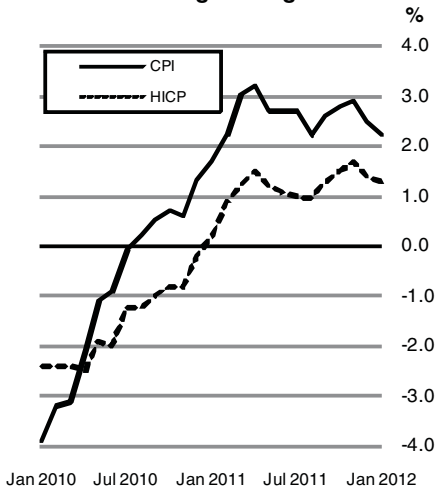




## Consumer Price Index January 2012

CPI/HICP - all items  
Annual Percentage Change



CPI and HICP

	CPI		HICP	
	% monthly change	% annual change	% monthly change	% annual change
Sep 2011	+ 0.3	+ 2.6	+ 0.1	+ 1.3
Oct 2011	+ 0.3	+ 2.8	+ 0.3	+ 1.5
Nov 2011	-	+ 2.9	-	+ 1.7
Dec 2011	- 0.3	+ 2.5	- 0.1	+ 1.4
Jan 2012	- 0.5	+ 2.2	- 0.4	+ 1.3

### Prices rise by 2.2% in the year to January

Consumer Prices in January, as measured by the CPI, decreased by 0.5% in the month. This compares to a decrease of 0.2% recorded in January of last year. Prices on average, as measured by the CPI, were 2.2% higher in January compared with January 2011.

The EU Harmonised Index of Consumer Prices (HICP) decreased by 0.4% in the month, compared to a decrease of 0.3% recorded in January of last year. Prices on average, as measured by the HICP, were 1.3% higher in January compared with January 2011.

The most notable changes in the year were increases in *Education* (+8.9%), *Housing, Water, Electricity, Gas & Other Fuels* (+6.7%), *Miscellaneous Goods & Services* (+6.5%) and *Alcoholic Beverages & Tobacco* (+3.8%). There were decreases in *Furnishings, Household Equipment & Routine Household Maintenance* (-1.9%), *Clothing & Footwear* (-1.1%) and *Recreation & Culture* (-1.0%).

The most significant monthly price changes were decreases in *Clothing & Footwear* (-10.7%), *Furnishings, Household Equipment & Routine Household Maintenance* (-2.5%) and *Housing, Water, Electricity, Gas & Other Fuels* (-1.6%). There were increases in *Alcoholic Beverages & Tobacco* (+3.5%) and *Transport* (+1.2%).

The main factors contributing to the monthly change were as follows:

- ◆ *Clothing & Footwear* and *Furnishings, Household Equipment & Routine Household Maintenance* decreased due to the traditional winter sales.
- ◆ *Housing, Water, Electricity, Gas & Other Fuels* fell due to lower mortgage interest repayments.
- ◆ *Alcoholic Beverages & Tobacco* increased due to a recovery in prices for wine, spirits and beer sold in off licences and supermarkets following the end of special offers and higher tobacco prices.
- ◆ *Transport* rose due to increases in petrol and diesel prices and motor taxation.

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## CPI sub-indices

The annual rate of inflation for Services was 3.4% in the year to January, while Goods increased by 0.7%. Services, excluding mortgage interest repayments, increased by 2.6% in the year since January 2011.

The CPI excluding tobacco for January decreased by 0.6% in the month and was up by 2.1% in the year. The CPI excluding energy products was down by 0.9% in the month and increased by 1.3% in the year. The CPI excluding mortgage interest decreased by 0.2% in the month and rose by 1.7% in the year.

## Contributions to the overall CPI

Table 4 shows the contribution of each 2-digit COICOP<sup>1</sup> division to the overall change in the CPI.

The divisions which caused the largest upward contribution to the CPI in the year were *Housing, Water, Electricity, Gas & Other Fuels* (+1.08%), *Miscellaneous Goods & Services* (+0.62%) and *Transport* (+0.40%).

The divisions which caused the largest downward contribution to the CPI in the year were *Clothing & Footwear* (-0.19%) and *Restaurants & Hotels* (-0.12%).

The main factors contributing to the annual change were as follows:

- ◆ *Housing, Water, Electricity, Gas & Other Fuels* rose due to higher mortgage interest repayments and increases in the cost of electricity and home heating oil.
- ◆ *Miscellaneous Goods & Services* increased mainly due to higher health insurance premiums.
- ◆ *Transport* rose mainly due to an increase in petrol and diesel prices.
- ◆ *Clothing & Footwear* fell due to sales.
- ◆ *Restaurants & Hotels* decreased mainly due to lower prices in restaurants, cafes and licensed premises.

A detailed breakdown of the individual components of each of the 12 COICOP divisions is presented in the supplementary Detailed Sub-indices release.

## Harmonised Index of Consumer Prices

The EU Harmonised Index of Consumer Prices (HICP) decreased by 0.4% in the month. This compares to a decrease of 0.3% recorded in January of last year. Prices on average, as measured by the HICP, were 1.3% higher in January compared with January 2011.

The most notable changes in the year were increases in *Education* (+8.9%), *Housing, Water, Electricity, Gas & Other Fuels* (+5.7%), *Miscellaneous Goods & Services* (+4.2%) and *Alcoholic Beverages & Tobacco* (+3.9%). There were decreases in *Furnishings, Household Equipment & Routine Household Maintenance* (-1.9%), *Clothing & Footwear* (-1.2%), *Recreation & Culture* (-1.1%) and *Restaurants & Hotels* (-0.7%).

The most significant monthly price changes were decreases in *Clothing & Footwear* (-10.7%) and *Furnishings, Household Equipment & Routine Household Maintenance* (-2.5%). There was an increase in *Alcoholic Beverages & Tobacco* (+3.5%).

## European Union comparison

In December 2011<sup>2</sup>, the HICP in the Euro Area increased by 2.7% in the year and by 3.0% for the EU. The highest rate in the EU was in Slovakia (+4.6%) followed by Poland (+4.5%). Sweden had the lowest rate of inflation in the EU, based on the HICP, at 0.4%. In the United Kingdom, the HICP showed an annual increase of 4.2%.

