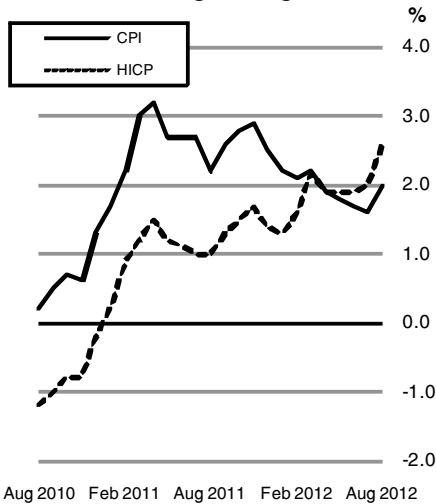




## Consumer Price Index August 2012

**CPI/HICP - all items**  
**Annual Percentage Change**



**CPI and HICP**

	CPI		HICP	
	% monthly change	% annual change	% monthly change	% annual change
Apr 2012	-	+ 1.9	-	+ 1.9
May 2012	-	+ 1.8	-	+ 1.9
Jun 2012	- 0.2	+ 1.7	- 0.2	+ 1.9
Jul 2012	- 0.1	+ 1.6	- 0.1	+ 2.0
Aug 2012	+ 0.6	+ 2.0	+ 0.8	+ 2.6

### Prices rise by 2.0% in the year to August

Consumer Prices in August, as measured by the CPI, increased by 0.6% in the month. This compares to an increase of 0.2% recorded in August of last year. Prices on average, as measured by the CPI, were 2.0% higher in August compared with August 2011.

The most notable changes in the year were increases in *Education* (+9.6%), *Transport* (+8.3%), *Miscellaneous Goods & Services* (+5.4%) and *Alcoholic Beverages & Tobacco* (+3.3%). There were decreases in *Furnishings, Household Equipment & Routine Household Maintenance* (-2.3%), *Communications* (-2.0%) and *Recreation & Culture* (-1.4%).

The most significant monthly price changes were increases in *Clothing & Footwear* (+6.6%), *Transport* (+1.6%) and *Furnishings, Household Equipment & Routine Household Maintenance* (+0.7%). There was a decrease in *Housing, Water, Electricity, Gas & Other Fuels* (-0.5%).

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

- ◆ *Clothing & Footwear* and *Furnishings, Household Equipment & Routine Household Maintenance* rose due to a recovery in prices following the traditional summer sales.
- ◆ *Transport* increased mainly due to higher petrol and diesel prices.
- ◆ *Housing, Water, Electricity, Gas & Other Fuels* decreased mainly due to lower mortgage interest repayments, which was partially offset by an increase in the cost of home heating oil.

### CPI sub-indices

The annual rate of inflation for Services was 2.3% in the year to August, while Goods increased by 1.6%. Services, excluding mortgage interest repayments, increased by 4.1% in the year since August 2011.

The CPI excluding tobacco for August increased by 0.6% in the month and was up by 1.9% in the year. The CPI excluding energy products rose by 0.3% in the month and increased by 1.0% in the year. The CPI excluding mortgage interest increased by 0.8% in the month and rose by 2.9% in the year.

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## 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 *Transport* (+1.30%), *Miscellaneous Goods & Services* (+0.54%), *Education* (+0.23%) and *Alcoholic Beverages & Tobacco* (+0.16%).

The divisions which caused the largest downward contribution to the CPI in the year were *Housing, Water, Electricity, Gas & Other Fuels* (-0.19%) and *Recreation & Culture* (-0.12%).

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

- ◆ *Transport* rose mainly due an increase in airfares and higher petrol and diesel prices.
- ◆ *Miscellaneous Goods & Services* increased mainly due to higher health insurance premiums.
- ◆ *Education* rose mainly due to an increase in third level education costs.
- ◆ *Alcoholic Beverages & Tobacco* increased mainly due to higher tobacco prices.
- ◆ *Housing, Water, Electricity, Gas & Other Fuels* decreased mainly due to lower mortgage interest repayments, which was partially offset by increases in the cost of electricity, home heating oil and gas.
- ◆ *Recreation & Culture* fell mainly due to decreases in the cost of recreational and sporting services, games, toys and hobbies and gardens, plants and flowers which were partially offset by an increase in the cost of package holidays.

