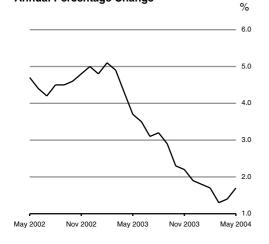


Consumer Price Index - all items Annual Percentage Change



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Ardee Road Skehard Road
Dublin 6 Cork
Ireland Ireland

LoCall: 1890 313 414

Tel: +353-1 498 4000 Tel: +353-21 453 5000 Fax: +353-1 498 4229 Fax: +353-21 453 5555

Both offices may be contacted through any of these telephone numbers.

CSO on the Web: http://www.cso.ie

Director General: Donal Garvey

Enquiries:

Ref 111/2004

CPI Statistics

Queries and Sales

(021) 453 5445, 453 5427 cpi@cso.ie

Information Section, ext 5032 information@cso.ie

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Consumer Price Index May 2004

CPI and HICP

	СРІ		нісі	P
	% monthly change	% annual change	% monthly change	% annual change
Jan 2004 Feb 2004 Mar 2004 Apr 2004 May 2004	- 0.5 + 0.8 + 0.4 + 0.4 + 0.2	+ 1.8 + 1.7 + 1.3 + 1.4 + 1.7	- 0.6 + 0.9 + 0.4 + 0.3 + 0.2	+ 2.3 + 2.2 + 1.8 + 1.7 + 2.1

Annual Inflation rises to 1.7% in May

Consumer Prices in May, as measured by the CPI, increased by 0.2% in the month. This compares to a decrease of 0.1% in May of last year and as a result, the annual rate of inflation rose to 1.7%, up from 1.4% in April.

The EU Harmonised Index of Consumer Prices (HICP) increased by 0.2% in the month. This compares to a decrease of 0.2% in May of last year and as a result, the annual rate of inflation as measured by the HICP rose to 2.1%, up from 1.7% in April.

The most notable changes in the year were increases in *Education* (+6.0%), *Health* (+5.8%), *Alcoholic Beverages & Tobacco* (+3.6%), *Transport* (+3.5%), *Restaurants & Hotels* (+3.3%) and *Communications* (+3.1%). There were decreases in *Clothing & Footwear* (-3.8%) and *Furnishings, Household Equipment & Routine Household Maintenance* (-1.7%).

The annual rate of inflation for Goods was 0.7% in May while the corresponding rate for Services was 2.7%.

The most significant monthly price changes were increases in *Restaurants & Hotels* (+0.5%), *Transport* (+0.5%), *Food & Non-Alcoholic Beverages* (+0.5%) and *Housing, Water, Electricity, Gas & Other Fuels* (+0.4%). There was a decrease in *Recreation & Culture* (-0.6%).

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

- ◆ Restaurants & Hotels increased due to higher accommodation costs and higher prices for meals out.
- ◆ *Transport* rose with increases in petrol & diesel prices. These were partially offset by a decrease in air fares.
- ♦ Food & Non-Alcoholic Beverages rose with price increases across a range of items including cakes, bread & cereals, other fresh vegetables, lamb and poultry.
- ♦ Housing, Water, Electricity, Gas & Other Fuels costs rose with increases in average mortgage interest repayments and home heating oil prices, while there was a drop in private rents.

The CPI excluding tobacco index for May was 107.7, up 0.2% since April and up 1.5% in the year.

For more information contact Kevin McCormack at 021-4535603 or Kieran Walsh at 021-4535091.

Table 1 Consumer Price Index (All Items)