<sup>1</sup> *Classification of Individual Consumption by Purpose Adapted to the Needs of Harmonised Indices of Consumer Prices (2000).*

<sup>2</sup> *Data for other countries published one month behind due to differences in national publication timeframes.*

**Table 1 Consumer Price Index (All Items)**

Period	Consumer Price Index (CPI)		Percentage changes			
	Current base Dec. 2011=100 <sup>1</sup>	Former base Dec. 2006=100 <sup>1</sup>	1 month	3 months	12 months	
			%	%	%	
<b>2005</b>	Year	94.3			+ 2.5	
<b>2006</b>	Year				+ 4.0	
<b>2007</b>	Year				+ 4.9	
<b>2008</b>	Year				+ 4.1	
<b>2009</b>	Year				- 4.5	
<b>2010</b>	Year	96.9			- 1.0	
<b>2011</b>	Year	99.4			+ 2.6	
<b>2009</b>	January	99.7	104.1	- 1.7	- 3.8	- 0.1
	February	99.3	103.7	- 0.4	- 3.3	- 1.7
	March	99.3	103.7	-	- 2.1	- 2.6
	April	98.6	102.9	- 0.8	- 1.2	- 3.5
	May	98.1	102.4	- 0.5	- 1.3	- 4.7
	June	97.8	102.1	- 0.3	- 1.5	- 5.4
	July	97.1	101.3	- 0.8	- 1.6	- 5.9
	August	97.4	101.7	+ 0.4	- 0.7	- 5.9
	September	97.1	101.3	- 0.4	- 0.8	- 6.5
	October	96.8	101.1	- 0.2	- 0.2	- 6.6
	November	96.8	101.1	-	- 0.6	- 5.7
	December	96.3	100.6	- 0.5	- 0.7	- 5.0
<b>2010</b>	January	95.8	100.0	- 0.6	- 1.1	- 3.9
	February	96.2	100.4	+ 0.4	- 0.7	- 3.2
	March	96.3	100.5	+ 0.1	- 0.1	- 3.1
	April	96.5	100.7	+ 0.2	+ 0.7	- 2.1
	May	97.0	101.3	+ 0.6	+ 0.9	- 1.1
	June	96.9	101.2	- 0.1	+ 0.7	- 0.9
	July	96.9	101.2	-	+ 0.5	- 0.1
	August	97.6	101.9	+ 0.7	+ 0.6	+ 0.2
	September	97.5	101.8	- 0.1	+ 0.6	+ 0.5
	October	97.6	101.8	-	+ 0.6	+ 0.7
	November	97.4	101.7	- 0.1	- 0.2	+ 0.6
	December	97.6	101.9	+ 0.2	+ 0.1	+ 1.3
<b>2011</b>	January	97.4	101.7	- 0.2	- 0.1	+ 1.7
	February	98.3	102.6	+ 0.9	+ 0.9	+ 2.2
	March	99.2	103.5	+ 0.9	+ 1.6	+ 3.0
	April	99.5	103.9	+ 0.4	+ 2.2	+ 3.2
	May	99.6	104.0	+ 0.1	+ 1.4	+ 2.7
	June	99.5	103.9	- 0.1	+ 0.4	+ 2.7
	July	99.5	103.9	-	-	+ 2.7
	August	99.7	104.1	+ 0.2	+ 0.1	+ 2.2
	September	100.0	104.4	+ 0.3	+ 0.5	+ 2.6
	October	100.3	104.7	+ 0.3	+ 0.8	+ 2.8
	November	100.3	104.7	-	+ 0.6	+ 2.9
	December	100.0	104.4	- 0.3	-	+ 2.5
<b>2012</b>	January	99.5	103.9	- 0.5	- 0.8	+ 2.2

<sup>1</sup> Data prior to December 2011 is linked to current Consumer Price Index at mid-December 2011.

**Table 2 CPI Subindices, January 2012**

Subindices	Dec. 2011 base expenditure weights	Consumer Price Index (CPI)		Percentage changes		
		Current base	Former base	1 month	3 months	12 months
		Dec. 2011=100	Dec. 2006=100			
CPI excluding Tobacco	97.355	99.4	103.0	- 0.6	- 1.0	+ 2.1
CPI excluding Housing <sup>1</sup>	87.146	99.8	104.2	- 0.2	- 0.2	+ 1.8
CPI excluding Mortgage Interest	94.331	99.8	104.0	- 0.2	- 0.2	+ 1.7
CPI excluding Energy Products <sup>2</sup>	88.639	99.1	101.0	- 0.9	- 1.3	+ 1.3

<sup>1</sup> Housing includes rents, waste collection & disposal charges, mortgage interest, materials for repairs & decoration and house insurance.

<sup>2</sup> Energy products includes electricity, gas, other domestic and transport fuels.

**Table 3 Consumer Price COICOP Division Indices, January 2012**

COICOP Division	Dec. 2011 base expenditure weights	Consumer Price Index (CPI)		Percentage changes		
		Current base	Former base	1 month	3 months	12 months
		Dec. 2011=100	Dec. 2006=100			
01 Food and Non-Alcoholic Beverages	11.366	99.5	101.5	- 0.5	- 0.5	+ 0.3
02 Alcoholic Beverages and Tobacco	4.908	103.5	114.2	+ 3.5	+ 3.5	+ 3.8
03 Clothing and Footwear	5.203	89.3	64.3	- 10.7	- 10.3	- 1.1
04 Housing, Water, Electricity, Gas and Other Fuels	17.476	98.4	105.7	- 1.6	- 2.9	+ 6.7
05 Furnishings, Household Equipment and Routine Household Maintenance	3.220	97.5	85.3	- 2.5	- 2.4	- 1.9
06 Health	4.629	100.7	117.2	+ 0.7	+ 0.8	-
07 Transport	15.088	101.2	110.4	+ 1.2	+ 0.7	+ 2.8
08 Communications	3.487	100.2	106.2	+ 0.2	+ 0.2	+ 1.2
09 Recreation and Culture	8.075	99.6	98.3	- 0.4	- 0.8	- 1.0
10 Education	2.461	100.0	131.8	-	+ 2.0	+ 8.9
11 Restaurants and Hotels <sup>1</sup>	14.172	100.0	101.7	-	- 0.6	- 0.8
12 Miscellaneous Goods and Services	9.915	101.0	121.1	+ 1.0	+ 1.4	+ 6.5
<b>ALL ITEMS</b>	<b>100.000</b>	<b>99.5</b>	<b>103.9</b>	<b>- 0.5</b>	<b>- 0.8</b>	<b>+ 2.2</b>
<b>Of which:</b>						
Goods <sup>2</sup>	43.383	99.2	97.5	- 0.8	- 0.7	+ 0.7
Services <sup>3</sup>	56.617	99.8	109.5	- 0.2	- 0.8	+ 3.4
Energy Products	11.361	102.3	137.4	+ 2.3	+ 2.9	+ 9.8
Utilities and Local Charges <sup>4</sup>	4.258	100.0	113.8	-	-	+ 8.9
Alcohol <sup>5</sup>	8.460	101.9	103.5	+ 1.9	+ 0.6	+ 0.2
Tobacco	2.645	102.5	130.7	+ 2.5	+ 5.7	+ 6.8
Mortgage Interest	5.669	94.4	101.7	- 5.6	- 8.9	+ 7.8
Services excluding Mortgage Interest	50.948	100.3	110.5	+ 0.3	+ 0.2	+ 2.6

<sup>1</sup> Includes alcoholic beverages consumed on licensed premises.

