



Short term Inflation Analyses and Forecasts

November 2010
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.

Table of Contents

1.0 Review of Outturn	1
2.0 Factors underpinning the revised forecast	3
2.1 Trends in demand	3
2.2 Trends in supply	4
2.3 Import prices	5
2.4 Trends in Core Inflation	7
3.0 Revised Forecasts	8
4.0 Summary and conclusions	9
Appendices	10

Tables and figures

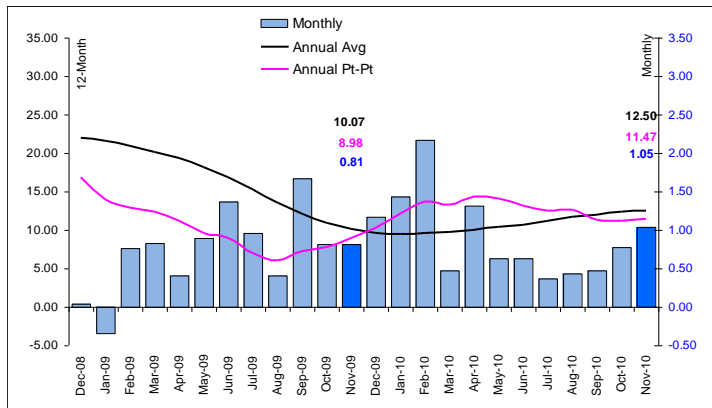
Figure 1: Trend in monthly inflation	1
Figure 2: Regional Inflation	1
Figure 3: Inflation Contribution	2
Figure 4: Short-term Indicators of Demand	3
Figure 5: Industrial Electricity Sales	4
Figure 6: International Commodity Prices	5
Figure 7: Core Inflation (12-month change)	7
Figure 8: Inflation Fan Chart	8
Figure 9: Trends in selected agricultural production	10
Figure 10: Trends in Weather related Factors	11



1.0 Review of Outturn

Headline inflation for November 2010 was **1.0 per cent** which was at the lower end of the Bank’s range of **1.0 per cent to 2.0 per cent**. This outturn resulted in a calendar year-to-date inflation of **10.2 per cent**, relative to the **8.9 per cent** for the corresponding period of 2009. The 12-month point-to-point inflation rate was **11.5 per cent**, which was also higher than the **9.0 per cent** recorded at the end of November 2009. However, inflation for the fiscal year-to-date was **5.8 per cent**, which was **1.8 percentage points** below the rate for the corresponding period of 2009/10.

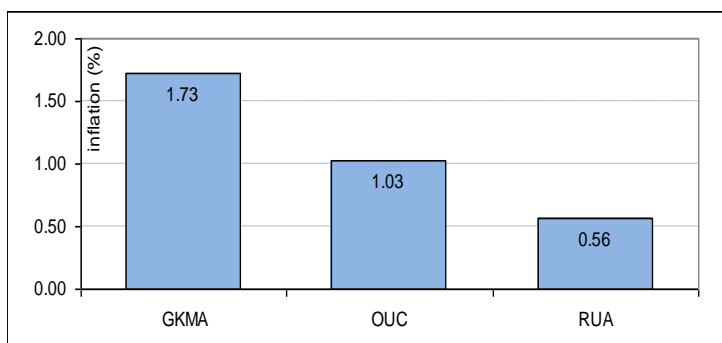
Figure 1: Trend in monthly inflation



The inflation outturn in November was the second highest monthly increase for the fiscal year.

Novembers’ inflation emanated from average price increases of 1.7 per cent, 1.0 per cent and 0.6 per cent in the *Greater Kingston Metropolitan Area (GKMA)*, *Other Urban Centres (OUC)* and *Rural Areas (RUA)*, respectively (see **Figure 2**). The main cause of the disparity was food prices, and was predominantly due to the relatively higher vegetable prices observed in the GKMA region.