			Price Index		Percentage char	nges
Period	i	Current base Dec. 2001=100	Former base Nov. 1996=100 ¹	One month	Three months	12 months
				%	%	%
1998	Year		103.1			+ 2.4
1999	Year		104.8			+ 1.6
2000	Year		110.7			+ 5.6
2001	Year		116.1			+ 4.9
2002	Year	102.7	121.4			+ 4.6
2003	Year	106.3	125.6			+ 3.5
2001	January February March April May June July August September October November December		112.5 113.5 114.4 115.4 116.1 116.7 116.4 116.8 117.3 117.7 117.6 118.2	- 0.8 + 0.9 + 0.8 + 0.9 + 0.6 + 0.5 - 0.3 + 0.3 + 0.4 + 0.3 - 0.1 + 0.5	- 0.4 + 0.2 + 0.9 + 2.6 + 2.3 + 2.0 + 0.9 + 0.6 + 0.5 + 1.1 + 0.7 + 0.8	+ 5.2 + 5.3 + 5.4 + 5.6 + 5.4 + 5.3 + 4.6 + 4.6 + 4.3 + 3.8 + 4.2
2002	January February March April May June July August September October November December	99.8 100.5 101.4 102.3 102.8 103.0 102.6 103.2 103.7 104.2 104.3 105.0	118.0 118.8 119.9 120.9 121.5 121.7 121.3 122.0 122.6 123.2 123.3 124.1	- 0.2 + 0.7 + 0.9 + 0.9 + 0.5 + 0.2 - 0.4 + 0.6 + 0.5 + 0.5 + 0.1 + 0.7	+ 0.3 + 1.0 + 1.4 + 2.5 + 2.3 + 1.6 + 0.3 + 0.4 + 0.7 + 1.6 + 1.1 + 1.3	+ 4.9 + 4.7 + 4.8 + 4.8 + 4.7 + 4.4 + 4.2 + 4.5 + 4.5 + 4.6 + 4.8 + 5.0
2003	January February March April May June July August September October November December	104.6 105.6 106.4 106.7 106.6 106.6 105.8 106.5 106.7 106.6 106.6	123.6 124.8 125.8 126.1 126.0 126.0 125.1 125.9 126.1 126.0 126.0	- 0.4 + 1.0 + 0.8 + 0.3 - 0.1 	+ 0.4 + 1.2 + 1.3 + 2.0 + 0.9 + 0.2 - 0.8 - 0.1 + 0.1 + 0.8 + 0.1 + 0.3	+ 4.8 + 5.1 + 4.9 + 4.3 + 3.7 + 3.5 + 3.1 + 3.2 + 2.9 + 2.3 + 2.2 + 1.9
2004	January February March April May	106.5 107.4 107.8 108.2 108.4	125.9 126.9 127.4 127.9 128.1	- 0.5 + 0.8 + 0.4 + 0.4 + 0.2	- 0.1 + 0.8 + 0.7 + 1.6 + 0.9	+ 1.8 + 1.7 + 1.3 + 1.4 + 1.7

¹ Linked to current Consumer Price Index at mid-December 2001

Table 2 CPI Subindices, May 2004

	Dec. 2001	Consumer Pri	ce Index (CPI)	Perce	entage chan	ges
COICOP Group	base expenditure weights	Current base Dec. 2001	Former base Nov. 1996	One month	Three months	12 months
CPI excluding Tobacco	95.601	107.7	126.3	+ 0.2	+ 0.9	+ 1.5
CPI excluding Housing ¹	90.253	109.0	129.4	+ 0.2	+ 0.9	+ 1.9
CPI excluding Mortgage Interest	95.370	108.8	129.5	+ 0.2	+ 0.8	+ 1.8

¹ Housing includes rents, local authority charges, mortgage interest, materials for repairs & decoration and house insurance.

