

Harmonised Index of Consumer Prices (HICP) January 2012

Monthly inflation in January increased +0.5%, while the annual inflation is 3.1%

Monthly inflation measured by Harmonised Index of Consumer Prices increased +0.5% in January. This was influenced mostly by the increase in prices of electricity and tobacco. Annual inflation in January is +3.1%, and it is higher than in December when it was +3.0%.

When observing the main groups, monthly growth of prices was noticed in the following groups: Housing, water, electricity, gas and other fuels (+3.9%); Alcoholic beverages and tobacco (+3.4); Transport (+0.3%) and Food and non-alcoholic beverages (+0.1%). Prices in the groups: Clothing and footwear; Furnishing, household equipment and routine household maintenance; Health; Communications; Recreation and culture; Education; Hotels and restaurants and Miscellaneous goods and services remain at the same level as in the previous month.

Positive annual inflation rates in January were observed in the following groups: Alcoholic beverages and tobacco (+14.0%); Health (+6.0%); Housing, water, electricity, gas and other fuels (+5.4%); Transport (+4.9%); Food and non-alcoholic beverages (+3.4%); Communications (+2.8%) Clothing and footwear (+1.7%); Furnishing, household equipment and routine household maintenance (+1.2%); and Miscellaneous goods and services (+0.8%), while negative annual inflation rates were observed in the following groups: Recreation and culture (-0.9%); Education (-0.5%) and Hotels and restaurants (-0.2%).

Harmonised index of consumer prices (HICP), annual rates

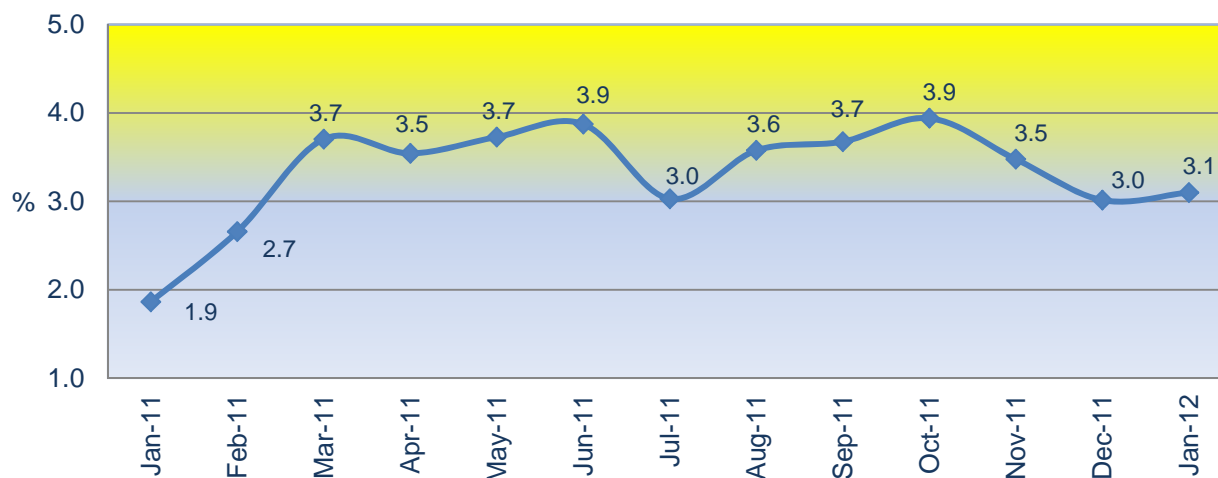
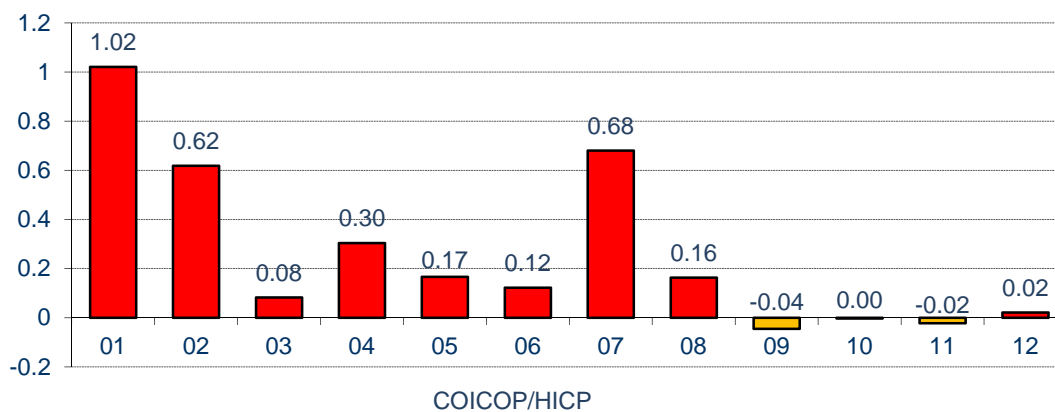