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) increased by 0.8% in the month, compared to an increase of 0.2% recorded in August of last year. Prices on average, as measured by the HICP, were 2.6% higher in August compared with August 2011.

The most notable changes in the year were increases in *Education* (+9.8%), *Transport* (+8.2%), *Housing, Water, Electricity, Gas & Other Fuels* (+5.7%), *Miscellaneous Goods & Services* (+3.4%) and *Alcoholic Beverages & Tobacco* (+3.3%). There were decreases in *Furnishings, Household Equipment & Routine Household Maintenance* (-2.2%), *Communications* (-2.0%) and *Recreation & Culture* (-1.3%).

The most significant monthly price changes were increases in *Clothing & Footwear* (+6.7%), *Transport* (+1.7%), *Housing, Water, Electricity, Gas & Other Fuels* (+0.8%) and *Furnishings, Household Equipment & Routine Household Maintenance* (+0.7%). There were decreases in *Communications* (-0.4%) and *Health* (-0.2%).

## European Union comparison

In July 2012<sup>2</sup>, the HICP in the Euro Area increased by 2.4% in the year and by 2.5% for the EU. The highest rate in the EU was in Hungary (+5.7%) followed by Malta (+4.2%), Estonia (+4.1%) and Poland (+4.0%). Sweden had the lowest rate of inflation in the EU, based on the HICP, at 0.7%. In the United Kingdom, the HICP showed an annual increase of 2.6%.

<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
	February	100.4	104.8	+ 0.9	+ 0.1	+ 2.1
	March	101.4	105.9	+ 1.0	+ 1.4	+ 2.2
	April	101.4	105.9	-	+ 1.9	+ 1.9
	May	101.4	105.9	-	+ 1.0	+ 1.8
	June	101.2	105.7	- 0.2	- 0.2	+ 1.7
	July	101.1	105.6	- 0.1	- 0.3	+ 1.6
	August	101.7	106.2	+ 0.6	+ 0.3	+ 2.0

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

**Table 2 CPI Subindices, August 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	101.7	105.4	+ 0.6	+ 0.3	+ 1.9
CPI excluding Housing <sup>1</sup>	87.146	102.8	107.4	+ 0.9	+ 0.6	+ 3.1
CPI excluding Mortgage Interest	94.331	102.6	106.9	+ 0.8	+ 0.6	+ 2.9
CPI excluding Energy Products <sup>2</sup>	88.639	101.0	102.9	+ 0.3	+ 0.3	+ 1.0
CPI excluding Energy and Unprocessed Food <sup>3</sup>	83.762	101.0	103.4	+ 0.2	+ 0.3	+ 1.1

<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.

<sup>3</sup> Energy and unprocessed food includes electricity, gas, other domestic & transport fuels, meat, fish, fruit and vegetables.