Table 3 Consumer Price Commodity Group Indices, May 2004

	Dec. 2001	Consumer Pri	ce Index (CPI)	Perce	entage chan	ges
COICOP Group	base expenditure weights	Current base Dec. 2001	Former base Nov. 1996	One month	Three months	12 months
01 Food and Non-Alcoholic Beverages	14.092	102.9	125.7	+ 0.5	+ 0.1	- 0.2
02 Alcoholic Beverages and Tobacco	7.498	118.1	151.9	_	+ 0.7	+ 3.6
03 Clothing and Footwear	5.052	89.7	69.4	+ 0.1	+ 2.3	- 3.8
04 Housing, Water, Electricity, Gas and Other Fuels	12.331	106.2	118.3	+ 0.4	+ 2.0	+ 2.5
05 Furnishings, Household Equipment and Routine Household Maintenance	4.331	97.6	115.5	_	- 0.2	- 1.7
06 Health	2.518	119.9	164.1	+ 0.2	+ 0.4	+ 5.8
07 Transport	13.183	110.0	121.6	+ 0.5	+ 1.9	+ 3.5
08 Communications	1.903	105.1	81.7	_	- 0.1	+ 3.1
09 Recreation and Culture	10.810	107.9	128.1	- 0.6	- 0.6	+ 0.9
10 Education	1.547	118.5	180.4	+ 0.1	+ 0.1	+ 6.0
11 Restaurants and Hotels ¹	17.760	115.0	144.9	+ 0.5	+ 1.5	+ 3.3
12 Miscellaneous Goods & Services	8.975	108.8	152.4	- 0.1	+ 0.6	- 0.7
ALL ITEMS	100.000	108.4	128.1	+ 0.2	+ 0.9	+ 1.7
Of which:						
Goods ²	49.019	104.4	118.1	+ 0.3	+ 0.7	+ 0.7
Services ³	50.981	112.3	140.2	+ 0.2	+ 1.2	+ 2.7
Energy Products ⁴	6.396	116.7	129.0	+ 2.0	+ 4.6	+ 6.9
Utilities and Local Charges ⁵	3.387	117.8	104.6	-	+ 2.2	+ 6.9
Alcohol ⁶	11.898	113.7	138.6	-	+ 0.1	+ 1.2
Tobacco	4.399	123.1	168.5	+ 0.1	+ 0.9	+ 5.8

See Background Notes page 12 for definition of COICOP groups.

Includes alcoholic beverages consumed in licensed premises.

Non service items usually purchased and transportable from a retail outlet.

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.

Electricity, gas, other domestic and transport fuels.

Electricity, gas, landline telecommunications and local authority service charges.

Constitutes part of 02 (see page 12 - off-licence sales) and part of 11 (see page 12 - alcohol consumed in licensed premises) giving a combined index for

Constitutes part of 02 (see page 12 - off-licence sales) and part of 11 (see page 12 - alcohol consumed in licensed premises) giving a combined index for

Table 4 Contributions to changes in the All Items CPI, May 2004

001000	Contrib	utions to overall CPI % chan	ge
COICOP Group	One month	3 months	12 months
01 Food and Non-Alcoholic Beverages	+ 0.05	+ 0.01	- 0.03
02 Alcoholic Beverages and Tobacco	_	+ 0.05	+ 0.29
03 Clothing and Footwear	+ 0.01	+ 0.09	- 0.17
04 Housing, Water, Electricity, Gas and Other Fuels	+ 0.05	+ 0.25	+ 0.30
05 Furnishings, Household Equipment and Routine Household Maintenance	_	- 0.01	- 0.07
06 Health	+ 0.01	+ 0.01	+ 0.16
07 Transport	+ 0.08	+ 0.25	+ 0.46
08 Communications	-	_	+ 0.06
09 Recreation and Culture	- 0.07	- 0.06	+ 0.10
10 Education	-	-	+ 0.10
11 Restaurants and Hotels	+ 0.10	+ 0.29	+ 0.62
12 Miscellaneous Goods & Services	-	+ 0.07	- 0.07
ALL ITEMS % change	+ 0.2	+ 0.9	+ 1.7