<sup>2</sup> Non service items usually purchased and transportable from a retail outlet.

<sup>3</sup> Electricity, gas, telecommunications, alcoholic beverages consumed on licensed premises, meals out, housing, rent, mortgage interest repayments, insurance, public transport, entertainment and recreation, education, household services and miscellaneous services including childcare, social protection, package holidays and other services.

<sup>4</sup> Electricity, gas, landline telecommunications and waste collection & disposal charges.

<sup>5</sup> Constitutes part of 02 (see page 12 - off-licence sales) and part of 11 (see page 12 - alcohol consumed on licensed premises) giving a combined index for alcohol.

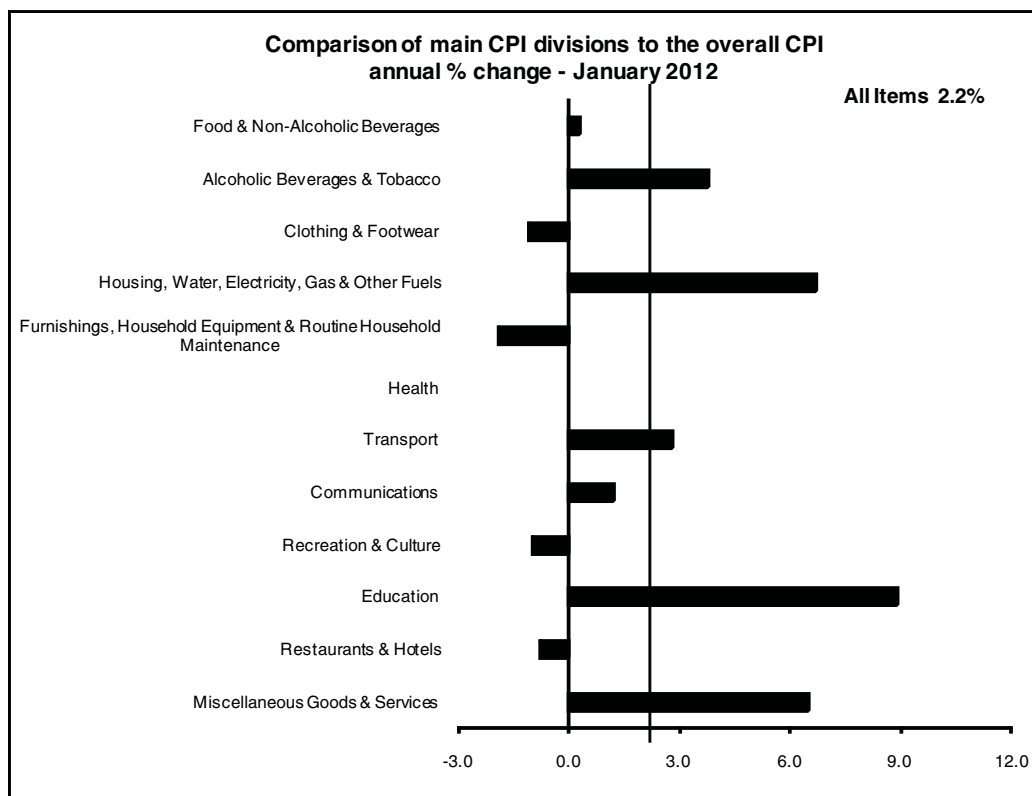
See Background Notes page 12 for definition of COICOP divisions.

**Table 4 Contributions to the change in the All Items CPI, January 2012**

COICOP Division	Percentage contributions		
	1 month	3 months <sup>2</sup>	12 months <sup>2</sup>
01 Food and Non-Alcoholic Beverages	- 0.06	- 0.06	+ 0.04
02 Alcoholic Beverages and Tobacco	+ 0.17	+ 0.16	+ 0.19
03 Clothing and Footwear	- 0.56	- 0.54	- 0.19
04 Housing, Water, Electricity, Gas and Other Fuels	- 0.27	- 0.50	+ 1.08
05 Furnishings, Household Equipment and Routine Household Maintenance	- 0.08	- 0.08	- 0.05
06 Health	+ 0.03	+ 0.03	+ 0.01
07 Transport	+ 0.19	+ 0.12	+ 0.40
08 Communications	+ 0.01	+ 0.01	+ 0.05
09 Recreation and Culture	- 0.04	- 0.06	- 0.09
10 Education	-	+ 0.05	+ 0.22
11 Restaurants and Hotels	-	- 0.09	- 0.12
12 Miscellaneous Goods and Services	+ 0.10	+ 0.14	+ 0.62
<b>ALL ITEMS % change</b>	<b>- 0.5<sup>1</sup></b>	<b>- 0.8<sup>1</sup></b>	<b>+ 2.2<sup>1</sup></b>
Goods	- 0.36	- 0.35	+ 0.34
Services	- 0.14	- 0.41	+ 1.87
Energy Products	+ 0.27	+ 0.33	+ 0.95
Tobacco	+ 0.07	+ 0.19	+ 0.23
Mortgage Interest	- 0.32	- 0.57	+ 0.56

<sup>1</sup> Totals may not equal the sum of the categories due to rounding differences.