Figure 2: Regional Inflation

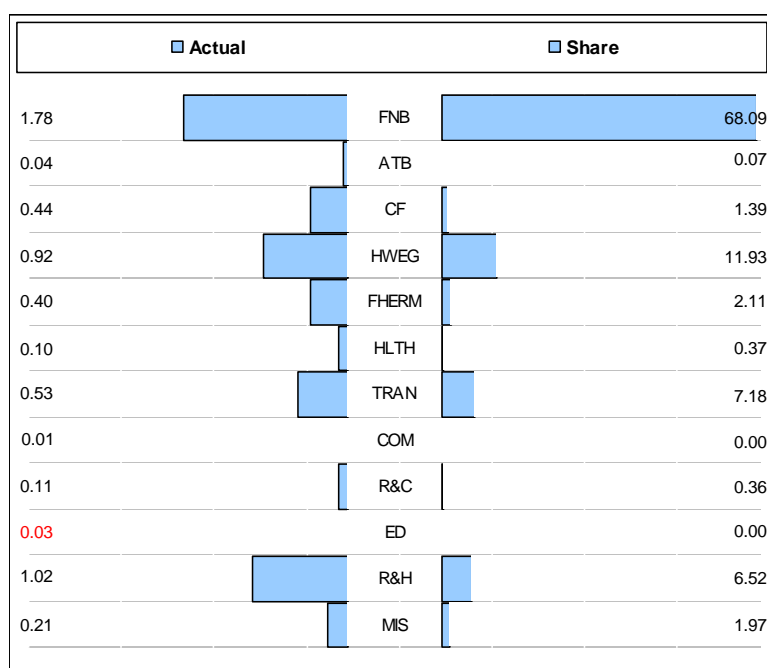




The main contributors to the overall inflation were *Food & Non-Alcoholic Beverages* (68%), *Housing, Water, Electricity Gas & Other Fuels* (12%) and *Transportation* (7%) (see Figure 3). *Food* largely reflected higher prices of *Vegetables & Starchy Foods, Bread & Cereals, and Meat*. *Vegetables & starchy foods* were negatively impacted by Tropical Storm Nicole and excessive rainfall in September and October (see **Figure 10** in Appendix). Baked products reflected the impact of price increases in flour, while meat reflected higher chicken prices that were influenced by increased prices for grains on the international commodities market.¹

Higher food prices continue to drive the changes in the CPI.

Figure 3: Inflation Contribution



■	POSITIVE
■	NEGATIVE

Housing Water, Electricity, Gas & Other Fuels also reflected notable increases. This was predominantly due to higher *Electricity, Gas & Other Fuels* which reflected the escalating cost of imported oil during the period. The movement in *Transportation* was also attributed to rising fuel costs as the price of crude oil increased on the global market.

¹ Grains especially corn, is used in the feeding poultry. The input cost associated with feed in the rearing of chickens is estimated in the range of 60% to 65%.



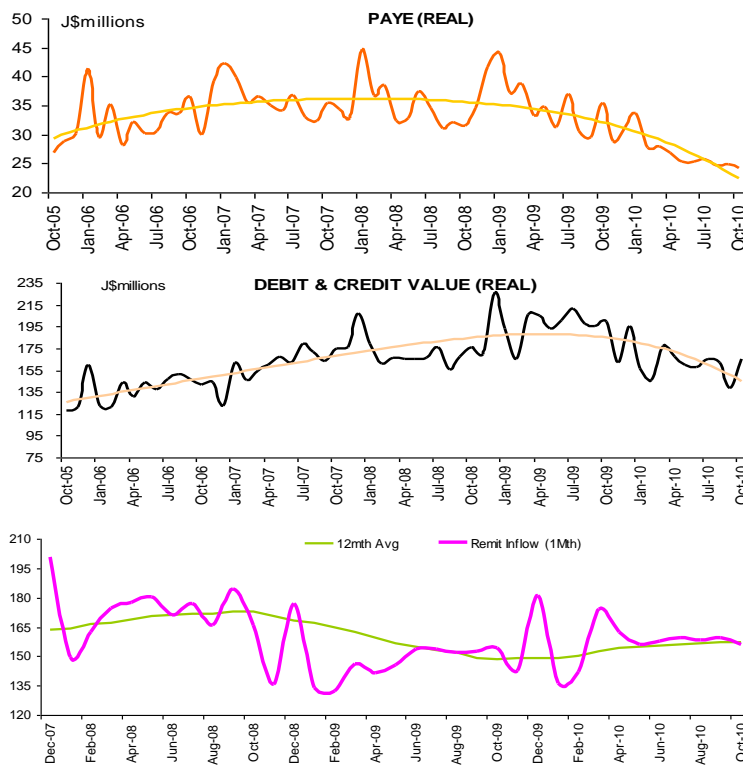
2.0 Factors underpinning the revised forecast

2.1 Trends in demand

Indicators of domestic demand reflect continued weakening though at a slowing pace (see **Figure 4**). Real incomes, for which PAYE was used as a proxy, remained low and reflected a **2.9 per cent** decline for October relative to September. Real wages were on average below the levels recorded in 2005. Despite the declining incomes, the total value of real debit and credit card transactions, increased by **20.0 per cent** in October relative to September but was **19.2 per cent** lower than the level in October 2009. The uptick in October was due primarily to higher debit card transactions, which reflected a return to normal levels following a substantial decline in September. Remittance inflows, another indicator of spending power have reflected an increasing trend since October 2009. Despite the upward trend, current levels remained notably below level prior to the 2008 crisis period.