**Table 3 Consumer Price COICOP Division Indices, August 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	100.5	102.5	+ 0.3	+ 0.3	+ 0.4
02 Alcoholic Beverages and Tobacco	4.908	103.1	113.7	+ 0.1	- 0.9	+ 3.3
03 Clothing and Footwear	5.203	96.7	69.7	+ 6.6	- 3.1	+ 1.7
04 Housing, Water, Electricity, Gas and Other Fuels	17.476	96.9	104.1	- 0.5	- 1.4	- 1.1
05 Furnishings, Household Equipment and Routine Household Maintenance	3.220	97.7	85.5	+ 0.7	- 0.6	- 2.3
06 Health	4.629	100.5	116.8	- 0.2	- 0.1	+ 0.6
07 Transport	15.088	110.5	120.5	+ 1.6	+ 3.6	+ 8.3
08 Communications	3.487	98.0	103.7	- 0.4	- 1.1	- 2.0
09 Recreation and Culture	8.075	98.9	97.6	+ 0.3	- 0.2	- 1.4
10 Education	2.461	100.0	131.8	-	-	+ 9.6
11 Restaurants and Hotels <sup>1</sup>	14.172	102.6	104.3	+ 0.2	+ 1.2	+ 1.0
12 Miscellaneous Goods and Services	9.915	104.6	125.4	-	+ 0.3	+ 5.4
<b>ALL ITEMS</b>	<b>100.000</b>	<b>101.7</b>	<b>106.2</b>	<b>+ 0.6</b>	<b>+ 0.3</b>	<b>+ 2.0</b>
<b>Of which:</b>						
Goods <sup>2</sup>	43.383	101.3	99.6	+ 1.6	- 0.6	+ 1.6
Services <sup>3</sup>	56.617	102.0	112.0	- 0.2	+ 1.0	+ 2.3
Energy Products	11.361	106.9	143.6	+ 2.7	- 0.2	+ 10.0
Utilities and Local Charges <sup>4</sup>	4.258	101.7	115.8	-	-	+ 8.3
Alcohol <sup>5</sup>	8.460	101.9	103.5	- 0.1	- 0.7	+ 0.8
Tobacco	2.645	103.4	131.9	+ 0.4	+ 0.7	+ 6.7
Mortgage Interest	5.669	86.6	93.3	- 3.2	- 4.6	- 13.3
Services excluding Mortgage Interest	50.948	103.7	114.2	+ 0.1	+ 1.6	+ 4.1

<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 13 - off-licence sales) and part of 11 (see page 13 - alcohol consumed on licensed premises) giving a combined index for alcohol.

See Background Notes page 13 for definition of COICOP divisions.

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

COICOP Division	Percentage contributions		
	1 month	3 months	12 months <sup>2</sup>
01 Food and Non-Alcoholic Beverages	+ 0.03	+ 0.03	+ 0.06
02 Alcoholic Beverages and Tobacco	-	- 0.04	+ 0.16
03 Clothing and Footwear	+ 0.31	- 0.16	+ 0.01
04 Housing, Water, Electricity, Gas and Other Fuels	- 0.07	- 0.23	- 0.19
05 Furnishings, Household Equipment and Routine Household Maintenance	+ 0.02	- 0.02	- 0.07
06 Health	- 0.01	-	+ 0.02
07 Transport	+ 0.25	+ 0.57	+ 1.30
08 Communications	- 0.02	- 0.04	- 0.07
09 Recreation and Culture	+ 0.03	- 0.01	- 0.12
10 Education	-	-	+ 0.23
11 Restaurants and Hotels	+ 0.02	+ 0.16	+ 0.13
12 Miscellaneous Goods and Services	-	+ 0.03	+ 0.54
<b>ALL ITEMS % change</b>	<b>+ 0.6<sup>1</sup></b>	<b>+ 0.3<sup>1</sup></b>	<b>+ 2.0<sup>1</sup></b>
Goods	+ 0.67	- 0.29	+ 0.65
Services	- 0.10	+ 0.58	+ 1.33
Energy Products	+ 0.32	- 0.01	+ 1.06
Tobacco	+ 0.01	+ 0.02	+ 0.21
Mortgage Interest	- 0.16	- 0.23	- 0.75

<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
	February	107.8	+ 1.1	+ 1.6
	March	108.9	+ 1.0	+ 2.2
	April	108.9	-	+ 1.9
	May	108.9	-	+ 1.9
	June	108.7	- 0.2	+ 1.9
	July	108.6	- 0.1	+ 2.0
	August	109.5	+ 0.8	+ 2.6