<sup>2</sup> Estimated



**Table 5 EU Harmonised Index of Consumer Prices - Ireland**

Period	HICP		Percentage changes	
	Year 2005=100	1 month	12 months	
		%	%	
<b>2004</b>	Year		+ 2.3	
<b>2005</b>	Year	100.0	+ 2.2	
<b>2006</b>	Year	102.7	+ 2.7	
<b>2007</b>	Year	105.6	+ 2.8	
<b>2008</b>	Year	108.9	+ 3.1	
<b>2009</b>	Year	107.1	- 1.7	
<b>2010</b>	Year	105.4	- 1.6	
<b>2011</b>	Year	106.6	+ 1.1	
<b>2009</b>	January	107.6	- 0.8	+ 1.1
	February	107.8	+ 0.2	+ 0.1
	March	107.9	+ 0.1	- 0.7
	April	108.0	+ 0.1	- 0.7
	May	107.6	- 0.4	- 1.7
	June	107.6	-	- 2.2
	July	106.7	- 0.8	- 2.6
	August	106.9	+ 0.2	- 2.4
	September	106.5	- 0.4	- 3.0
	October	106.3	- 0.2	- 2.8
	November	106.2	- 0.1	- 2.8
	December	105.7	- 0.5	- 2.6
<b>2010</b>	January	105.0	- 0.7	- 2.4
	February	105.2	+ 0.2	- 2.4
	March	105.3	+ 0.1	- 2.4
	April	105.3	-	- 2.5
	May	105.6	+ 0.3	- 1.9
	June	105.5	- 0.1	- 2.0
	July	105.4	- 0.1	- 1.2
	August	105.6	+ 0.2	- 1.2
	September	105.4	- 0.2	- 1.0
	October	105.5	+ 0.1	- 0.8
	November	105.3	- 0.2	- 0.8
	December	105.5	+ 0.2	- 0.2
<b>2011</b>	January	105.2	- 0.3	+ 0.2
	February	106.1	+ 0.9	+ 0.9
	March	106.6	+ 0.5	+ 1.2
	April	106.9	+ 0.3	+ 1.5
	May	106.9	-	+ 1.2
	June	106.7	- 0.2	+ 1.1
	July	106.5	- 0.2	+ 1.0
	August	106.7	+ 0.2	+ 1.0
	September	106.8	+ 0.1	+ 1.3
	October	107.1	+ 0.3	+ 1.5
	November	107.1	-	+ 1.7
	December	107.0	- 0.1	+ 1.4
<b>2012</b>	January	106.6	- 0.4	+ 1.3

**Table 6 EU Harmonised Consumer Price COICOP Division Indices, January 2012  
Ireland**

COICOP Division	HICP	Percentage change		Percentage contribution	
	Current base Year 2005	1 month	12 months	1 month	12 months
		%	%	%	%
01 Food and Non-Alcoholic Beverages	103.2	- 0.5	+ 0.4	- 0.07	+ 0.06
02 Alcoholic Beverages and Tobacco	119.8	+ 3.5	+ 3.9	+ 0.19	+ 0.21
03 Clothing and Footwear	64.8	- 10.7	- 1.2	- 0.62	- 0.20
04 Housing, Water, Electricity, Gas and Other Fuels	119.1	+ 0.3	+ 5.7	+ 0.05	+ 0.59
05 Furnishings, Household Equipment and Routine Household Maintenance	84.3	- 2.5	- 1.9	- 0.09	- 0.06
06 Health	123.5	+ 0.7	+ 0.1	+ 0.04	+ 0.01
07 Transport	111.2	+ 0.5	+ 2.2	+ 0.07	+ 0.32
08 Communications	105.7	+ 0.3	+ 1.3	+ 0.01	+ 0.05
09 Recreation and Culture	100.3	- 0.5	- 1.1	- 0.04	- 0.11
10 Education	142.6	-	+ 8.9	-	+ 0.24
11 Restaurants and Hotels	106.9	-	- 0.7	-	- 0.14
12 Miscellaneous Goods and Services	117.6	+ 0.3	+ 4.2	+ 0.02	+ 0.31
<b>HICP</b>	<b>106.6</b>	<b>- 0.4</b>	<b>+ 1.3</b>	<b>- 0.4</b> <sup>1</sup>	<b>+ 1.3</b> <sup>1</sup>
Goods	98.9	- 0.8	+ 0.7	- 0.40	+ 0.43
Services	114.8	- 0.1	+ 1.8	- 0.03	+ 0.90

<sup>1</sup> Totals may not equal the sum of the categories due to rounding differences.