Domestic incomes remain low but spending could be supplemented by borrowing and remittances.

Figure 4: Short-term Indicators of Demand





2.2 Trends in supply

Data on domestic agricultural produce indicated a contraction in vegetable and starchy food supplies for November relative to October (*see Appendices for trends in selected agriculture production*). This was consistent with the upward adjustment to prices among vegetables and starchy food items by **6.6 per cent** and **1.7 per cent**, respectively, for the review month. The contraction in supplies was directly related to the adverse impact of Tropical Storm Nicole on agricultural produce.

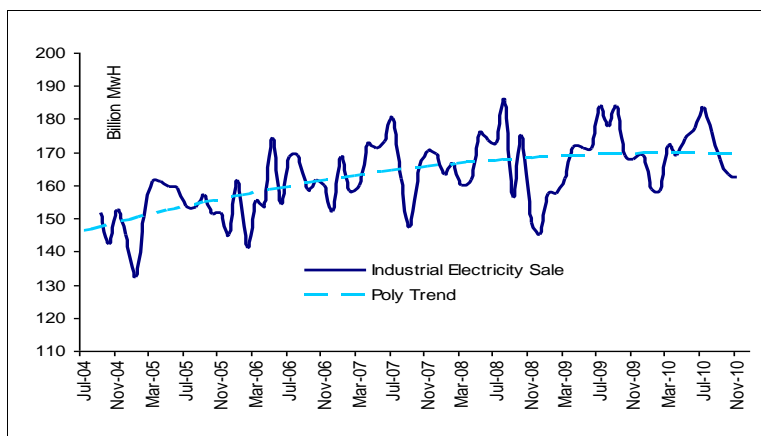
Prices and supply of agriculture produce contracted in November as a result of the Tropical storm.

Estimates of agriculture output for December are reflecting increased supplies for *Vegetables* but were not sufficient to offset the contraction observed in November. Starchy food supplies also showed some marginal upward movement. Agriculture related prices are expected to increase in December, with *Vegetables & Starchy Foods* expected to contribute approximately **9.0 per cent** of the month's inflation.

In November 2010, industrial electricity consumption, which is used as an indicator for industrial production, declined by **0.4 per cent** (see **Figure 5**). When compared to the level in November 2009, industrial electricity sales also declined by **3.2 per cent** when compared to October. Average trends in industrial electricity have been levelling off suggesting some adjustments in production to account for the overall low demand. Local distributors and producers have expressed concerns about their increasing inventories the rising costs of commodity prices and some shortages

Industrial output has levelled off, reflecting lower demand and heighten supply costs.

Figure 5: Industrial Electricity Sales





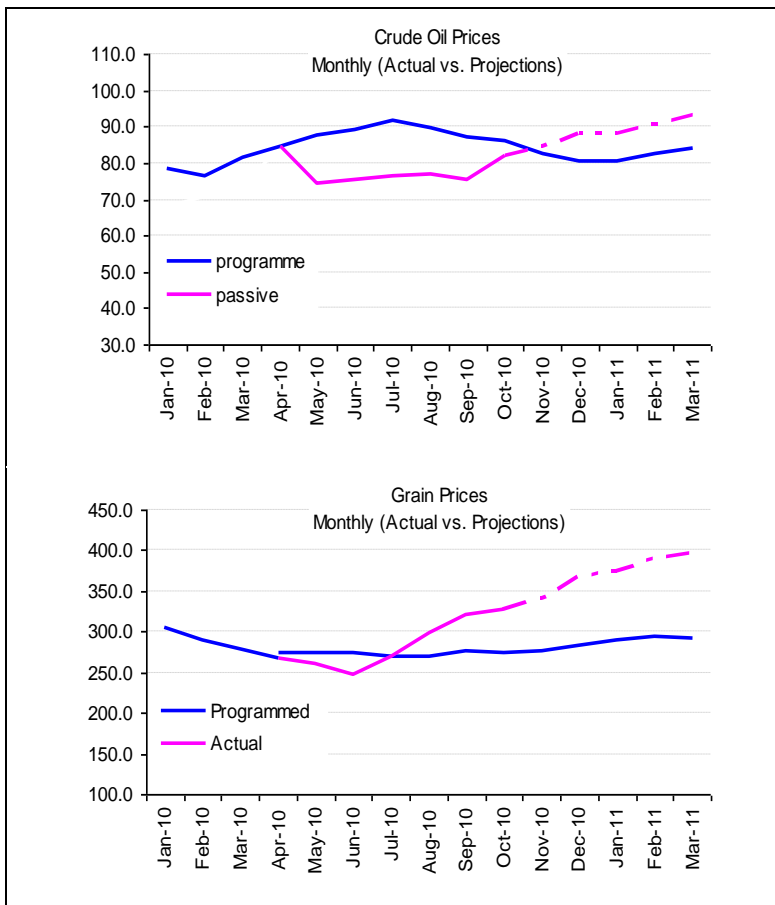
of local agriculture produce that are needed for raw materials. Steps have been taken by the Government to alleviate some of these pressures by extending import waivers. Nonetheless, continued supply shortages and rising input costs are likely to put upward pressure on prices of locally produced goods.

