



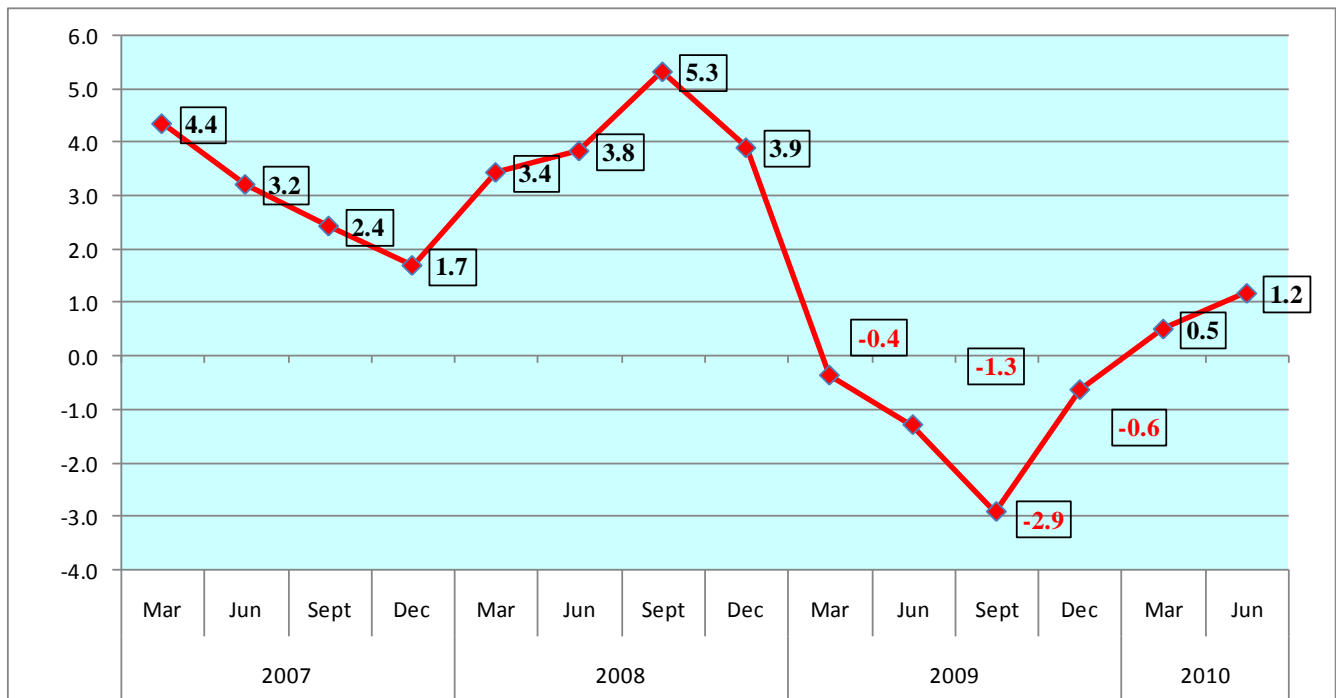
THE CAYMAN ISLANDS' CONSUMER PRICE REPORT: March & June 2010

(Date of release: September 2, 2010)

Consumer Price Index (CPI) increased by 1.2 % in June 2010 Compared to June 2009

The overall Consumer Price Index (CPI) stood at **99.9** in June 2010, up by **1.2** percent in comparison to June 2009, mainly due to movements in the average prices of the following divisions: alcoholic beverages and tobacco (17.8%), transport (7.2%), and restaurants and hotels (6.1%).