**Table 7 EU Harmonised Index of Consumer Prices - annual % changes, August 2011 to December 2011**

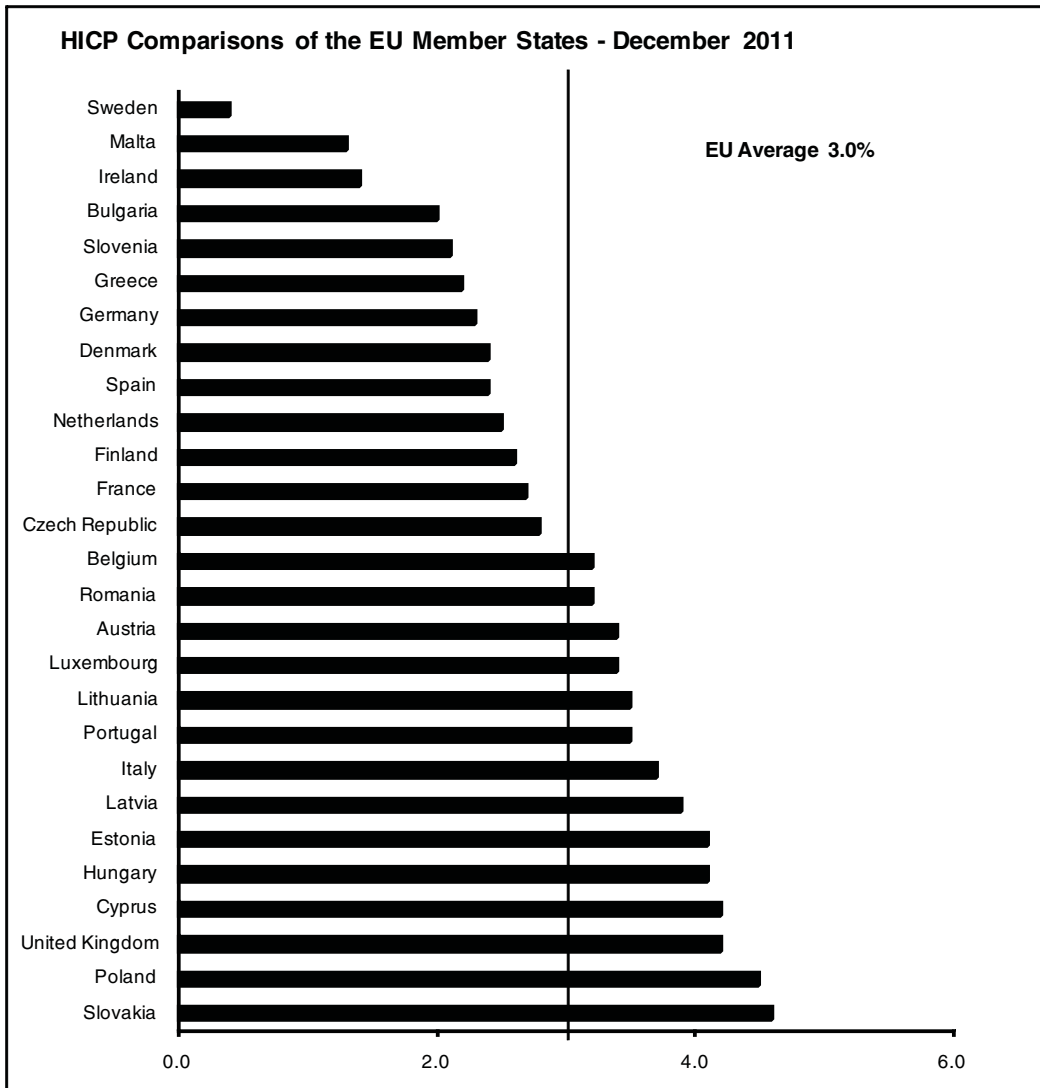
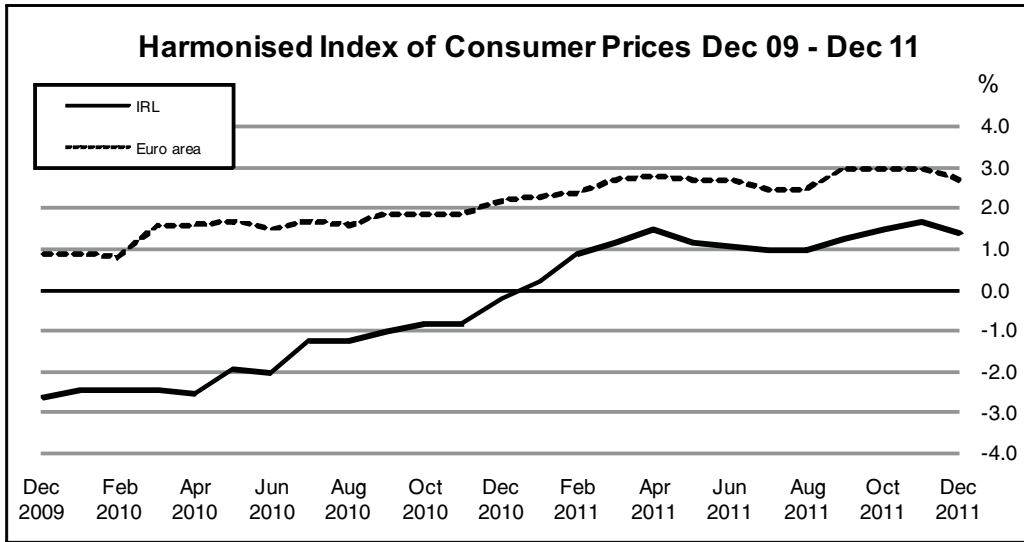
Country	December 2010 December 2011	November 2010 November 2011	October 2010 October 2011	September 2010 September 2011	August 2010 August 2011
Austria	3.4 <sup>1</sup>	3.9 <sup>3</sup>	3.8	3.9	3.7
Belgium	3.2	3.7	3.4	3.4	3.4
Cyprus	4.2	4.0	3.2	2.5	2.7
Estonia	4.1	4.4	4.7	5.4	5.6
Finland	2.6	3.2	3.2	3.5	3.5
France	2.7	2.7	2.5	2.4	2.4
Germany	2.3	2.8	2.9	2.9	2.5
Greece	2.2	2.8	2.9	2.9	1.4
<b>Ireland</b>	<b>1.4</b>	<b>1.7</b>	<b>1.5</b>	<b>1.3</b>	<b>1.0</b>
Italy	3.7	3.7	3.8	3.6	2.3
Luxembourg	3.4	4.0	3.8	3.8	3.7
Malta	1.3 <sup>1</sup>	1.5	2.4	2.7	2.3
Netherlands	2.5 <sup>1</sup>	2.7	2.8	3.0	2.8
Portugal	3.5	3.8	4.0	3.5	2.8
Slovakia	4.6	4.8	4.6	4.4	4.1
Slovenia	2.1	2.8	2.9	2.3	1.2
Spain	2.4	2.9	3.0	3.0	2.7
<b>Euro Area (MUICP)<sup>2</sup></b>	<b>2.7</b> <sup>1</sup>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>2.5</b>
Bulgaria	2.0	2.6	3.0	2.9	3.1
Czech Republic	2.8	2.9	2.6	2.1	2.1
Denmark	2.4	2.5	2.7	2.4	2.4
Hungary	4.1	4.3	3.8	3.7	3.5
Latvia	3.9	4.0	4.3	4.5	4.6
Lithuania	3.5	4.4	4.2	4.7	4.4
Poland	4.5	4.4	3.8	3.5	4.0
Romania	3.2	3.5	3.6	3.5	4.3
Sweden	0.4	1.1	1.1	1.5	1.6
United Kingdom	4.2	4.8	5.0	5.2	4.5
<b>EU</b>	<b>3.0</b> <sup>1</sup>	<b>3.4</b>	<b>3.4</b>	<b>3.3</b>	<b>2.9</b>

<sup>1</sup> Provisional

<sup>2</sup> MUICP (see Background Notes)