2.3 Import prices

The price of crude oil increased by **2.85 per cent** in November 2010 to **US\$84.31 per bbl**, relative to October 2010. The projection for December currently stands at **US\$87.85 per bbl**. This compares to the previous forecast of **US\$84.01 per bbl**. The current projection for the average crude oil price for fiscal year 2010/11 is **US\$82.41 per bbl** which is slightly higher than the previous estimate of **US\$81.17 per bbl**.

Oil prices expected to increase in December 2010 relative to November 2010.

Figure 6: International Commodity Prices





The downside risks to the outlook include the colder than usual temperatures expected for the December 2010 to February 2011 winter season as indicated by the National Oceanic and Atmospheric Administration. Greater abnormality in sea surface temperatures (SST) caused by the La Niña effect support increased snow fall and rains in the US (see **Figure 10**). Additionally, positive economic data from the US suggests the likelihood of increased demand for fuel. In November, OPEC and the International Energy Agency (IEA) forecasted increased demand for oil for 2010 and 2011.

Trends in commodity prices on the global market reflected increases for rice, US soft grain wheat, US hard grain wheat and corn of **5.7 per cent**, **4.1 per cent**, **1.4 per cent** and **1.0 per cent** respectively. Rice prices in November climbed on account of excessive floods in Thailand and the lagged effects of similar weather patterns experienced in Pakistan and Vietnam earlier in the year. Dry weather in the US Great Plains also contributed to a shortage of wheat during the period. Corn prices rose on account of heightened demand for feed products in China alongside increased global demand for ethanol.

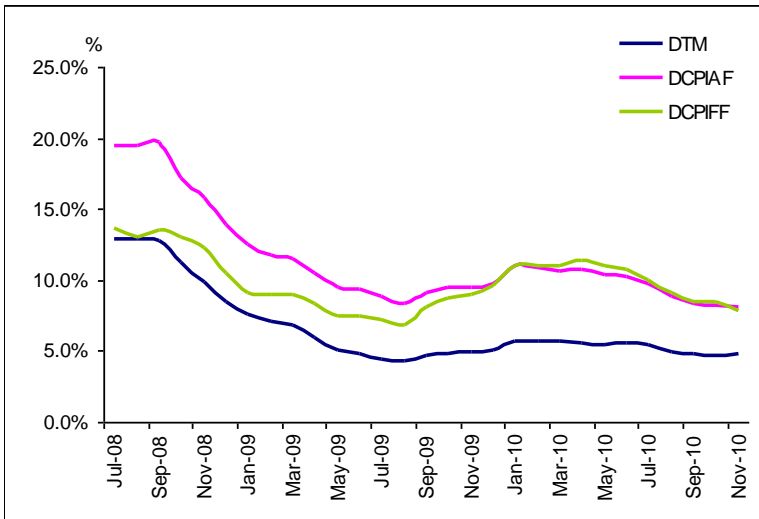


2.4 Trends in Core Inflation

Core inflation has stabilized since September 2010 following a steady downward trend from the start of the fiscal year (see **Figure 7**). The stabilization in core inflation is consistent with the weak demand conditions.

Core inflation has stabilized.

Figure 7: Core Inflation (12-month change)





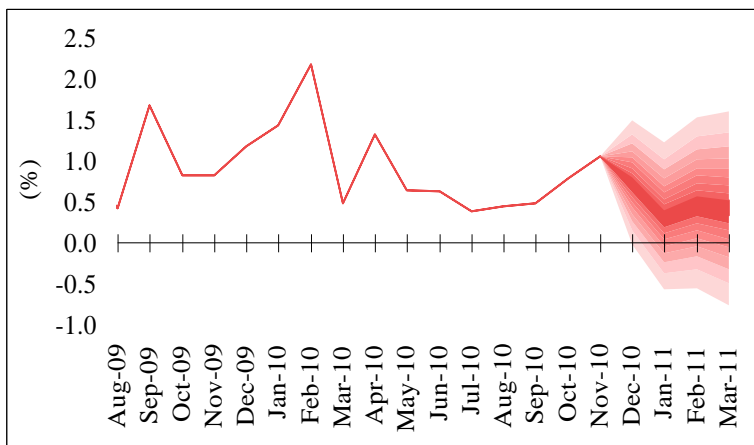
3.0 Revised Forecasts

The inflation 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 in the range of **0.0 per cent to 1.0 per cent** in December 2010. The main contributors are expected to be *Housing, Water, Electricity & Gas* (43%), and *Food* (29%). Higher electricity rates related to increased fuel and IPP charges is expected to trigger an upward adjustment in the energy related component. Food is expected to be mainly influenced by movements in *Vegetables & Starches* (9%), *Fish & Seafood* (5%), and *Milk Cheese & Eggs* (5%). Inflation in January and February is forecasted to be both within the range of 0.0 per cent to 1.0 per cent.