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

COICOP Division	HICP	Percentage change		Percentage contribution	
	Current base	1	12	1	12
	Year 2005	month	months	month	months
		%	%	%	%
01 Food and Non-Alcoholic Beverages	104.2	+ 0.3	+ 0.4	+ 0.03	+ 0.06
02 Alcoholic Beverages and Tobacco	119.3	+ 0.1	+ 3.3	-	+ 0.18
03 Clothing and Footwear	70.3	+ 6.7	+ 1.7	+ 0.35	+ 0.02
04 Housing, Water, Electricity, Gas and Other Fuels	120.9	+ 0.8	+ 5.7	+ 0.10	+ 0.62
05 Furnishings, Household Equipment and Routine Household Maintenance	84.5	+ 0.7	- 2.2	+ 0.02	- 0.08
06 Health	123.2	- 0.2	+ 0.7	- 0.01	+ 0.03
07 Transport	122.3	+ 1.7	+ 8.2	+ 0.28	+ 1.32
08 Communications	103.3	- 0.4	- 2.0	- 0.02	- 0.08
09 Recreation and Culture	99.7	+ 0.3	- 1.3	+ 0.03	- 0.13
10 Education	142.7	-	+ 9.8	-	+ 0.26
11 Restaurants and Hotels	109.6	+ 0.1	+ 1.0	+ 0.03	+ 0.14
12 Miscellaneous Goods and Services	120.1	+ 0.2	+ 3.4	+ 0.01	+ 0.24
<b>HICP</b>	<b>109.5</b>	<b>+ 0.8</b>	<b>+ 2.6</b>	<b>+ 0.8</b> <sup>1</sup>	<b>+ 2.6</b> <sup>1</sup>
Goods	101.0	+ 1.6	+ 1.6	+ 0.74	+ 0.78
Services	118.6	+ 0.2	+ 3.6	+ 0.08	+ 1.84
HICP excluding Energy and Unprocessed Food <sup>2</sup>	105.8	+ 0.6	+ 1.7	+ 0.41	+ 1.31

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

<sup>2</sup> Energy and unprocessed food includes electricity, gas, other domestic & transport fuels, meat, fish, fruit and vegetables.