<sup>3</sup> Revised

Source: Eurostat





**Table 8 Main Categories of EU Harmonised Indices of Consumer Prices - annual % changes  
December 2011**

	00	01	02	03	04	05	06	07	08	09	10	11	12
<b>Euro area</b>	2.7 <sup>1</sup>	3.0 <sup>1</sup>	3.8 <sup>1</sup>	1.8 <sup>1</sup>	4.9 <sup>1</sup>	1.5 <sup>1</sup>	1.9 <sup>1</sup>	4.3 <sup>1</sup>	-1.9 <sup>1</sup>	0.6 <sup>1</sup>	0.9 <sup>1</sup>	1.9 <sup>1</sup>	2.5 <sup>1</sup>
<b>EU</b>	3.0 <sup>1</sup>	3.1 <sup>1</sup>	4.5 <sup>1</sup>	1.7 <sup>1</sup>	5.2 <sup>1</sup>	1.9 <sup>1</sup>	2.5 <sup>1</sup>	4.6 <sup>1</sup>	-0.6 <sup>1</sup>	0.2 <sup>1</sup>	2.0 <sup>1</sup>	2.5 <sup>1</sup>	2.6 <sup>1</sup>
<b>Belgium</b>	3.2	3.0	0.8	1.6	8.2	2.0	0.3	4.2	-1.6	1.5	3.0	2.4	3.2
<b>Germany</b>	2.3	2.6	2.6	1.4	4.1	0.6	0.4	3.2	-2.1	1.1	-4.5	1.9	1.5
<b>Estonia</b>	4.1	3.4	3.5	4.9	7.8	2.4	1.6	4.8	-6.1	0.9	2.3	8.8	4.4
<b>Ireland</b>	1.4	1.2	1.8	0.4	5.2	-1.8	2.6	1.7	1.0	-0.6	8.9	-0.8	3.7
<b>Greece</b>	2.2	4.1	5.0	-1.0	8.0	0.3	0.3	0.6	-1.0	-0.5	-1.0	2.9	1.8
<b>Spain</b>	2.4	2.0	4.2	1.3	5.7	1.1	-2.8	4.9	-1.6	1.3	2.8	1.2	2.2
<b>France</b>	2.7	3.4	4.1	3.0	3.9	2.5	0.8	4.0	-3.5	-0.5	2.9	2.5	2.8
<b>Italy</b>	3.7	3.1	6.1	2.6	6.1	2.2	7.0	7.1	-2.0	-0.1	2.0	1.7	3.6
<b>Cyprus</b>	4.2	11.6	6.5	0.7	8.9	2.4	3.0	1.3	2.2	0.6	2.5	1.0	1.9
<b>Luxembourg</b>	3.4	2.7	3.0	1.4	5.3	1.9	11.9	4.4	-0.4	1.2	4.2	3.1	3.7
<b>Malta</b>	1.3 <sup>1</sup>	5.3	4.0	-7.1	3.3	1.5	1.1	5.0 <sup>1</sup>	-13.7	1.3	5.2	-1.6	3.7
<b>Netherlands</b>	2.5 <sup>1</sup>	2.6 <sup>1</sup>	5.2 <sup>1</sup>	1.5 <sup>1</sup>	3.7 <sup>1</sup>	1.7 <sup>1</sup>	4.0 <sup>1</sup>	2.4 <sup>1</sup>	0.3 <sup>1</sup>	1.4 <sup>1</sup>	2.9 <sup>1</sup>	2.0 <sup>1</sup>	2.5 <sup>1</sup>
<b>Austria</b>	3.4 <sup>1</sup>	4.0 <sup>1</sup>	4.0 <sup>1</sup>	2.7 <sup>1</sup>	4.0 <sup>1</sup>	2.5 <sup>1</sup>	2.3 <sup>1</sup>	4.9 <sup>1</sup>	-0.1 <sup>1</sup>	2.2 <sup>1</sup>	5.7 <sup>1</sup>	3.3 <sup>1</sup>	3.1 <sup>1</sup>
<b>Portugal</b>	3.5	2.2	5.6	-3.8	9.9	1.0	7.5	6.2	2.2	1.0	1.7	0.4	1.5
<b>Slovenia</b>	2.1	4.5	4.9	-2.4	5.6	1.0	-0.1	2.1	-3.4	-1.5	1.8	2.3	2.5
<b>Slovakia</b>	4.6	4.1	4.7	2.1	8.2	0.0	5.2	10.3	0.5	-0.2	5.9	3.6	4.6
<b>Finland</b>	2.6	5.4	1.1	1.1	6.2	2.2	0.4	1.6	-3.3	-0.7	0.9	3.5	2.9
<b>Bulgaria</b>	2.0	4.5	0.2	3.1	1.8	-0.5	9.7	2.8	-1.4	-4.6	4.5	1.4	3.0
<b>Czech Republic</b>	2.8	6.2	2.3	-2.4	6.8	-1.8	6.8	2.7	-1.2	-0.6	2.2	1.0	0.5
<b>Denmark</b>	2.4	5.2	2.5	3.0	4.2	1.3	2.5	1.5	1.8	-1.8	4.7	3.0	2.0
<b>Latvia</b>	3.9	4.6	6.9	1.6	7.7	-0.6	0.4	5.5	-1.7	0.5	-2.4	3.1	1.7
<b>Lithuania</b>	3.5	5.5	1.6	-2.5	9.4	1.2	0.6	4.9	-2.2	-1.0	0.7	4.0	1.9
<b>Hungary</b>	4.1	4.8	4.3	2.5	5.8	1.1	4.0	7.8	1.2	-0.1	0.2	3.0	1.3
<b>Poland</b>	4.5	4.7	4.2	-1.9	5.7	2.7	7.7	8.2	0.8	0.6	3.1	4.2	5.2
<b>Romania</b>	3.2	0.9	5.8	1.6	8.0	1.5	0.7	7.2	0.8	2.0	3.0	1.5	1.4
<b>Sweden</b>	0.4	0.7	1.1	0.0	-1.4	0.1	0.5	1.8	0.8	-1.0	2.4	3.0	1.2
<b>United Kingdom</b>	4.2	3.8	9.0	1.8	7.9	4.7	3.2	5.8	6.6	-0.7	5.1	4.4	2.7

<sup>1</sup> Provisional

Source: Eurostat

**COICOP/HICP Code**

<b>00</b>	HICP (all items index)	<b>06</b>	Health
<b>01</b>	Food and non-alcoholic beverages	<b>07</b>	Transport
<b>02</b>	Alcoholic beverages and tobacco	<b>08</b>	Communications
<b>03</b>	Clothing and footwear	<b>09</b>	Recreation and culture
<b>04</b>	Housing, water, electricity, gas and other fuels	<b>10</b>	Education
<b>05</b>	Furnishings, household equipment and routine household maintenance	<b>11</b>	Restaurants and hotels
		<b>12</b>	Miscellaneous goods and services