FY2010/11 inflation is well within the target range.

The risks to the projections are currently slightly skewed to the upside. The main upside risks relate to the lagged impact of adverse weather occurrences, which led to a contraction in domestic agriculture supplies; increasing international commodity prices, despite weaker than anticipated domestic demand conditions.

Figure 8: Inflation Fan Chart



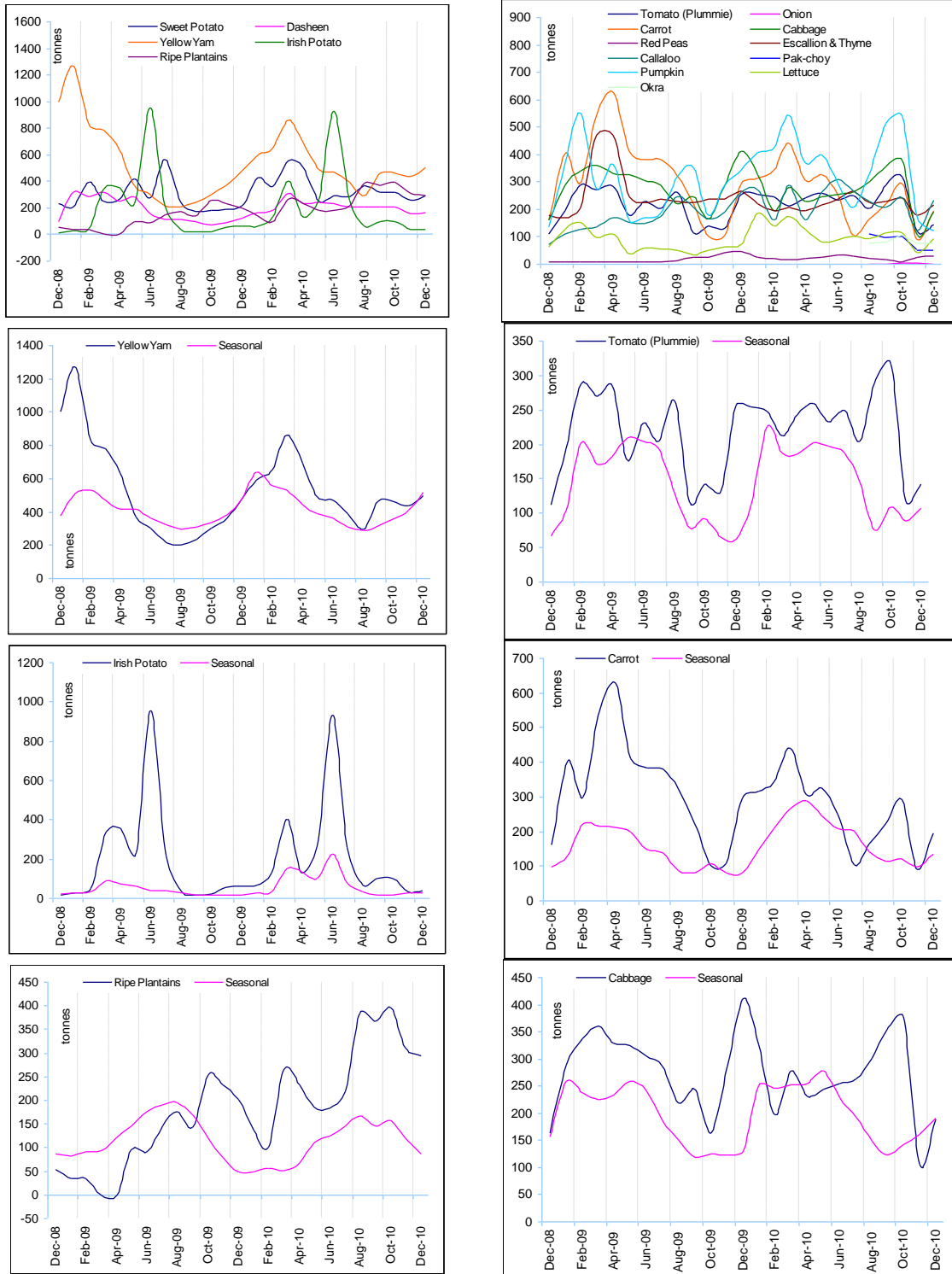


4.0 Summary and conclusions

Domestic demand conditions remain weak and continue to deteriorate at a slowing pace. Notwithstanding, input costs are increasing. Import prices are likely to increase with the abnormal winter season. Though agriculture supplies have shown some improvement, and steps have been taken to supplement local supplies with imported goods, trends in domestic prices and estimates of agriculture supplies are still reflecting shortages.