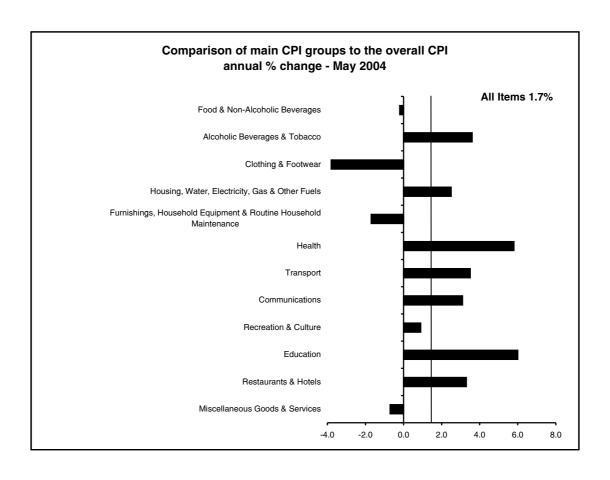


Table 5 EU Harmonised Index of Consumer Prices – Ireland

		HICP	Percen	tage changes
Period	I	Year 1996=100	One month	12 months
			%	%
1997	Year	101.2		+ 1.2
1998	Year	103.4		+ 2.2
1999	Year	106.0		+ 2.5
2000	Year	111.5		+ 5.2
2001	Year	116.0		+ 4.0
2002	Year	121.5		+ 4.7
2003	Year	126.3		+ 4.0
2001	January February March April May June July August September October November December	112.4 113.4 114.3 115.2 115.9 116.7 116.4 116.7 117.1 117.7 117.5 118.5	- 1.0 + 0.9 + 0.8 + 0.8 + 0.6 + 0.7 - 0.3 + 0.3 + 0.3 + 0.5 - 0.2 + 0.9	+ 3.9 + 3.9 + 4.1 + 4.3 + 4.1 + 4.3 + 4.0 + 3.7 + 3.8 + 3.8 + 3.4 + 4.4
2002	January February March April May June July August September October November December	118.3 119.0 120.1 121.0 121.7 121.9 121.3 122.0 122.4 122.9 123.0 123.9	- 0.2 + 0.6 + 0.9 + 0.7 + 0.6 + 0.2 - 0.5 + 0.6 + 0.3 + 0.4 + 0.1 + 0.7	+ 5.2 + 4.9 + 5.1 + 5.0 + 5.0 + 4.5 + 4.5 + 4.5 + 4.5 + 4.5 + 4.4 + 4.7 + 4.6
2003	January February March April May June July August September October November December	123.9 125.1 126.0 126.6 126.4 126.5 126.0 126.8 127.0 127.0 127.0	- + 1.0 + 0.7 + 0.5 - 0.2 + 0.1 - 0.4 + 0.6 + 0.2 + 0.4	+ 4.7 + 5.1 + 4.9 + 4.6 + 3.9 + 3.8 + 3.9 + 3.9 + 3.8 + 3.3 + 3.3 + 2.9
2004	January February March April May	126.7 127.8 128.3 128.7 129.0	- 0.6 + 0.9 + 0.4 + 0.3 + 0.2	+ 2.3 + 2.2 + 1.8 + 1.7 + 2.1

EU Harmonised Consumer Price COICOP Group Indices, May 2004 Ireland

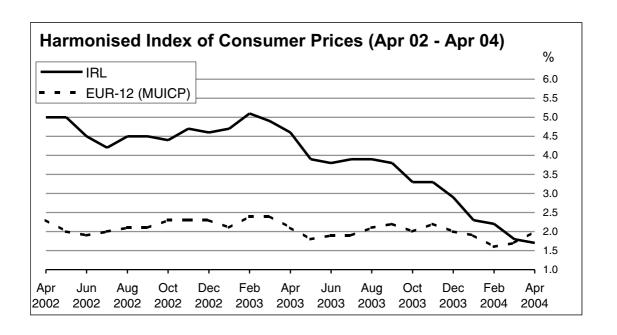
O	HICP		Percenta	ge Change	e	F	Percentag	e Con	tribution
Commodity Group COICOP	Current base Year 1996		One nonth	m	12 months		One nonth	ı	12 months
			%		%		%		%
01 Food and Non-Alcoholic Beverages	125.2	+	0.4	-	0.2	+	0.06	-	0.03
02 Alcoholic Beverages and Tobacco	153.5	+	0.1	+	3.6		_	+	0.32
03 Clothing and Footwear	69.7		_	-	3.9	+	0.01	-	0.19
04 Housing, Water, Electricity, Gas and Other Fuels	131.2	+	0.2	+	3.5	+	0.01	+	0.28
05 Furnishings, Household Equipment and Routine Household Maintenance	114.5		_	-	1.7		_	-	0.08
06 Health	161.7	+	0.2	+	5.9	+	0.01	+	0.17
07 Transport	124.4	+	0.6	+	3.5	+	0.08	+	0.47
08 Communications	81.3		_	+	3.2		_	+	0.06
09 Recreation and Culture	129.4	-	0.7	+	0.9	-	0.08	+	0.11
10 Education	165.2	+	0.1	+	6.0		_	+	0.11
11 Restaurants and Hotels	146.5	+	0.5	+	3.3	+	0.11	+	0.68
12 Miscellaneous Goods & Services	144.3		_	+	2.1		_	+	0.13
HICP	129.0	+	0.2	+	2.1	+	0.2	+	2.1