Figure 1: Inflation: March 2007- June 2010
(% Change in CPI of Current Quarter Over Same Quarter A Year Ago)



Annual changes - June 2010

The upward movement of the CPI in the second quarter of 2010 compared to the second quarter of 2009 was due to the following:

- **Alcohol and tobacco:** this price index soared by 17.8 percent, as prices of tobacco products rose on average by 90.2 percent as compared June 2009, while alcoholic beverages also registered an increase (5.2%).
- **Transportation:** this price index increased by 7.2 percent due to increases in the average cost of operations of personal transport equipment (12.6%) and in the purchase price of vehicles (1.4%).
- **Restaurants and hotels:** this price index moved upwards by 6.1 percent, driven by an 7.9 percent increase in the average cost of accommodation services coupled with a 5.8 percent increase in cost for catering services.
- **Food and non-alcoholic beverages:** the average price of this index increased by 3.1 percent resulting from a number of groups led by vegetables (19.1%), fruits (7.7%), milk, cheese and egg which rose by 4.9 meat and meat products (3.2%), etc. These were partially offset by declines for fish and sea food (7.5%), oils and fats (3.7%), and sugars, jam, honey, chocolate and confectionery (2.5%).
- **Education:** the overall price index stood at **104.4**. This was 2.4 percent above the level in June 2009 due to increases in the average cost of all levels of education; tertiary (2.6%), pre-primary and primary (2.3%) and secondary (2.2%).
- **Miscellaneous goods and services:** the upward movement of this price index by 1.4 percent resulted mainly from increases for the price of personal effects not elsewhere classified (17.2%) and other services not elsewhere classified (9.4%).
- **Household equipment:** this division index moved up by 1.3 percent, mainly due to increases in the average cost of glassware, table and household utensils (16.8%) and household appliances (15.7%).
- **Communication:** this division's average price rose by 1.0 percent mainly due to changes in prices for telephone and telefax services (1.1%) and postal services (0.8%). In contrast to these group movements, the average cost of telephone and telefax equipment went down by 9.3 percent.
- **Health:** the price index increased by 0.6 percent due to changes in the prices of hospital services (6.5%) and medical products, appliances and equipment (1.8%), amidst a 0.3 percent decrease outpatient services.

- **Recreation and culture:** this price index inched up by 0.3 percent the quarter ending June 2010 compared to June 2009. Increases were recorded for the groups; recreational and cultural services (3.5%) and other recreational items associated with gardens and pets (0.9%). On the other hand, there were decreases in the average cost of newspapers, books and stationery (-6.5%), audio-visual, photographic and information processing equipment (-4.5%) and other major durables for recreation and culture (-1.9%).

Meanwhile, the following major categories showed declines:

- **Housing and utilities:** this price index, which accounts for approximately forty percent of the CPI basket, declined by 1.4 percent due to the downward movement in average prices for actual rentals for housing (-15.6%) and imputed rentals for owner-occupied housing¹ (-2.5%). This was amidst increase in the average cost of electricity, gas and other fuels (28.4%), maintenance and repair of dwelling (7.5%) and water supply and miscellaneous services (2.9%).
- **Clothing and footwear:** this fell by 0.3 percent due to a decline in the average cost of clothing (-1.0%) while the average cost of footwear increased by 3.9 percent.

Quarterly changes - June 2010

The June 2010 CPI increased by **0.5** percent compared to the March 2010 CPI as a result of increases in the price indices of all major categories, except restaurants and hotels, recreation and culture, housing and utilities and communication.

- **Alcohol and tobacco:** this price index moved up by 7.6 percent, as tobacco prices rose on average by 36.5 percent as compared March 2010, while alcoholic beverages also registered an increase of 0.8 percent.
- **Food and non-alcoholic beverages:** the average price of this index increased 2.9 percent resulting from a number of groups led by vegetables (13.5%), meat and meat products (3.8%) and fruits (2.2%). Other groups had mild increases such as oils and fats (0.7%), coffee, tea and cocoa (0.4%) and food products not elsewhere classified (0.1%).
- **Clothing and footwear:** This index stood at 102.1 an increase of 2.3 percent.
- **Household equipment:** this division index increased by 2.1 percent, mainly due to cost of glassware, table and household utensils (23.3%), household appliances (15.1%) and tools and equipment for house and garden (11.5%).