Appendices

Figure 9: Trends in selected agricultural production



Short term Inflation Analyses and Forecasts



Figure 10: Trends in Weather related Factors

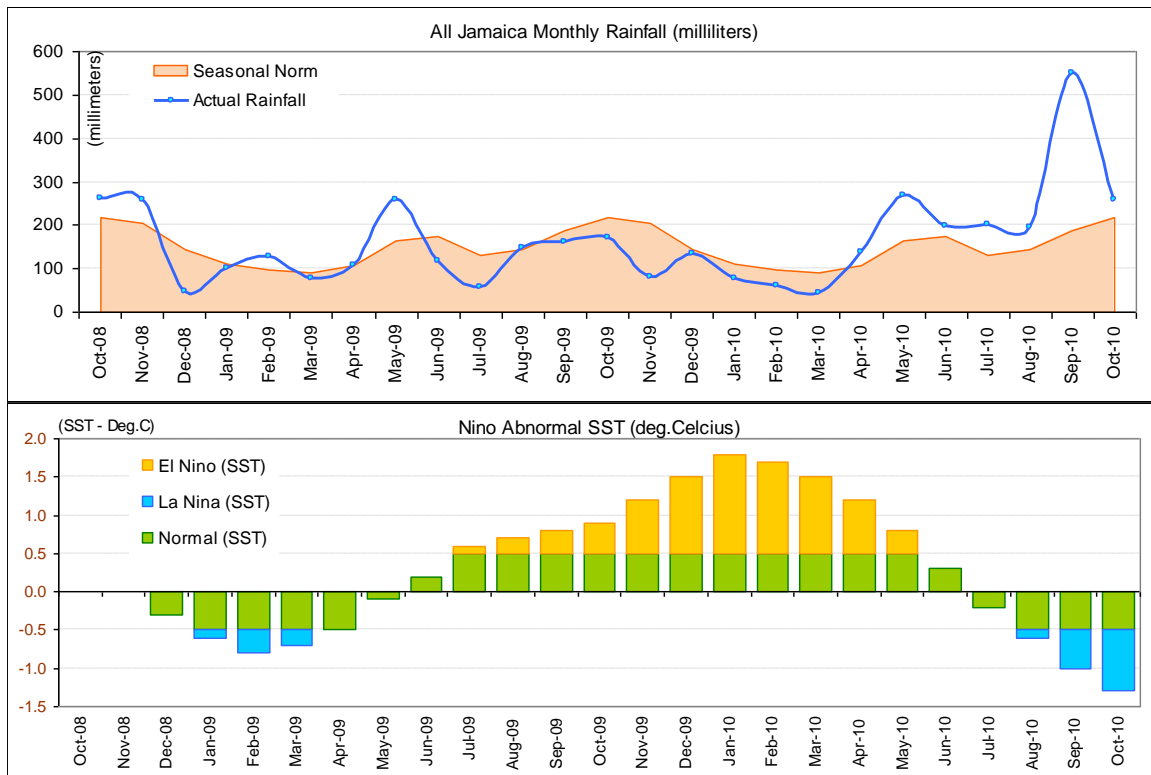


Table 1A
JAMAICA: HEADLINE INFLATION RATES
Nov. 2010

		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
	Sep-07	108.90	107.43	1.55	3.61	3.17	9.16	16.51	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
2008	Dec-07	116.82	113.73	2.50	7.27	5.86	16.82	9.17	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
	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

1/ December 2006 = 100

* Point to Point

Moving average

Source: STATIN

Table 1B
JAMAICA: CPI WITHOUT FOOD AND FUEL
Nov. 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	
	Sep-07	204.66	202.09	1.42	2.90	2.33	9.26	17.20	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
2008	Dec-07	210.41	208.11	1.21	2.81	2.97	11.46	8.66	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
	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	

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1C
JAMAICA: CPI WITHOUT AGRICULTURE AND FUEL
Nov. 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
	Sep-07	204.58	202.45	1.10	2.73	2.42	10.39	18.84	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
2008	Dec-07	216.44	211.95	1.84	5.80	4.69	15.62	10.61	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 1D
JAMAICA: TRIMMED MEAN CORE INFLATION
Nov. 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
	Sep-07	144.29	143.25	0.80	1.87	1.54	5.40	13.92	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
2008	Dec-07	150.04	147.63	1.58	3.99	3.06	9.37	5.55	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
	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