## Background Notes – Consumer Price Index

- Definition** The Consumer Price Index is designed to measure the change in the average level of prices (inclusive of all indirect taxes) paid for consumer goods and services by all private households in the country and by foreign tourists holidaying in Ireland.
- Consumer Price Index (CPI)** Over 50,000 prices are collected for a representative basket consisting of 632 item headings in a fixed panel of retail and service outlets throughout the country during the week containing the second Tuesday of each month up to and including the third Tuesday of each month. The dates to which the January index relates are Monday 9th to Tuesday, 17th January 2012.
- Scope of the Index**
- (i) **Population Coverage:** All private households in the State and the expenditure of foreign tourists within Ireland. It does not include the expenditure of persons in institutions and other non private households. Expenditure which occurs abroad by Irish residents is also excluded. In statistical terms coverage is referred to as the domestic concept.
  - (ii) **Geographic Coverage:** Covers the whole of the Republic of Ireland. Pricing takes place in 84 locations (cities and towns) throughout the country. These sampling points are located in Dublin city and county, the four regional cities of Cork, Limerick, Galway and Waterford, approx. 80% of towns with a population of 10,000 and over, approx. 70% of towns between 5,000 and 9,999 and a smaller proportion below this threshold. The results are weighted to represent the distribution of the population and its related consumer expenditure.
  - (iii) **Item Coverage:** All goods and services bought by the reference population for the purposes of consumption are included in the index. Expenditure on capital assets and investments, gambling and certain other activities are however excluded. There are 632 item headings and 12 division headings based on the COICOP classification. With each rebase the coverage of goods and services is reviewed to ensure that it continues to be representative of consumer tastes and purchasing practices.
- Price Collection** Personal visits are made to retail outlets by some 80 price collectors on a monthly basis. Approximately 50,000 price quotations are gathered in this way. In addition, 126 special inquiries covering items such as utility charges and services are conducted by post, telephone and e-mail in conjunction with internet price collection. Most prices are collected monthly, some quarterly and others annually. The CSO supplies general specifications to price collectors and price collectors are free initially to select a brand and in certain cases, size. This allows for a wide variety of different brands of the same item to be priced throughout the country. Once selected, the same item/brand is priced on a monthly basis in order to ensure matched price quotations. If an item disappears, substitution can occur but that price is excluded until matched prices are available for the same comparable item for two consecutive months. The CSO wishes to put on record its appreciation of the co-operation and assistance it receives from retail outlets and other business concerns.
- CPI Weights** The CPI measures in index form the monthly changes in the cost of purchasing a fixed representative ‘basket’ of consumer goods and services (i.e. Laspeyres formula). The representative share of each item in this basket is proportional to the average amount purchased by all households in the country as determined by the Household Budget Survey and by foreign tourists in this country using estimates of expenditure by tourists across a range of consumer goods and services. Individual items typically purchased by foreign tourists while holidaying in Ireland such as hotel accommodation and meals out have been adjusted to take account of the additional tourist expenditure. Identical items are priced in the same outlet on each occasion so that changes in the cost of this constant basket reflect only pure price changes.

## Background Notes – Consumer Price Index (continued)

**Classification** The classification used in the CPI is based on a version of the Classification of Individual Consumption by Purpose Adapted to the Needs of Harmonised Indices of Consumer Prices (2000) (COICOP). This replaced the former national classification which was used up to December 2001. The COICOP classification breaks consumer expenditure into twelve different divisions covering a comprehensive range of consumer goods and services.

**Methodological Details** A full methodological description of the new series is available in the Consumer Price Index Introduction of Updated Series (Base: December 2011 = 100) booklet which will be published on the CSO website in March 2012.

**Rebase** The index has been rebased with effect from December 2011, the eleventh series since the foundation of the State.

The rebase of the current CPI resulted in a number of methodological changes:

- Updating the expenditure weights;
- A revision of the sample of goods and services;
- An update of the sample of areas priced;
- Calculation of the mortgage interest component.

**Goods and Services** The CPI basket can be split into two constituent parts - goods and services according to the following definitions.

**Goods** Goods are defined as non service items usually purchased and transportable from a retail outlet - the basket excluding services.

**Services** Services include electricity, gas, telecommunications and other public utilities, alcoholic beverages consumed on licensed premises, meals out, accommodation services, public transport, medical fees, insurances, education fees, hairdressing & other personal services, childcare & social protection, entertainment & recreation services, mortgage interest & rents, package holidays and other miscellaneous services.

**Utilities and Local Charges** Includes electricity, gas, landline telecommunications and waste collection & disposal charges.

## Background Notes – Harmonised Indices of Consumer Prices

- Introduction** The European Union-Harmonised Indices of Consumer Prices (EU-HICP) is calculated in each Member State of the EU. The purpose of this index is to allow the comparison of consumer price trends in the different Member States.
- Comparison with CPI** The methodology now adopted for the construction of the national CPI is identical to that recommended for the HICP. Thus the two indices only differ in respect of the coverage of certain goods and services and the definition of insurance. The current EU reference base period (Year 2005 = 100) is however retained for ease of comparison with other EU countries.
- Excluded Items** The following items, constituting approximately 9.5% of the Irish CPI expenditure weighting, are excluded from the HICP:
- |                      |                                     |
|----------------------|-------------------------------------|
| ◆ mortgage interest  | ◆ motor car insurance (non-service) |
| ◆ building materials | ◆ contents insurance (non-service)  |
| ◆ motor car tax      | ◆ dwelling insurance                |
| ◆ motor cycle tax    | ◆ union subscriptions               |
- Weights** The expenditure weighting system used in the HICP is the same as that used for the CPI excluding the items listed above. In addition the weight of health insurance differs because of definition. Taking all these factors into account the HICP expenditure covers just under 90% of total CPI expenditure.
- Monetary Union Index of Consumer Prices (MUICP)** Euro area inflation is measured by the MUICP ('Monetary Union Index of Consumer Prices' as defined in Council Regulation (EC) No 2494/95 of 23 October 1995) which is the official euro area aggregate. The MUICP is calculated as a weighted average of HICPs of the 17 countries in the euro area. Country weights are computed every year reflecting the country's share of the household final monetary consumption expenditure in the euro area total.
- Classification System** The coverage of the indices is based on the international classification system, Classification of Individual Consumption by Purpose Adapted to the Needs of Harmonised Indices of Consumer Prices (2000) (COICOP).

## Background Notes – COICOP

Prior to the introduction of the December 2001 based series in January 2002 the CPI used a national classification while the EU Harmonised Indices of Consumer Prices (HICP) used COICOP. To ensure greater comparability CPI and the HICP have both used the COICOP since December 2001.

The COICOP classification is based on 12 main divisions.

