Annual Component Contribution to Inflation
May. 2010

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	9.43	3.53	25.12
01.1	Food	35.10	9.36	3.29	23.39
	Bread and Cereals	6.10	5.12	0.31	2.22
	Meat	7.66	10.34	0.79	5.64
	Fish and Seafood	5.33	11.81	0.63	4.48
	Milk, Cheese and Eggs	3.11	8.74	0.27	1.93
	Oils and Fats	1.64	9.20	0.15	1.07
	Fruit	1.14	8.13	0.09	0.66
	Vegetables and Starchy Foods	6.85	6.88	0.47	3.35
	Vegetables	4.64	10.03	0.47	3.31
	Starchy Foods	2.21	0.66	0.01	0.10
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	24.12	0.41	2.95
	Food Products n.e.c.	1.55	15.19	0.24	1.68
01.2	Non-Alcoholic Beverages	2.35	10.94	0.26	1.83
	Coffee, Tea and Cocoa	0.66	13.59	0.09	0.64
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	10.00	0.17	1.20
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	25.84	0.36	2.54
03	CLOTHING & FOOTWEAR	3.33	10.00	0.33	2.37
03.1	Clothing	2.12	9.07	0.19	1.37
03.2	Footwear	1.22	11.38	0.14	0.99
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	28.60	3.65	25.97
04.1	Rentals for Housing	3.52	42.71	1.50	10.70
04.3	Maintenance and Repair of Dwelling	0.80	8.29	0.07	0.47
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	17.75	0.23	1.67
04.5	Electricity, Gas and Other Fuels	7.12	26.19	1.86	13.27
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENANCE	4.93	9.79	0.48	3.44
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	9.46	0.07	0.46
05.2	Household Textiles	0.32	6.65	0.02	0.15
05.3	Household Appliances	0.56	12.70	0.07	0.51
05.4	Glassware, Tableware and Household Utensils	0.05	7.03	0.00	0.03
05.5	Tools and Equipment for House and Garden	0.15	6.86	0.01	0.07
05.6	Goods and Services for Routine Household Maintenance	3.16	9.86	0.31	2.22
06	HEALTH	3.29	3.28	0.11	0.77
06.1	Medical Products, Appliances and Equipment	1.22	3.99	0.05	0.35
06.2	Health Services	2.07	2.75	0.06	0.40
07	TRANSPORT	12.82	28.95	3.71	26.42
08	COMMUNICATION	3.99	6.28	0.25	1.78
09	RECREATION & CULTURE	3.36	11.61	0.39	2.78
10	EDUCATION	2.14	7.82	0.17	1.19
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	7.10	0.44	3.13
12	MISCELLANEOUS GOODS & SERVICES	8.37	12.16	1.02	7.24
	ALL DIVISIONS	100.00	14.05	14.05	100.00