**Table 7 EU Harmonised Index of Consumer Prices - annual % changes, March 2012 to July 2012**

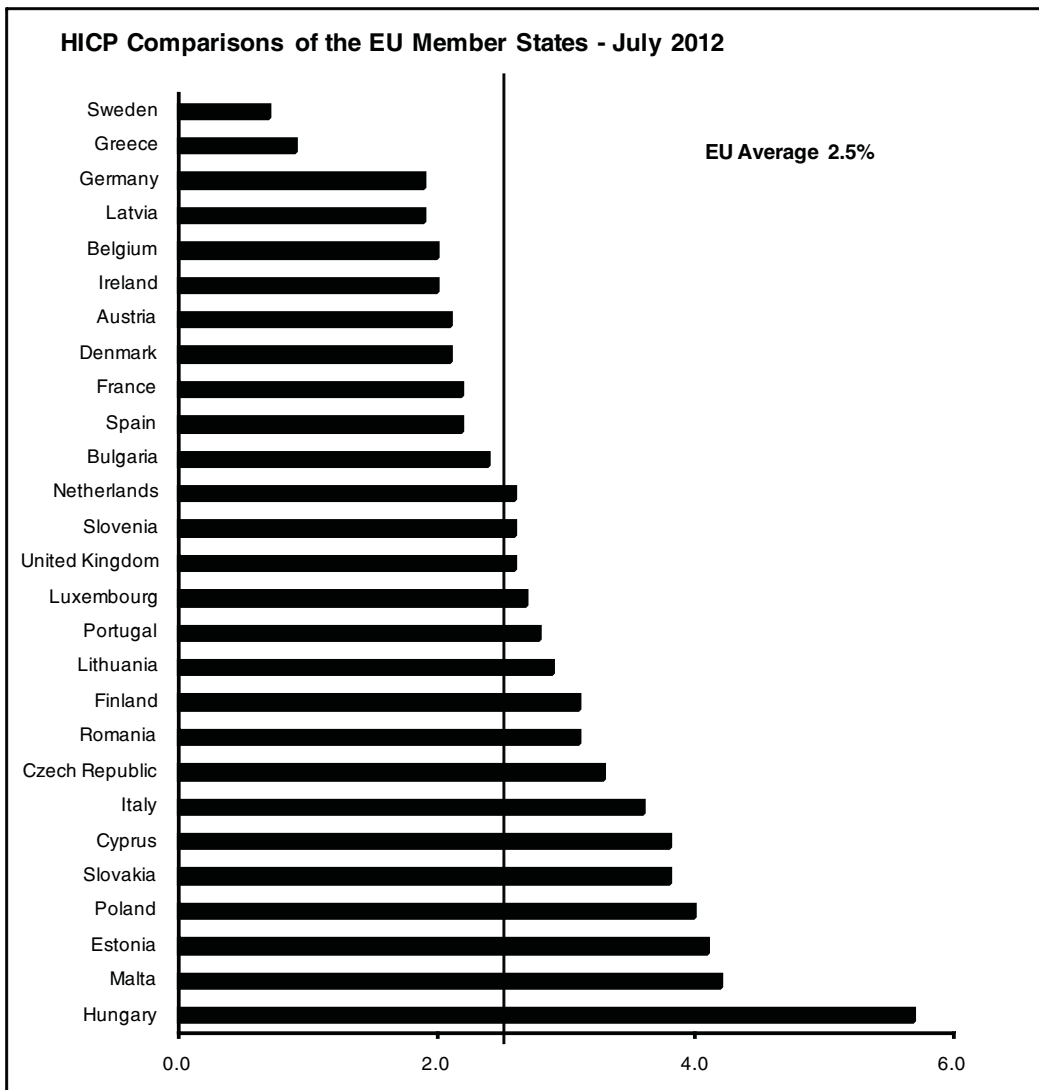
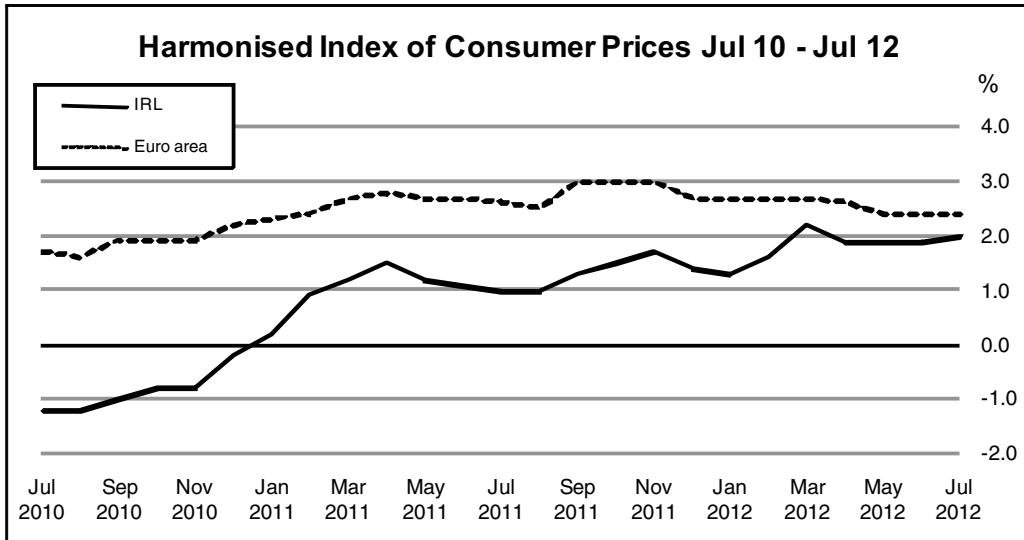
Country	July 2011 July 2012	June 2011 June 2012	May 2011 May 2012	April 2011 April 2012	March 2011 March 2012
Austria	2.1 <sup>1</sup>	2.2	2.2	2.3	2.6
Belgium	2.0	2.2	2.6	2.9	3.1
Cyprus	3.8	2.9	3.7	3.6	3.5
Estonia	4.1	4.4	4.1	4.3	4.7
Finland	3.1	2.9	3.1	3.0	2.9
France	2.2	2.3	2.3	2.4	2.6
Germany	1.9	2.0	2.2	2.2	2.3
Greece	0.9	1.0	0.9	1.5	1.4
<b>Ireland</b>	<b>2.0</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>	<b>2.2</b>
Italy	3.6	3.6	3.5	3.7	3.8
Luxembourg	2.7	2.6	2.7	3.0	2.9
Malta	4.2	4.4	3.7	3.8	2.6