¹ Imputed rentals are based on actual rentals for the same type of housing of a sample of owner-occupied houses.

- **Transportation:** this price index experienced a net increase of 1.3 percent due to increases in the average cost of operations of personal transport equipment (3.7%). Despite decreases in the cost of vehicle purchased (2.7%) and transport services (1.9%).
- **Miscellaneous goods and services:** this price index went up by 1.2 percent which resulted mainly from personal effects (5.0%) and services not elsewhere classified (3.3%).
- **Education:** the overall price index stood at **104.4** showing a 0.9 percent increase in the average cost of education compared to March 2010.
- **Health:** the price index increased by 0.3 percent due mainly to changes in prices in the group medical products, appliances and equipment (1.5%).

Meanwhile, the following divisions declined in June 2010 compared to March 2010:

- **Restaurants and hotels:** this price index moved down by 2.4 percent, driven mainly by a 19.5 percent decrease in the average cost of accommodation services.
- **Recreation and culture:** this price index inched down by 0.7 percent in June 2010 compared to March 2010, due mainly to a 2.9 percent decrease in the average cost of the group audio-visual, photographic and information processing equipment and a 2.6 percent decrease in the average cost of other recreational items associated with garden and pets. On the other hand, there were increases in the average cost of newspapers, books and stationery (1.2%) and recreational and cultural services (0.6%).
- **Housing and utilities:²** this price index declined by 0.4 percent due to the movement in average prices for water supply and miscellaneous services (-3.8%) and actual rentals for housing (-3.0%). Amidst increase in the average cost of maintenance and repair of dwelling (3.2%) couple with an increase in the average cost of electricity, gas and other fuels (0.4%)
- **Communication:** this division's average price decreased by 0.1 percent mainly due to changes in prices of telephone and telefax equipment (-13.1%). Meanwhile, the average cost of postal services increased by 1.7 percent.

² The United Nation's name for this division is Housing, water, electricity gas and other fuels

Annual changes - March 2010

The upward movement of the CPI in the first quarter of 2010 compared to first quarter of 2009 was due to the following:

- **Alcohol and tobacco:** this price index rose by 9.7 percent, as prices of tobacco products rose on average by 39.3 percent as compared March 2009, while alcoholic beverages also registered an increase (4.5%).
- **Transportation:** this price index increased by 7.4 percent due to increases in the average cost of operations of personal transport equipment (13.1%) and in the purchase price of vehicles (4.4%).
- **Restaurants and hotels:** this price index moved upwards by 7.0 percent, driven by a 17.2 percent increase in the average cost of accommodation services coupled with a 5.1 percent increase in cost for catering services.
- **Communication:** this division's average price rose by 4.3 percent mainly due to changes in prices for telephone and telefax equipment (4.4%), telephone and telefax services (4.3%) amidst decreases in the average cost of postal services (2.4%).
- **Education:** the overall price index stood at **103.5**. This was 1.8 percent above the level in March 2009 due to increases in the average cost of secondary education (4.6%) and pre-primary and primary education (2.3%).
- **Miscellaneous goods and services:** the upward movement of this price index by 1.4 percent resulted mainly from increases for the price of personal effects not elsewhere classified (11.8%) and other services not elsewhere classified (5.7%), amidst an 8.2 percent decline in financial services not elsewhere classified.
- **Recreation and culture:** this price index rose by 1.1 percent in March 2010 compared to March 2009. The groups that showed increases were; other recreational items associated with gardens and pets (3.4%) and recreational and cultural services (2.9%). On the other hand, there were decreases in the average cost of newspapers, books and stationery (5.4%), audio-visual, photographic and information processing equipment (2.2%) and other major durables for recreation and culture (1.4%).
- **Food and non-alcoholic beverages:** the average price of this index increased by 0.9 percent led by a number of groups; fruits (9.2%), vegetables (4.7%), milk, cheese and egg which rose by 2.3 percent. These were partially offset by declines in the average cost for oils and fats (5.7%), sugars, jam, honey, chocolate and confectionary (3.9%), fish and seafood (2.9) and meat and meat products (2.2%).