Table 7 EU Harmonised Index of Consumer Prices – annual % changes, April 2004

Country	April 2003 April 2004	March 2003 March 2004	February 2003 February 2004	January 2003 January 2004	December 2002 December 2003	November 2002 November 2003
Austria	1.5 ¹	1.5	1.5	1.2	1.3	1.3
Belgium	1.7	1.0	1.2	1.4	1.7	1.8
Finland	-0.4	-0.4	0.4	0.8	1.2	1.2
France	2.4 ¹	1.9	1.9	2.2	2.4	2.5
Germany	1.7	1.1	0.8	1.2	1.1	1.3
Greece	3.1	2.9	2.6	3.1	3.1	3.2
Ireland	1.7	1.8	2.2	2.3	2.9	3.3
Italy	2.3	2.3	2.4	2.2	2.5	2.8
Luxembourg	2.7	2.0	2.4	2.3	2.4	2.0
Netherlands	1.5 ¹	1.2	1.3	1.5	1.6	2.0
Portugal	2.4	2.2	2.1	2.2	2.3	2.3
Spain	2.7	2.2	2.2	2.3	2.7	2.9
EMU (MUICP) ²	2.0 ¹	1.7	1.6	1.9	2.0	2.2
Denmark	0.5	0.4	0.7	1.0	1.2	1.4
Sweden	1.1	0.4	0.2	1.3	1.8	2.0
United Kingdom	1.2	1.1	1.3	1.4	1.3	1.3
EU-15 (EIČP)	1.8 ¹	1.5	1.5	1.8	1.8	2.0

Source: Eurostat

¹ Provisional 2 MUICP (see Background Notes)



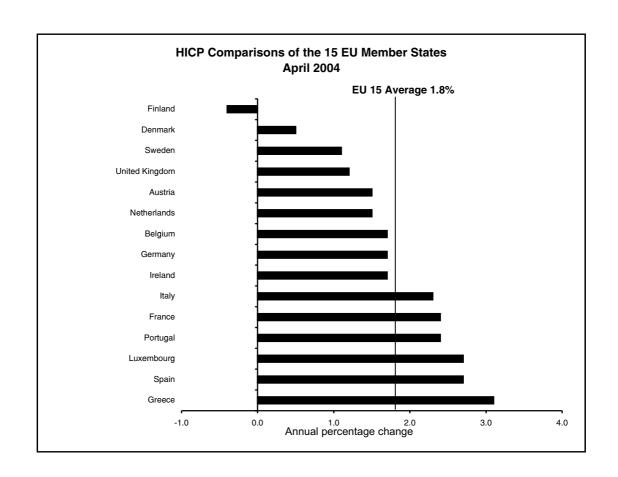


Table 8 Main Categories of Harmonised Indices of Consumer Prices – annual % changes, April 2004