Netherlands	2.6 <sup>1</sup>	2.5	2.5	2.8	2.9
Portugal	2.8	2.7	2.7	2.9	3.1
Slovakia	3.8	3.7	3.4	3.7	3.9
Slovenia	2.6	2.4	2.4	2.9	2.4
Spain	2.2	1.8	1.9	2.0	1.8
<b>Euro Area (MUICP)<sup>2</sup></b>	<b>2.4</b> <sup>1</sup>	<b>2.4</b>	<b>2.4</b>	<b>2.6</b>	<b>2.7</b>
Bulgaria	2.4	1.6	1.8	2.0	1.7
Czech Republic	3.3	3.8	3.5	4.0	4.2
Denmark	2.1	2.2	2.1	2.3	2.7
Hungary	5.7	5.6	5.4	5.6	5.5
Latvia	1.9	2.1	2.3	2.8	3.2
Lithuania	2.9	2.6	2.6	3.3	3.7
Poland	4.0	4.2	3.6	4.0	3.9
Romania	3.1	2.2	2.0	1.9	2.5
Sweden	0.7	0.9	0.9	1.0	1.1
United Kingdom	2.6	2.4	2.8	3.0	3.5
<b>EU</b>	<b>2.5</b> <sup>1</sup>	<b>2.5</b> <sup>3</sup>	<b>2.5</b>	<b>2.7</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  
July 2012**