- **Health:** this price index also increased by 0.9 percent due to changes in prices of hospital services (6.5%) and medical products, appliances and equipment (2.8%) amidst a decrease in the average cost of outpatient services (-0.1%).

Meanwhile, the following major categories showed declines:

- **Housing and utilities:** this price index, which accounts for approximately forty percent of the CPI basket, declined by 2.8 percent due to the downward movement in average prices for actual rentals for housing (-13.7%) and imputed rentals for owner-occupied housing³ (-3.9%). This was amidst increase in the average cost of electricity, gas and other fuels (19.0%), maintenance and repair of dwelling (4.4%) and water supply and miscellaneous services (3.5%).
- **Clothing and footwear:** this fell by 2.6 percent due to a decline in the average cost of footwear (2.8%) and clothing (2.6%).
- **Household equipment:** this division index dropped by 0.9 percent, mainly due to decreases in the average cost of tools and equipment for house and garden (9.9%) and glassware, table and household utensils (6.2%)

Quarterly changes - March 2010

The March 2010 CPI increased by **0.4** percent compared to the December 2009 CPI as a result of increases in the price indices of all major categories, except health, housing and utilities and communication. The upward movement of the index was due to following divisions:

- **Alcohol and tobacco:** this price index moved up by 9.4 percent, as tobacco prices rose on average by 39.7 percent compared to December 2009, while alcoholic beverages also registered an increase of 4.1 percent.
- **Restaurants and hotels:** this price index moved up by 6.2 percent, driven mainly by a 44.9 percent decrease in the average cost of accommodation services.
- **Transportation:** this division experienced an increase of 2.2 percent due to increases in the average cost of all groups, namely the average cost of transport services (3.3%), purchase of vehicles (2.4%) and operations of transport services (1.5%).
- **Food and non-alcoholic beverages:** the average price of this index increased 2.1 percent resulting from a number of groups. The increases were led by fruits (11.2%) and milk, cheese and eggs (4.7%). Other groups had mild increases such as mineral water, soft drinks, fruit and vegetable juices (0.9%), oils and fats (0.75) and meat and meat products

³ Imputed rentals are based on actual rentals for the same type of housing of a sample of owner-occupied houses.

(0.3%). Meanwhile the food group that showed decreases were fish and seafood (8.8%), sugars, jams, honey, chocolate and confectionery (4.3%) and coffee, tea and cocoa (1.4%).

- **Miscellaneous goods and services:** this price index went up by 1.8 percent which resulted mainly from services not elsewhere classified (8.1%) and personal effects (3.2%), amidst an 8.2 percent decline in financial services not elsewhere classified.
- **Recreation and culture:** this price index inched up by 0.4 percent in March 2010 compared to December 2009, due mainly to a 16.9 percent increase in the average cost of the group audio-visual, photographic and information processing equipment and a 2.5 percent increase in the average cost of other recreational items associated with garden and pets. On the other hand, there were decreases in the average cost of recreational and cultural services (3.9%) and other major durables for recreation and culture (0.4%).
- **Household equipment:** this division index inched up by 0.2 percent, mainly due to increased cost of household textiles (2.5%) and tools and equipment for house and garden (2.1%) while the average cost of household appliances decreased by 0.3 percent.

The net average cost of items in the divisions clothing and footwear and education remained constant.

Meanwhile, the following divisions declined in March 2010 compared to December 2009:

- **Health:** this price index decreased by 12.2 percent solely due to decrease in the average cost of outpatient services (16.8%).
- **Housing and utilities:⁴** this price index declined by 0.5 percent due to the movement in average prices of actual rentals for housing (-4.4%) and maintenance and repair of dwelling (0.7%), amidst increase in the average cost of water supply and miscellaneous services (3.5%) and electricity, gas and other fuels (2.3%).
- **Communication:** this division's average price decreased by 0.5 percent mainly due to decreases in prices of postal services (38.0%) and telephone and telefax services (0.2%). Meanwhile, the average cost of telephone and telefax equipment increased by 23.6 percent.