<b>01 Food and Non Alcoholic Beverages</b>	Includes food and non alcoholic beverages purchased in supermarkets, small shops, speciality shops and petrol station forecourt outlets. It excludes meals out which are covered under 11 Restaurants and Hotels.
<b>02 Alcoholic Beverages and Tobacco</b>	Includes alcoholic beverages purchased in off licences and supermarkets but excludes alcohol consumed on or within licensed premises which is classified under 11 Restaurants and Hotels. It also includes tobacco products.
<b>03 Clothing and Footwear</b>	Mens, ladies and childrens clothing and footwear, sports and leisurewear and services such as laundry and dry cleaning, shoe repair, dress hire and alteration.
<b>04 Housing, Water, Electricity, Gas and Other Fuels</b>	Covers rents, mortgage interest repayments, waste collection and disposal charges, goods and services for maintaining, decorating and repairing dwellings and domestic energy products such as electricity, gas, home heating oil and solid fuels.
<b>05 Furnishings, Household Equipment and Routine Household Maintenance</b>	Covers household items such as furniture, carpets and other floor coverings, household textiles and soft furnishings, household appliances, and other household items such as utensils, tools, garden equipment and non-durable items for cleaning, washing and other day to day household activity. Also included are services such as electrical repair, cleaning and gardening.
<b>06 Health</b>	Includes medical products, appliances and equipment, hospital charges and out patient services supplied by doctors, dentists, opticians, physiotherapists and practitioners of alternative and complimentary medicine.
<b>07 Transport</b>	Includes the purchase of new and second hand vehicles, spare parts, car maintenance, fuels and lubricants, public transport and services such as parking, motor association subscriptions, car wash, toll charges, driving lessons, driving test, driving licence and car hire.
<b>08 Communications</b>	Postal and telecommunications services.
<b>09 Recreation and Culture</b>	Includes items such as audio visual and photographic equipment, computers, music and DVDs, sports and recreation goods, games and toys, items connected with gardening and pets, recreational, sporting and cultural activities and events, newspapers and other reading material, package holidays and other items connected with recreation and culture.
<b>10 Education</b>	Covers all aspects of education including pre-primary and primary, secondary, third level and other education and training such as night courses and examination fees.
<b>11 Restaurants and Hotels</b>	Includes meals in restaurants and hotels; fast food and takeaways; cafes; canteens; alcohol consumed on or within a licensed premises and accommodation services supplied by hotels, guesthouses and hostels.
<b>12 Miscellaneous Goods and Services</b>	Covers a wide range of items including hairdressing and other grooming; goods for hygiene, hair and body care; personal goods such as jewellery, handbags and wallets; childcare and other social protection services; insurance, financial services and other services including funerals, weddings, legal and professional services.

## Background Notes – Calculation of Percentage Changes and Contributions

**Calculating percentage changes in the index** The movement of the CPI, HICP and their subindices are expressed as percentage changes, rather than changes in index points, because index point changes are affected by the level of the index in relation to its base period, whereas percentage changes are not. The example below illustrates the computation of index point and percentage changes.

<b>Index point change</b>	
Current index	106.7
Less previous index	103.7
Equals index point change	3.0
<b>Percentage change</b>	
Index point change	3.0
Divided by the previous index	103.7
Equals	0.0289
Result multiplied by 100	0.0289 x 100
Equals percentage change	2.9

**Estimating Contributions** A contribution represents the amount of the overall percentage change in the All Items CPI which is accounted for by any given category. It can be estimated for any category in the CPI (e.g. the twelve COICOP 2 digit divisions) and for any period of time.

**Data Required:**

1. Base weight for the category for which you wish to estimate the contribution.
2. Current index for the category in question (same base period).
3. Previous index for the category in question (same base period).
4. All Items CPI for the previous period in question (i.e. the start period).

**Example:** To estimate the contribution of Food & Non-Alcoholic Beverages (COICOP 01) to the overall annual percentage change in the CPI up to July 2006 you would need the following data

1. Base weight for COICOP 01 (base December 2001):	14.092%
2. Current Index (i.e. July 2006) for COICOP 01:	103.7
3. Previous Index (i.e. July 2005) for COICOP 01:	102.1
4. All Items CPI for the previous period (i.e. July 2005):	111.3

<b>Steps in the calculation</b>	<b>Step 1: Multiply the base weight by the current index:</b>	14.092 x 103.7
	Equals (1)	1461.3404
	<b>Step 2: Multiply the base weight by the previous index:</b>	14.092 x 102.1
	Equals (2)	1438.7932
	<b>Step 3: Subtract figure (2) from figure (1)</b>	1461.3404 - 1438.7932
	Equals (3)	22.5472
	<b>Step 4: Divide figure (3) by the previous All Items CPI</b>	22.5472 / 111.3
	<b>Equals Contribution</b>	<b>0.20</b>

Therefore your estimated contribution of Food & Non-Alcoholic Beverages to the percentage change in the CPI for the year to July 2006 is 0.20. The actual published figure was 0.19. The difference is due to the fact that actual published contributions are calculated using data to more decimal places.

The first and second releases for the two periods involved will contain sufficient information to allow contributions to be estimated for a large number of CPI and HICP categories. It is more complicated to estimate contributions where more than one base period is involved, as the base weights will have changed (e.g. to estimate a contribution for the period January 2000 to January 2005 involves the November 1996=100 base and the December 2001=100 base). For assistance in this regard please contact the CPI section.

## Background Notes – Data Dissemination on www.cso.ie

The CSO website (www.cso.ie) now holds a range of CPI data. Within the Consumer Prices section of the website (accessed via the 'Prices' link on the homepage), a range of principle statistics are held including overall annual percentage changes from 1977 to date, All Items CPI annual figures from 1996 to date and COICOP division monthly and annual figures from 2002 to date.

Further data can be accessed at www.cso.ie by clicking on 'Database Direct' and 'CSO Main Data Dissemination Service'. The subject area is 'Economy', 'Prices', 'Consumer Prices' and 'Consumer Prices - Annual Series' or 'Consumer Prices - Monthly Series'. The website is updated each month at 11am on the CPI publication day.

The Database Direct for the CPI contains monthly and annual index numbers and percentage changes for the following categories and time periods:

<b>Category</b>	<b>Period</b>
All Items CPI	1975 to date
12 Main COICOP Divisions	1975 to date
Special CPI Subindices (CPI excluding Tobacco, Energy Products, etc)	1975 to date
Harmonised Indices of Consumer Prices (HICP)	1997 to date

In addition, the following data can also be accessed within Database Direct.

- Monthly index numbers and annual percentage changes for the Constant Tax Price Index from January 1997 to December 2006.
- National average prices for selected CPI goods and services from January 1997 to date.
- All Items CPI numbers for various base periods from 1922 to date.
- Detailed sub-indices are available from 2003 to date.

*Any queries relating to the usage of the web dissemination database for CPI data should be directed to*

Dympna Corry at 021 453 5128 (email [dympna.corry@cso.ie](mailto:dympna.corry@cso.ie))

*or*

Noreen Dorgan at 021 453 5427 (email [noreen.dorgan@cso.ie](mailto:noreen.dorgan@cso.ie)).