	00	01	02	03	04	05	06	07	08	09	10	11	12
<b>Euro area</b>	2.4 <sup>1</sup>	2.5 <sup>1</sup>	4.7 <sup>1</sup>	3.1 <sup>1</sup>	3.8 <sup>1</sup>	1.3 <sup>1</sup>	2.8 <sup>1</sup>	3.2 <sup>1</sup>	-3.1 <sup>1</sup>	1.0 <sup>1</sup>	0.7 <sup>1</sup>	2.1 <sup>1</sup>	1.6 <sup>1</sup>
<b>EU</b>	2.5 <sup>1</sup>	2.7 <sup>1</sup>	4.8 <sup>1</sup>	2.1 <sup>1</sup>	4.2 <sup>1</sup>	1.6 <sup>1</sup>	3.0 <sup>1</sup>	3.0 <sup>1</sup>	-1.1 <sup>1</sup>	0.8 <sup>1</sup>	1.9 <sup>1</sup>	2.3 <sup>1</sup>	1.9 <sup>1</sup>
<b>Belgium</b>	2.0	2.5	3.0	1.8	2.5	1.6	0.5	1.9	-1.4	2.6	3.0	2.0	3.3
<b>Germany</b>	1.9	2.9	2.5	2.4	2.7	1.0	2.3	2.1	-1.0	2.1	-5.3	1.9	-0.7
<b>Estonia</b>	4.1	2.7	4.4	3.6	9.8	2.9	-0.2	3.2	-8.9	0.3	6.3	10.6	3.2
<b>Ireland</b>	2.0	0.2	3.4	-1.3	5.4	-2.4	0.8	6.7	-1.6	-1.6	9.5	0.9	2.7
<b>Greece</b>	0.9	1.1	2.4	-1.1	5.3	-0.9	-1.6	1.4	-1.9	-1.3	-1.0	2.3	0.5
<b>Spain</b>	2.2	1.2	9.5	1.0	5.3	0.3	6.6	4.0	-4.6	0.3	2.8	0.7	1.3
<b>France</b>	2.2	2.6	5.0	3.6	3.2	2.2	0.9	2.9	-8.2	0.2	2.9	2.6	2.7
<b>Italy</b>	3.6	2.6	7.1	6.9	7.0	1.9	6.1	5.0	-1.0	0.9	2.0	1.9	2.5
<b>Cyprus</b>	3.8	1.7	2.4	-2.1	10.5	-0.7	0.4	4.0	1.3	0.9	2.9	5.1	1.6
<b>Luxembourg</b>	2.7	2.5	3.5	4.9	3.1	2.5	0.3	2.6	-0.5	1.6	2.1	2.9	3.2
<b>Malta</b>	4.2	5.7	4.4	-0.8	0.9	3.5	1.8	2.4	-5.6	0.4	3.8	11.1	1.9
<b>Netherlands</b>	2.6 <sup>1</sup>	1.4 <sup>1</sup>	4.1 <sup>1</sup>	0.9 <sup>1</sup>	2.7 <sup>1</sup>	1.0 <sup>1</sup>	12.9 <sup>1</sup>	3.3 <sup>1</sup>	-0.5 <sup>1</sup>	2.2 <sup>1</sup>	2.7 <sup>1</sup>	2.6 <sup>1</sup>	3.4 <sup>1</sup>
<b>Austria</b>	2.1 <sup>1</sup>	3.3 <sup>1</sup>	2.0 <sup>1</sup>	0.9 <sup>1</sup>	3.7 <sup>1</sup>	2.4 <sup>1</sup>	1.1 <sup>1</sup>	2.3 <sup>1</sup>	0.1 <sup>1</sup>	-0.2 <sup>1</sup>	5.2 <sup>1</sup>	3.3 <sup>1</sup>	2.9 <sup>1</sup>
<b>Portugal</b>	2.8	4.0	5.8	-5.0	10.4	-0.8	-2.1	2.1	0.5	1.1	1.5	4.5	0.8
<b>Slovenia</b>	2.6	4.5	7.7	0.3	3.8	0.3	-0.6	3.7	-3.1	0.8	1.8	1.5	1.7
<b>Slovakia</b>	3.8	4.8	3.2	1.9	5.2	0.7	4.9	6.1	-0.2	1.6	6.1	3.6	4.0
<b>Finland</b>	3.1	6.0	7.8	2.7	3.4	1.4	0.2	3.7	-5.8	-1.0	0.8	3.7	5.8
<b>Bulgaria</b>	2.4	2.5	0.6	-0.1	9.7	-0.1	9.0	2.8	-0.8	-5.4	6.2	2.7	2.4
<b>Czech Republic</b>	3.3	7.5	2.1	-2.9	6.7	-1.7	9.8	2.2	-1.5	-0.2	2.2	2.9	1.5
<b>Denmark</b>	2.1	4.0	8.0	2.0	2.1	-0.1	-0.1	1.9	-7.6	0.2	3.9	3.9	4.0
<b>Latvia</b>	1.9	1.6	2.5	-1.0	5.7	-1.1	0.6	1.1	-2.1	0.8	-1.9	5.0	1.4
<b>Lithuania</b>	2.9	2.4	4.0	-1.7	7.0	1.4	2.6	2.9	-1.3	1.8	1.8	3.8	3.7
<b>Hungary</b>	5.7	5.9	16.0	2.6	6.0	3.7	3.4	5.2	4.5	1.9	0.4	4.7	7.0
<b>Poland</b>	4.0	5.0	4.3	-5.0	5.1	1.9	3.9	6.1	6.0	1.0	2.9	2.8	4.2
<b>Romania</b>	3.1	1.3	3.1	1.6	6.1	1.2	1.1	4.9	7.0	1.5	2.9	1.4	3.3
<b>Sweden</b>	0.7	1.6	4.6	1.1	-0.5	-0.4	3.0	1.8	-2.0	-1.3	1.8	0.0	2.1
<b>United Kingdom</b>	2.6	2.1	5.0	0.1	6.1	3.5	3.0	1.3	4.4	0.4	5.1	3.2	1.7

<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 August index relates are Monday 13th to Tuesday, 21st August 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) which is published on the CSO website at <http://cso.ie/shorturl.aspx/106>.

**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. The household charge was added to this division, in the CPI, under the item 'miscellaneous goods and services' in April 2012. The household charge is not included in the HICP. |

## 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)	1982 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)).