⁴ The United Nation's name for this division is Housing, water, electricity gas and other fuels

Table 1: Quarterly Consumer Price Index and Inflation Rates
JUNE 2008 = 100

Year	Quarter Ending	INDEX	Percentage change in CPI:	
			3 months ago	1 year ago
2001	March	80.3	0.5	1.8
	June	80.5	0.2	1.8
	September	79.9	-0.7	0.3
	December	80.5	0.8	0.8
2002	March	82.0	1.9	2.1
	June	82.0	0.0	1.9
	September	82.3	0.4	3.0
	December	82.9	0.7	3.0
2003	March	82.2	-0.8	0.2
	June	82.5	0.4	0.6
	September	82.9	0.5	0.7
	December	83.4	0.6	0.6
2004	March	83.2	-0.2	1.2
	June	84.2	1.2	2.1
	September	85.7	1.8	3.4
	December	92.7	8.2	11.2
2005	March	92.7	0.0	11.4
	June	92.5	-0.2	9.9
	September	93.1	0.6	8.6
	December	92.7	-0.4	0.0
2006	March	91.9	-0.9	-0.9
	June	93.3	1.5	0.9
	September	94.4	1.2	1.4
	December	94.2	-0.2	1.6
2007	March	95.9	1.8	4.4
	June	96.3	0.4	3.2
	September	96.7	0.4	2.4
	December	95.8	-0.9	1.7
2008	March	99.2	3.5	3.4
	June	100.0	0.8	3.8
	September	101.8	1.8	5.3
	December	99.5	-2.3	3.9
2009	March	98.8	-0.7	-0.4
	June	98.7	-0.1	-1.3
	September	98.9	0.2	-2.9
	December	98.9	0.0	-0.6
2010	March	99.3	0.4	0.5
	June	99.9	0.5	1.2

Table 2
CAYMAN ISLANDS CONSUMER PRICE INDEX
ANNUAL AVERAGES 1995 TO 2009
(June 2008 = 100)

YEAR	INDEX	Percentage change from a year ago
1995	66.7	
1996	68.4	2.5
1997	70.3	2.7
1998	72.4	3.0
1999	77.3	6.9
2000	79.4	2.7
2001	80.3	1.1
2002	82.3	2.5
2003	82.8	0.5
2004	86.5	4.5
2005	92.8	7.3
2006	93.5	0.8
2007	96.2	2.9
2008	100.1	4.1
2009	98.8	-1.3