Table 1. Inflation rates measured by Harmonised Index of Consumer Prices, in %

Divisions	Weights ‰	Jan 12 Ø 2010	Jan 12 Dec 11	Jan 12 Jan 11
00 HICP - total	1 000.0	4.4	0.5	3.1
01 Food and non-alcoholic beverages	300.6	5.4	0.1	3.4
02 Alcoholic beverages and tobacco	44.3	20.6	3.4	14.0
03 Clothing and footwear	49.2	-	-	1.7
04 Housing, water, electricity, gas and other fuels	56.8	4.8	3.9	5.4
05 Furnishing, household equipment and routine household maintenance	135.5	-0.2	-	1.2
06 Health	20.6	13.3	-	6.0
07 Transport	137.7	8.0	0.3	4.9
08 Communications	58.1	3.2	-	2.8
09 Recreation and culture	52.2	-0.4	-	-0.9
10 Education	9.5	-0.5	-	-0.3
11 Restaurants and hotels	109.7	1.2	-	-0.2
12 Miscellaneous goods and services	25.8	0.6	-	0.8
Special aggregates				
Products	773.6	5.1	0.6	3.6
Services	226.4	2.2	-	1.5
HICP - excluding food. Alcoholic beverages and tobacco	684.4	3.0	0.4	2.2
Energy	102.4	10.3	2.6	6.3
Administrative inflation ¹	106.9	13.1	2.5	9.2

Diagram 1. Impacts of divisions on the annual inflation rate (in %), January 2011

¹ Inflation which measures trend of administratively established prices, and the following prices are covered under this: bread, electricity, water supply, sewerage collection, refuse collection, fuels, public pre-primary institutions, obligatory insurance of vehicles, and issuing of administrative documents, such as birth certificate.

Table 2. Inflation rates presented by divisions, groups and sub-groups measured by HICP, in %

COICOP /HICP	Name	Weight ‰	Jan 12 Ø 2010	Jan 12 Dec 11	Jan 12 Jan11
00	HICP – total	1 000.0	4.4	0.5	3.1
01	FOOD AND NON-ALCOHOLIC BEVERAGES	300.6	5.4	0.1	3.4
011	Food	271.3	5.5	0.1	3.6
0111	Bread and cereals	40.9	8.8	-	7.4
0112	Meat	64.0	-2.4	0.2	1.6
0113	Fish	4.6	-2.5	-	-0.8
0114	Milk, cheese, and eggs	50.3	-1.3	0.3	1.8
0115	Oils and fats	7.7	19.0	-	1.9
0116	Fruit	29.4	6.1	0.4	-
0117	Vegetables	52.6	11.5	-	2.0
0118	Sugar, jam, honey, chocolate and confectionery	15.7	9.3	-	6.0
0119	Food products n.e.c.	6.1	4.6	0.3	3.8
012	Non-alcoholic beverages	29.3	4.5	-	1.7
0121	Coffee, tea and cocoa	7.5	16.1	-	3.3
0122	Mineral waters, soft drinks, fruit and vegetable juices	21.8	0.5	-	1.2
02	ALCOHOLIC BEVERAGES AND TOBACCO	44.3	20.6	3.4	14.0
021	Alcoholic beverages	25.6	8.9	0.2	3.4
0211	Spirits	4.5	8.2	0.1	9.3
0212	Vine	4.0	3.3	0.8	4.6
0213	Beer	17.1	10.9	-	2.0
022	Tobacco	18.7	37.8	7.8	29.5
0220	Tobacco	18.7	37.8	7.8	29.5
03	CLOTHING AND FOOTWEAR	49.2	-	-	1.7
031	Clothing	36.0	0.7	-	2.5
0311	Clothing material	1.3	-0.1	-	-
0312	Garments	32.3	0.1	-	2.0
0313	Other articles of clothing and clothing accessories	2.3	10.5	-	10.5
0314	Cleaning, repair and hire of clothing	0.1	6.2	-	7.2
032	Footwear	13.2	-2.1	-	-0.6
0321/2	Shoes and other footwear, repair and hire of footwear	13.2	-2.1	-	-0.6
04	Housing, water, electricity, gas and other fuels	56.8	4.8	3.9	5.4
041	Actual rentals	4.7	-8.8	-	-