1/January 2000 = 100

* Point to Point

Moving average

Source: BOJ

Table 2
Regional Inflation
Nov-MTH. 2010

		GKMA	OUC	RUA
		Inflation(%)	Inflation(%)	Inflation(%)
01	FOOD & NON-ALCOHOLIC BEVERAGES	3.25	1.59	0.90
01.1	Food	3.35	1.67	0.95
	Bread and Cereals	2.28	0.91	2.32
	Meat	1.29	0.67	0.80
	Fish and Seafood	0.63	0.18	0.23
	Milk, Cheese and Eggs	0.21	0.12	0.36
	Oils and Fats	1.00	0.49	0.15
	Fruit	3.63	2.92	0.94
	Vegetables and Starchy Foods	10.52	5.07	0.81
	Vegetables	14.37	5.82	0.72
	Starchy Foods	1.53	3.02	1.10
	Sugar, Jam, Honey, Chocolate and Confectionery	0.40	0.88	0.39
	Food Products n.e.c.	0.90	0.59	0.84
01.2	Non-Alcoholic Beverages	0.56	0.13	0.26
	Coffee, Tea and Cocoa	0.83	0.54	0.48
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	0.44	0.00	0.19
02	ALCOHOLIC BEVERAGES & TOBACCO	0.09	0.05	0.05
03	CLOTHING & FOOTWEAR	0.78	0.15	0.26
03.1	Clothing	1.26	0.22	0.47
03.2	Footwear	0.17	0.00	0.00
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	0.89	0.77	0.95
04.1	Rentals for Housing	0.00	0.00	0.00
04.3	Maintenance and Repair of Dwelling	0.12	0.00	0.00
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	0.86	0.86	0.86
04.5	Electricity, Gas and Other Fuels	2.17	1.34	1.25
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENAN	0.30	0.31	0.59
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.06	0.28	0.29
05.2	Household Textiles	0.94	0.38	0.95
05.3	Household Appliances	0.06	0.00	0.06
05.4	Glassware, Tableware and Household Utensils	0.30	0.73	0.26
05.5	Tools and Equipment for House and Garden	1.01	0.55	0.33
05.6	Goods and Services for Routine Household Maintenance	0.36	0.25	0.67
06	HEALTH	0.00	0.33	0.08
06.1	Medical Products, Appliances and Equipment	0.00	0.48	0.00
06.2	Health Services	0.00	0.17	0.17
07	TRANSPORT	0.75	0.98	0.20
08	COMMUNICATION	0.00	0.00	0.00
09	RECREATION & CULTURE	0.22	0.07	0.07
10	EDUCATION	0.00	0.00	0.00
11	RESTAURANTS & ACCOMMODATION SERVICES	2.42	0.52	0.00
12	MISCELLANEOUS GOODS & SERVICES	0.06	0.59	0.20
ALL DIVISIONS		1.73	1.03	0.56

Table 3
Component Contribution to Inflation
Nov. 2010

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	1.78	0.67	68.09
01.1	Food	35.10	1.86	0.65	66.86
	Bread and Cereals	6.10	2.02	0.12	12.59
	Meat	7.66	0.94	0.07	7.33
	Fish and Seafood	5.33	0.34	0.02	1.87
	Milk, Cheese and Eggs	3.11	0.26	0.01	0.84
	Oils and Fats	1.64	0.47	0.01	0.78
	Fruit	1.14	2.67	0.03	3.11
	Vegetables and Starchy Foods	6.85	4.99	0.34	34.99
	Vegetables	4.64	6.63	0.31	31.48
	Starchy Foods	2.21	1.66	0.04	3.74
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	0.47	0.01	0.83
	Food Products n.e.c.	1.55	0.80	0.01	1.26
01.2	Non-Alcoholic Beverages	2.35	0.32	0.01	0.77
	Coffee, Tea and Cocoa	0.66	0.59	0.00	0.40
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	0.22	0.00	0.39
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	0.05	0.00	0.07
03	CLOTHING & FOOTWEAR	3.33	0.41	0.01	1.39
03.1	Clothing	2.12	0.65	0.01	1.41
03.2	Footwear	1.22	0.05	0.00	0.07
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	0.91	0.12	11.93
04.1	Rentals for Housing	3.52	0.00	0.00	0.00
04.3	Maintenance and Repair of Dwelling	0.80	0.05	0.00	0.04
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	0.86	0.01	1.17
04.5	Electricity, Gas and Other Fuels	7.12	1.56	0.11	11.35
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINT	4.93	0.42	0.02	2.11
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	0.23	0.00	0.16
05.2	Household Textiles	0.32	0.82	0.00	0.27
05.3	Household Appliances	0.56	0.04	0.00	0.02
05.4	Glassware, Tableware and Household Utensils	0.05	0.33	0.00	0.02
05.5	Tools and Equipment for House and Garden	0.15	0.46	0.00	0.07
05.6	Goods and Services for Routine Household Maintenance	3.16	0.50	0.02	1.60
06	HEALTH	3.29	0.11	0.00	0.37
06.1	Medical Products, Appliances and Equipment	1.22	0.10	0.00	0.12
06.2	Health Services	2.07	0.12	0.00	0.25
07	TRANSPORT	12.82	0.55	0.07	7.18
08	COMMUNICATION	3.99	0.00	0.00	0.00
09	RECREATION & CULTURE	3.36	0.10	0.00	0.36
10	EDUCATION	2.14	0.00	0.00	0.00
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	1.03	0.06	6.52
12	MISCELLANEOUS GOODS & SERVICES	8.37	0.23	0.02	1.97
	ALL DIVISIONS	100.00	1.05	0.98	100.00