TABLE 3: CONSUMER PRICE INDICES AND INFLATION BY DIVISIONS AND GROUPS - SECOND QUARTER 2010

Major Group	Weight	Index			Percentage Change	
		June-10	Mar-10	June-09	3 months	
					Ago	1 year ago
All Divisions - All items	1000.0	99.9	99.3	98.7	0.5	1.2
01 Food & Non Alcoholic Beverage	79.6	110.3	107.2	107.0	2.9	3.1
Bread & cereals	9.9	108.3	108.5	109.0	-0.2	-0.7
Meat & meat products	10.4	109.7	105.6	106.3	3.8	3.2
Fish & seafood	4.2	104.0	102.4	112.4	1.6	-7.5
Milk, cheese & egg	8.3	107.0	106.9	102.0	0.0	4.9
Oils & fats	2.0	99.9	99.2	103.7	0.7	-3.7
Fruit	6.7	126.0	123.2	117.0	2.2	7.7
Vegetables	8.6	131.1	115.4	110.1	13.5	19.1
Sugars, jam, honey, chocolate & confectionery	5.5	105.1	104.0	107.9	1.0	-2.5
Food products n.e.c.	5.6	103.9	103.8	103.5	0.1	0.4
Coffee, tea & cocoa	1.6	101.5	101.1	102.5	0.4	-1.0
Mineral water, soft drinks, fruit & vegetable juices	16.9	104.0	101.8	103.3	2.2	0.7
02 Alcohol and Tobacco	6.5	123.2	114.5	104.6	7.6	17.8
Alcohol	5.6	108.1	107.2	102.8	0.8	5.2
Tobacco	0.9	221.0	161.9	116.2	36.5	90.2
03 Housing and Utilities	394.4	93.1	93.5	94.4	-0.4	-1.4
Actual rentals for housing	78.7	82.2	84.8	97.4	-3.0	-15.6
Imputed rentals for housing	223.4	95.1	95.1	97.6	0.0	-2.5
Maintenance and repair of dwelling	28.5	108.2	104.8	100.7	3.2	7.5
Water supply and miscellaneous services	16.4	96.1	99.9	93.4	-3.8	2.9
Electricity, gas and other fuels	47.3	91.5	91.1	71.2	0.4	28.4
04 Clothing and Footwear	34.3	102.1	99.8	102.4	2.3	-0.3
Clothing	29.5	100.9	99.6	101.9	1.4	-1.0
Footwear	4.8	109.0	101.1	104.9	7.8	3.9
05 Household Equipment	56.4	102.9	100.8	101.6	2.1	1.3
Furniture and furnishings	5.7	101.7	100.3	101.1	1.3	0.6
Household textiles	1.1	104.0	101.2	100.0	2.8	4.0
Household appliances	2.8	115.8	100.6	100.1	15.1	15.7
Glassware, tableware and household utensils	2.8	124.9	101.3	107.0	23.3	16.8
Tools and equipment for house and garden	1.5	100.7	90.4	100.7	11.4	0.0
Goods and services for routine household maintenance	42.4	100.8	101.2	101.5	-0.4	-0.6
06 Health	24.2	97.7	97.4	97.1	0.3	0.6
Medical products, appliances and equipment	5.0	106.3	104.7	104.3	1.5	1.8
Outpatient services	17.9	94.6	94.6	94.9	0.0	-0.3
Hospital services	1.4	106.5	106.5	100.0	0.0	6.5
07 Transport	96.1	97.4	96.1	90.9	1.3	7.2
Purchase of vehicles	6.1	103.1	105.9	101.6	-2.7	1.4
Operations of personal transport equipment	57.4	98.5	95.0	87.5	3.7	12.6
Transport services	32.6	94.3	96.2	94.8	-1.9	-0.5
08 Communication	69.7	102.7	102.8	101.7	-0.1	1.0
Postal services	0.5	94.8	93.3	94.1	1.7	0.8
Telephone & telefax equipment	0.3	100.0	115.1	110.2	-13.1	-9.3
Telephone & telefax services	68.9	102.8	102.8	101.7	0.0	1.1
09 Recreation and Culture	40.5	98.7	99.4	98.5	-0.7	0.3
Audio-visual, photographic and information processing equipment	4.2	92.3	95.0	96.6	-2.9	-4.5
Other major durables for recreation and culture	3.4	98.1	98.6	100.0	-0.5	-1.9
Other recreational items and equipment, gardens and pets	10.5	105.5	108.3	104.6	-2.6	0.9
Recreational & cultural services	17.6	97.0	96.4	93.8	0.6	3.5
Newspapers, books and stationery	4.8	96.0	94.9	102.8	1.2	-6.5
10 Education	27.9	104.4	103.5	102.0	0.9	2.4
Pre-primary and primary education	16.1	104.7	104.7	102.4	0.0	2.3
Secondary education	2.4	109.3	109.3	106.9	0.0	2.2
Tertiary education	9.4	102.6	100.0	100.0	2.6	2.6
11 Restaurants and Hotels	40.2	113.6	116.4	107.1	-2.4	6.1
Catering Services	33.8	115.6	114.2	109.2	1.2	5.8
Accommodation Services	6.4	103.5	128.5	95.9	-19.5	7.9
12 Miscellaneous Goods and Services	130.2	106.9	105.6	105.4	1.2	1.4
Personal care	26.5	105.3	106.3	105.2	-0.9	0.1
Personal effects n.e.c.	7.7	132.5	126.2	113.1	5.0	17.2
Social protection	8.4	100.0	100.0	100.0	0.0	0.0
Insurance	74.8	105.2	103.9	106.2	1.3	-0.9
Financial services n.e.c.	0.5	91.8	91.8	100.0	0.0	-8.2
Other services n.e.c.	12.2	109.2	105.7	99.8	3.3	9.4