COICOP/HICP Group	EUR-12 (MUICP)	EU-15 (EICP)	В	DK	D	EL	E	F	IRL	I	L	NL	А	Р	FIN	S	UK
					Annual	Percenta	age Rate	e of Chai	nge								
01 Food and Non-Alcoholic																	
Beverages	1.7 ¹	1.5 ¹	1.6	-1.2	-0.3	1.0	4.6	1.5	-0.6	3.3	2.5	-3.3 ¹	1.8 ¹	2.3	0.6	0.1	1.2
02 Alcoholic Beverages																	
and Tobacco	8.2 ¹	6.5 ¹	5.7	-6.7	7.4	6.9	1.3	17.3 ¹	3.6	7.1	4.8	10.2 ¹	2.6 ¹	3.5	-12.6	0.9	2.1
03 Clothing and Footwear	0.8 ¹	0.0 ¹	8.0	0.6	-0.5	3.7	1.7	0.5	-4.0	2.3	0.5	-2.1 ¹	-0.5 ¹	0.8	0.0	-2.8	-4.7
04 Housing, Water, Electricity Gas and Other Fuels	1.9 ¹	2.0 ¹	2.2	0.8	1.6	5.1	2.8	2.3 ¹	1.1	0.9	1.3	3.4 ¹	2.6 ¹	2.6	1.2	2.3	3.4
05 Furnishings, Household																	
Equipment and Routine																	
Household Maintenance	0.8 ¹	0.5 ¹	1.0	2.7	-0.4	1.8	1.5	1.1 ¹	-2.1	2.2	1.9	-0.8 ¹	0.0 ¹	1.7	0.3	-1.0	0.4
06 Health	7.9 ¹	7.2 ¹	1.4	2.5	19.3	5.0	0.1	3.5 ¹	6.2	2.8	2.7	9.4 ¹	1.1	1.7	2.1	3.8	2.2
07 Transport	2.3 ¹	2.2 ¹	2.8	2.0	1.9	2.8	2.8	2.3 ¹	2.1	2.7	4.3	3.5 ¹	2.8 ¹	1.6	-0.6	4.1	1.4
08 Communications	-1.7 ¹	-1.5 ¹	1.2	-3.6	-0.3	-3.3	-0.9	1.2 ¹	3.0	-6.7	-2.1	0.1	-0.9 ¹	-2.3	-7.2	-4.7	0.7
09 Recreation and Culture	-0.3 ¹	-0.8 ¹	-0.3	0.1	-1.4	3.0	-0.3	-0.7 ¹	2.0	2.2	0.9	-1.1 ¹	-0.1 ¹	2.0	0.9	-1.0	-2.2
10 Education	3.1 ¹	3.7 ¹	0.5	3.7	2.7	4.4	3.9	3.0 ¹	5.9	1.8	1.3	3.1 ¹	1.9 ¹	11.1	6.2	4.1	4.7
11 Restaurants and Hotels	2.7 ¹	2.8 ¹	1.8	2.3	0.5	4.4	4.0	2.7 ¹	3.2	3.1	3.1	1.7 ¹	2.6 ¹	4.4	1.1	1.9	3.0
12 Miscellaneous Goods &																	
Services	2.3	2.7 ¹	2.6	2.6	1.8	1.6	2.7	2.3 ¹	2.2	2.5	2.2	2.7 ¹	2.6 ¹	2.8	2.6	2.6	3.9
HICP	2.01	1.8 ¹	1.7	0.5	1.7	3.1	2.7	2.4 ¹	1.7	2.3	2.7	1.5 ¹	1.5 ¹	2.4	-0.4	1.1	1.2

Provisional Revised

Source: Eurostat

Central Statistics Office Consumer Prices

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.

Index (CPI)

Consumer Price Over 55,000 prices are collected for a representative basket consisting of 613 headings which cover over 1,000 different items in a fixed panel of retail and service outlets throughout the country on the second Tuesday of each month. The date to which the May index relates is Tuesday, 11th May 2004.

Scope of the Index

- (i) Population Coverage: All private households covering approximately 97% of the total population 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 86 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, 90% of towns with a population of 10,000 and over, 88% 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. Over 1,000 different varieties are priced and then aggregated into 613 item headings and 12 group 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 200 part-time pricers on a monthly basis. Approximately 51,000 price quotations are gathered in this way. In addition 112 special inquiries covering items such as utility charges and services are conducted by post and telephone. Most prices are collected monthly, some quarterly and others annually. The CSO supplies general specifications to price collectors and 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.

Central Statistics Office Consumer Prices

Background Notes – Consumer Price Index (continued)

Rebase The index has been rebased with effect from December 2001, the ninth series since the foundation of the State. The index was last rebased in January 1997 (Base Nov 96 = 100) when the monthly CPI series was first introduced.

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

- The introduction of the Geometric Mean;
- Updating the expenditure weights;
- A revision of the sample of goods and services;
- An update of the sample of areas priced; and
- A move to the COICOP classification.