0411/2	Actual rentals paid by tenants and other actual rentals	4.7	-8.8	-	-
043	Maintenance and repair of the dwelling	3.7	2.3	-	2.0
0431	Materials for the maintenance and repair of the dwelling	1.6	8.7	-	10.7
0432	Services for the maintenance and repair of the dwelling	2.1	-2.5	-	-4.4
044	Water supply and miscellaneous services relating to the dwelling	4.9	39.2	-	36.9
0441	Water supply	2.6	52.5	-	49.0
0442	Refuse collection	1.3	-	-	-
0443	Refuse collection	1.0	58.6	-	55.1
045	Electricity, gas, and other fuels	43.5	2.7	5.2	2.6
0451	Electricity	30.7	3.3	7.3	3.3
0452	Gas	1.1	29.2	-	1.2
0454	Solid fuels	11.7	-1.5	-	0.8
05	Furnishing, household equipment and routine household maintenance	135.5	-0.2	-	1.2
051	Furniture and furnishings, carpets and other floor coverings	38.4	-1.5	-	-0.3
0511	Furniture and furnishings	36.3	-1.7	-	-0.4
0512	Carpets and other floor coverings	2.1	2.5	-	1.4
052	Household textiles	4.2	3.6	-	4.1
0520	Household textiles	4.2	3.6	-	4.1
053	Household appliances	25.2	0.2	-	-0.1
0531/2	Major household appliances whether electric or not and small electric household appliances	24.7	-0.1	-	-0.3
0533	Repair of household appliances	0.5	17.4	-	7.1
054	Glassware, tableware and household utensils	16.3	3.0	-	5.6
0540	Glassware, tableware and household utensils	16.3	3.0	-	5.6
055	Tools and equipment for house and garden	24.4	-1.5	-	3.2
0551/2	Major tools and equipment and small tools and miscellaneous accessories	24.4	-1.5	-	3.2
056	Goods and services for routine household maintenance	27.0	-0.3	-	-0.3
0561	Non-durable household goods	26.8	-0.3	-	-0.3
0562	Domestic services and household services	0.2	1.5	-	1.5
06	Health	20.6	13.3	-	6.0
061	Medical products, appliances and equipment	13.0	16.6	-	6.0

0611	Pharmaceutical products	10.7	18.5	-	6.8
0612/3	Other medical products and therapeutic appliances and equipment	2.3	8.2	-	2.2
062	Out-patient services	7.6	6.8	-	5.8
0621/3	Medical services and paramedical services	6.3	2.8	-	4.1
0622	Dental services	1.3	27.6	-	13.9
07	TRANSPORT	137.7	8.0	0.3	4.9
071	Purchase of vehicles	45.9	0.4	-	-
0711	Motor cars	43.5	-	-	-
0712/3/4	Motor cycles and bicycles	2.4	6.8	-	0.7
072	Operation of personal transport equipment	78.0	12.5	0.5	7.4
0721	Spare parts and accessories for personal transport equipment	15.1	3.4	-	2.5
0722	Fuels and lubricants for personal transport equipment	58.9	15.9	0.7	9.0
0723	Maintenance and repair of personal transport equipment	3.0	-0.7	-	0.8
0724	Other services in respect of personal transport equipment	1.0	-4.1	0.5	2.7
073	Transport services	13.8	8.4	0.4	7.8
0731	Passenger transport by railway	1.3	-2.9	-	-
0732	Passenger transport by road	11.9	9.9	0.5	8.9
0733	Passenger transport by air	0.6	3.9	-	2.1
08	COMMUNICATIONS	58.1	3.2	-	2.8
081	Postal services	4.1	13.1	-	9.3
0810	Postal services	4.1	13.1	-	9.3
08.x	Telephone and telefax equipment and telephone and telefax services	54.0	2.5	-	2.3
082/30	Telephone and telefax equipment and telephone and telefax services	54.0	2.5	-	2.3
09	RECREATION AND CULTURE	52.2	-0.4	-	-0.9
091	Audio-visual, photographic and information processing equipment	20.6	-3.3	-	-4.5
0911	Equipment for the reception, recording and reproduction of sound and pictures	9.0	-6.9	-	-4.7
0912	Photographic and cinematographic equipment and optical instruments	1.1	7.9	-	3.3
0913	Information processing equipment	8.2	1.5	-	-3.5
0914	Recording media	2.2	-11.8	-	-11.5
0915	Repair of audio-visual, photographic and information processing equipment	0.1	10.5	-	5.5
092	Other major durables for recreation and culture	6.6	4.6	-	3.6