TABLE 4: CONSUMER PRICE INDICES AND INFLATION BY DIVISIONS AND GROUPS - FIRST QUARTER 2010

Major Group	Weight	Index			Percentage Change	
		Mar-10	Dec-09	Mar-09	3 months Ago	1 year ago
All Divisions - All items	1000.0	99.3	98.9	98.8	0.4	0.5
01 Food & Non Alcoholic Beverage	79.6	107.2	105.0	106.3	2.1	0.9
Bread & cereals	9.9	108.5	108.4	107.9	0.1	0.6
Meat & meat products	10.4	105.6	105.3	108.0	0.3	-2.2
Fish & seafood	4.2	102.4	112.3	105.5	-8.8	-2.9
Milk, cheese & egg	8.3	106.9	102.1	104.6	4.7	2.3
Oils & fats	2.0	99.2	98.5	105.2	0.7	-5.7
Fruit	6.7	123.2	123.2	112.8	0.0	9.2
Vegetables	8.6	115.4	103.8	110.3	11.2	4.7
Sugars, jam, honey, chocolate & confectionery	5.5	104.0	108.7	108.3	-4.3	-3.9
Food products n.e.c.	5.6	103.8	103.3	103.7	0.5	0.2
Coffee, tea & cocoa	1.6	101.1	102.5	103.2	-1.4	-2.0
Mineral water, soft drinks, fruit & vegetable juices	16.9	101.8	100.9	101.1	0.9	0.7
02 Alcohol and Tobacco	6.5	114.5	104.7	104.4	9.4	9.7
Alcohol	5.6	107.2	103.0	102.5	4.1	4.5
Tobacco	0.9	161.9	115.8	116.2	39.7	39.3
03 Housing and Utilities	394.4	93.5	93.9	96.1	-0.5	-2.8
Actual rentals for housing	78.7	84.8	88.7	98.2	-4.4	-13.7
Imputed rentals for housing	223.4	95.1	95.1	98.9	0.0	-3.9
Maintenance and repair of dwelling	28.5	104.8	105.6	100.4	-0.7	4.4
Water supply and miscellaneous services	16.4	99.9	96.6	96.5	3.5	3.5
Electricity, gas and other fuels	47.3	91.1	89.1	76.6	2.3	19.0
04 Clothing and Footwear	34.3	99.8	99.8	102.5	0.0	-2.6
Clothing	29.5	99.6	100.0	102.2	-0.4	-2.6
Footwear	4.8	101.1	99.0	104.0	2.1	-2.8
05 Household Equipment	56.4	100.8	100.6	101.8	0.2	-0.9
Furniture and furnishings	5.7	100.3	100.2	101.7	0.2	-1.3
Household textiles	1.1	101.2	98.7	100.0	2.5	1.2
Household appliances	2.8	100.6	100.9	100.6	-0.3	0.0
Glassware, tableware and household utensils	2.8	101.3	101.3	108.1	0.0	-6.2
Tools and equipment for house and garden	1.5	90.4	88.5	100.4	2.1	-9.9
Goods and services for routine household maintenance	42.4	101.2	101.1	101.5	0.1	-0.3
06 Health	24.2	97.4	110.9	96.5	-12.2	0.9
Medical products, appliances and equipment	5.0	104.7	103.5	101.8	1.2	2.8
Outpatient services	17.9	94.6	113.8	94.8	-16.8	-0.1
Hospital services	1.4	106.5	100.2	100.0	6.2	6.5
07 Transport	96.1	96.1	94.0	89.4	2.2	7.4
Purchase of vehicles	6.1	105.9	103.5	101.5	2.4	4.4
Operations of personal transport equipment	57.4	95.0	93.6	84.0	1.5	13.1
Transport services	32.6	96.2	93.1	96.8	3.3	-0.7
08 Communication	69.7	102.8	103.3	98.6	-0.5	4.3
Postal services	0.5	93.3	150.4	95.5	-38.0	-2.4
Telephone & telefax equipment	0.3	115.1	93.1	110.2	23.6	4.4
Telephone & telefax services	68.9	102.8	103.0	98.5	-0.2	4.3
09 Recreation and Culture	40.5	99.4	99.0	98.3	0.4	1.1
Audio-visual, photographic and information processing equipment	4.2	95.0	81.2	97.1	16.9	-2.2
Other major durables for recreation and culture	3.4	98.6	99.0	100.0	-0.4	-1.4
Other recreational items and equipment, gardens and pets	10.5	108.3	105.7	104.8	2.5	3.4
Recreational & cultural services	17.6	96.4	100.4	93.8	-3.9	2.9
Newspapers, books and stationery	4.8	94.9	94.6	100.3	0.4	-5.4
10 Education	27.9	103.5	103.5	101.8	0.0	1.8
Pre-primary and primary education	16.1	104.7	104.7	102.4	0.0	2.3
Secondary education	2.4	109.3	109.3	104.6	0.0	4.6
Tertiary education	9.4	100.0	100.0	100.0	0.0	0.0
11 Restaurants and Hotels	40.2	116.4	109.7	108.8	6.2	7.0
Catering Services	33.8	114.2	113.6	108.6	0.5	5.1
Accommodation Services	6.4	128.5	88.7	109.7	44.9	17.2
12 Miscellaneous Goods and Services	130.2	105.6	103.7	104.1	1.8	1.4
Personal care	26.5	106.3	106.5	105.2	-0.2	1.0
Personal effects n.e.c.	7.7	126.2	122.3	112.9	3.2	11.8
Social protection	8.4	100.0	100.0	100.0	0.0	0.0
Insurance	74.8	103.9	102.3	103.9	1.6	0.0
Financial services n.e.c.	0.5	91.8	100.0	100.0	-8.2	-8.2
Other services n.e.c.	12.2	105.7	97.8	100.0	8.1	5.7