Table 4
Annual Component Contribution to Inflation
Nov. 2010

		Weight in the CPI	Monthly Inflation(%)	Weighted Inflation	% Contrib'n to Inflation
01	FOOD & NON-ALCOHOLIC BEVERAGES	37.45	11.12	4.16	36.32
01.1	Food	35.10	11.27	3.95	34.49
	Bread and Cereals	6.10	5.91	0.36	3.14
	Meat	7.66	7.67	0.59	5.13
	Fish and Seafood	5.33	10.88	0.58	5.06
	Milk, Cheese and Eggs	3.11	9.01	0.28	2.44
	Oils and Fats	1.64	10.98	0.18	1.57
	Fruit	1.14	13.68	0.16	1.36
	Vegetables and Starchy Foods	6.85	19.99	1.37	11.94
	Vegetables	4.64	25.81	1.20	10.45
	Starchy Foods	2.21	8.33	0.18	1.61
	Sugar, Jam, Honey, Chocolate and Confectionery	1.72	12.54	0.22	1.88
	Food Products n.e.c.	1.55	12.96	0.20	1.75
01.2	Non-Alcoholic Beverages	2.35	8.78	0.21	1.80
	Coffee, Tea and Cocoa	0.66	10.58	0.07	0.61
	Mineral Waters, Soft Drinks, Fruit and Vegetable Juices	1.69	8.09	0.14	1.19
02	ALCOHOLIC BEVERAGES & TOBACCO	1.38	14.43	0.20	1.74
03	CLOTHING & FOOTWEAR	3.33	9.15	0.30	2.66
03.1	Clothing	2.12	10.47	0.22	1.94
03.2	Footwear	1.22	7.40	0.09	0.79
04	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	12.76	11.42	1.46	12.71
04.1	Rentals for Housing	3.52	24.77	0.87	7.60
04.3	Maintenance and Repair of Dwelling	0.80	9.55	0.08	0.67
04.4	Water Supply and Miscellaneous Services Related to the Dwelling	1.32	6.49	0.09	0.75
04.5	Electricity, Gas and Other Fuels	7.12	6.04	0.43	3.75
05	FURNISHINGS, HOUSEHOLD EQUIPMENT & ROUTINE HOUSEHOLD MAINTENANCE	4.93	7.09	0.35	3.05
05.1	Furniture and Furnishings (inc. Floor Coverings)	0.69	10.14	0.07	0.61
05.2	Household Textiles	0.32	7.68	0.02	0.21
05.3	Household Appliances	0.56	10.92	0.06	0.53
05.4	Glassware, Tableware and Household Utensils	0.05	7.49	0.00	0.03
05.5	Tools and Equipment for House and Garden	0.15	6.92	0.01	0.09
05.6	Goods and Services for Routine Household Maintenance	3.16	5.68	0.18	1.57
06	HEALTH	3.29	2.92	0.10	0.84
06.1	Medical Products, Appliances and Equipment	1.22	2.46	0.03	0.26
06.2	Health Services	2.07	3.14	0.07	0.57
07	TRANSPORT	12.82	24.50	3.14	27.39
08	COMMUNICATION	3.99	5.36	0.21	1.87
09	RECREATION & CULTURE	3.36	7.03	0.24	2.06
10	EDUCATION	2.14	8.01	0.17	1.49
11	RESTAURANTS & ACCOMMODATION SERVICES	6.19	5.28	0.33	2.85
12	MISCELLANEOUS GOODS & SERVICES	8.37	10.06	0.84	7.35
	ALL DIVISIONS	100.00	11.47	11.47	100.00