Classification The classification used in the CPI is based on a version of COICOP – COICOP HICP, the Classification of Individual Consumption Expenditure by Purpose. This replaces the former national classification which was used up to December 2001. The COICOP classification breaks consumer expenditure into twelve different categories covering a comprehensive range of consumer goods and services.

Methodological **Details**

A full methodological description of the new series is available in the CPI 2001 Introduction to Series booklet.

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

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 local authority service charges.

Central Statistics Office Consumer Prices

Background Notes - Harmonised Index of Consumer Prices

Introduction

The EU-Harmonised Index of Consumer Prices is calculated in each Member State of the European Union. The purpose of this index is to allow the comparison of consumer price trends in the different Member States.

Comparison

The methodology now adopted for the construction of the national CPI is identical to that recommended for the HICP. Thus the two indexes only differ in respect of the coverage of certain goods and services and the definition of insurance. The current EU reference base period (Year 1996 = 100) is however retained for ease of comparison with other EU countries.

Excluded Items The following items, constituting approximately 9% of the Irish CPI expenditure weighting, are excluded from the HICP:

- mortgage interest
- building materials
- union subscriptions
- motor car tax

- motor car insurance (non-service)
- dwelling insurance (non-service)
- motor cycle tax

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 weights of House Insurance (Buildings) and Health Insurance differ because of definition. Taking all these factors into account the HICP expenditure covers just under 91% of total CPI expenditure.

Monetary Union Index of **Consumer Prices** (MUICP)

The MUICP is calculated as a weighted average of HICPs of the 12 countries participating in Stage III of Economic and Monetary Union (EMU). Country weights are computed every year reflecting the country's share of private final domestic consumption expenditure in the EMU total.

Classification

The coverage of the indices is based on the international classification system, COICOP (classification of individual consumption by purpose).

percentage changes in the index

Calculating 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.

Index point change	ge
CPI	106.7
Less previous index	103.7
Equals index point change	3.0
Percentage change	
Index point difference	3.0
Divided by the previous index	103.7
Equals	0.0289
Results multiplied by 100	0.0289 x 100
Equals percentage change	2.9

Central Statistics Office Consumer Prices

Background Notes - COICOP Classification

Prior to the introduction of the current series in January 2002 the CPI used a national classification while the HICP used COICOP/HICP. To ensure greater comparability CPI and the HICP now both use the COICOP/HICP classification (Classification of Individual Consumption by Purpose - adapted for the purposes of the EU HICP).

The COICOP classification is based on 12 main subgroups.

01 Food and Non Alcoholic Beverages 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.

02 Alcoholic Beverages and Tobacco Includes alcoholic beverages purchased in off licences and supermarkets but excludes alcohol consumed on or within a licensed premises which is classified under 11 Restaurants and Hotels.

03 Clothing and Footwear

Mens, ladies and childrens clothing and footwear, sports and leisurewear and services such as laundry and dry cleaning, shoe repair, dress hire and alteration.

04 Housing, Water, Electricity, Gas and Other Fuels This group covers rents, mortgage interest repayments, local authority service charges, goods and services for maintaining, decorating and repairing dwellings and domestic energy products such as electricity, gas and solid fuels.

05 Furnishings, Household Equipment and Routine Household Maintenance This category covers household items such as furniture, carpets and other floor coverings, house textiles and soft furnishings, household electrical 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 in this category are domestic services such as cleaning and other services.

06 Health

Health includes medical products, appliances and equipment, hospital charges and out patient services supplied by doctors, dentists, opticians, practitioners of alternative and complimentary medicine and paramedical services.

07 Transport

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 tests, licences and car hire.

08 Communications

Post and telecommunications.

09 Recreation and Culture

All goods and services connected with recreation and culture and includes items such as audio visual and photographic equipment, computers, music and videos, 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.

10 Education

Covers all aspects of education including primary, secondary, third level and other education and training such as night courses, play schools and examination fees.

11 Restaurants and Hotels

This category covers the following areas: meals in restaurants and hotels; fast food and take-aways; cafes; canteens; alcohol consumed on or within a licensed premises and accommodation services supplied by hotels, guesthouses and hostels.

12 Miscellaneous Goods and Services This remaining category 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.