NOTES ON THE INDEX COMPILATION

CPI formula

The CPI is computed using Lowe's formula. The Lowe indices is one of the widest and popular class of price indices which is obtained by defining the index as the percentage change, between the periods compared, in the total cost of purchasing a given set of quantities, generally described as a "basket".⁵ The Lowe index, P_{Lo} , is defined as follows⁶:

$$P_{Lo} = \frac{\sum_{i=1}^n p_i^t q_i}{\sum p_i^0 q_i}$$

Where n = number of products in the basket with prices p_i and quantities q_i

0 = base period

t = later period being compared

Geometric mean

The price $p = [p_1, p_2, \dots, p_n]$ for each item from different outlets is the average of prices of the outlets using geometric mean or the formula:

$$p = \left(\prod_{i=1}^n p_i \right)^{1/n} = \sqrt[n]{p_1, p_2, \dots, p_n}$$

Inflation: this refers to the percentage change in the Consumer Price Index from one period to another. Typically, this period would be a year or a quarter.

Annual Inflation Rate: the percentage change of the CPI in the quarter under review over the CPI of the same quarter a year ago. This is also known as **year-on-year inflation rate**.

Quarterly Inflation Rate: the percentage change of the CPI in the quarter under review over the immediate previous quarter. This is also known as quarter-on-quarter inflation rate.

⁵ ILO (2004, p. 2). Consumer price index manual

⁶ Ibid, p.3