0921/2	Major durables for outdoor recreation and musical instruments and major durables for indoor recreation	6.6	4.6	-	3.6
093	Other recreational items and equipment, gardens and pets	7.6	0.8	-	-0.3
0931	Games, toys and hobbies	2.8	2.8	-	-2.5
0932	Equipment for sport, camping and open-air recreation	3.1	-0.3	-	-0.7
0933	Gardens, plants and flowers	1.7	-1.1	-	3.9
094	Recreational and cultural services	6.0	7.0	0.1	4.2
0941	Recreational and sporting services	0.5	-10.9	-	-10.9
0942	Cultural services	5.5	8.7	0.1	5.6
095	Newspapers, books and stationery	11.4	-2.6	-	0.2
0951	Books	2.2	-3.0	-	0.2
0952	Newspapers and periodicals	4.7	-1.1	-	-
0953/4	Miscellaneous printed matter and stationery and drawing materials	4.5	-4.0	-	0.4
10	Education	9.5	-0.5	-	-0.3
10x	Pre-primary and primary, secondary, tertiary and education not definable by level	9.5	-0.5	-	-0.3
10x0	Pre-primary and primary, secondary, tertiary and education not definable by level	9.5	-0.5	-	-0.3
11	RESTAURANTS AND HOTELS	109.7	1.2	-	-0.2
111	Catering services	69.5	2.2	-	-0.1
1111	Restaurants, cafés and the like	69.5	2.2	-	-0.1
112	Accommodation services	40.2	-0.5	-	-0.3
1120	Accommodation services	40.2	-0.5	-	-0.3
12	MISCELLANEOUS GOODS AND SERVICES	25.8	0.6	-	0.8
121	Personal care	16.5	1.1	-	1.3
1211	Hairdressing salons and personal grooming establishments	5.7	1.7	-	-0.3
1212/3	Electric appliances for personal care and other appliances, articles and products for personal care	10.8	0.7	-	2.1
123	Personal effects n.e.c.	3.8	-0.8	-	0.4
1231	Jewellery, clocks and watches	1.1	3.3	-	2.4
1232	Other personal effects	2.7	-2.5	-	-0.5
124	Social protection	0.5	2.9	-	-
1240	Social protection	0.5	2.9	-	-

125	Insurance	0.8	2.3	-	7.7
1254	Insurance connected with transport	0.8	2.3	-	7.7
126	Financial services n.e.c.	2.3	-	-	-
1262	Other financial services n.e.c.	2.3	-	-	-
127	Other services n.e.c	1.9	-2.2	-	-3.9

Table 3. Sub-group with most important impacts on monthly inflation rate, January 2011

COICOP/ HICP	Subgroup	Weights ‰	monthly inflation %	Influence in percentage points
0451	Electricity	30.7	7.3	0.22
0220	Tobacco	18.7	7.8	0.15
0722	Fuels and lubricants for personal transport equipment	58.9	0.7	0.04
0114	Milk, cheese and eggs	50.3	0.3	0.01
0116	Fruit	29.4	0.4	0.01
0112	Meat	64.0	0.2	0.01
0732	Passenger transport by road	11.9	0.5	0.01
0212	Wine	4.0	0.8	0.00

Table 4. Sub-group with most important impacts on annual inflation rate, January 2011

COICOP/ HICP	Subgroup	Weights ‰	monthly inflation %	Influence in percentage points
0220	Tobacco	18.7	29.5	0.55
0722	Fuels and lubricants for personal transport equipment	58.9	9.0	0.53
0111	Bread and cereals	40.9	7.4	0.30
0441	Water supply	2.6	49.0	0.13
082/30	Telephone and telefax equipment and telephone and telefax services	54.0	2.3	0.12
0732	Passenger transport by road	11.9	8.9	0.11
0112	Meat	64.0	1.6	0.10
0117	Vegetables	52.6	2.0	0.10
0451	Electricity	30.7	3.3	0.10
0118	Sugar, jam, honey, chocolate and confectionery	15.7	6.0	0.09
0540	Glassware, tableware and household utensils	16.3	5.6	0.09
0114	Milk, cheese and eggs	50.3	1.8	0.09
0551/2	Major tools and equipment and small tools and miscellaneous accessories	24.4	3.2	0.08
0611	Pharmaceutical products	10.7	6.8	0.07
0312	Garments	32.3	2.0	0.07
0443	Sewerage collection	1.0	55.1	0.06
0211	Spirits	4.5	9.3	0.04
0810	Postal services	4.1	9.3	0.04
<hr style="border-top: 1px dashed black;"/>				
0432	Services for the maintenance and repair of the dwelling	2.1	-4.4	-0.01
1120	Accommodation services	40.2	-0.3	-0.01
0511	Furniture and furnishings	36.3	-0.4	-0.01
0914	Recording media	2.2	-11.5	-0.03
0913	Information processing equipment	8.2	-3.5	-0.03
0911	Equipment for the reception, recording and reproduction of sound and pictures	9.0	-4.7	-0.04

Table 5: Inflation rates in the EU measured by Harmonised Index of Consumer Prices, in %

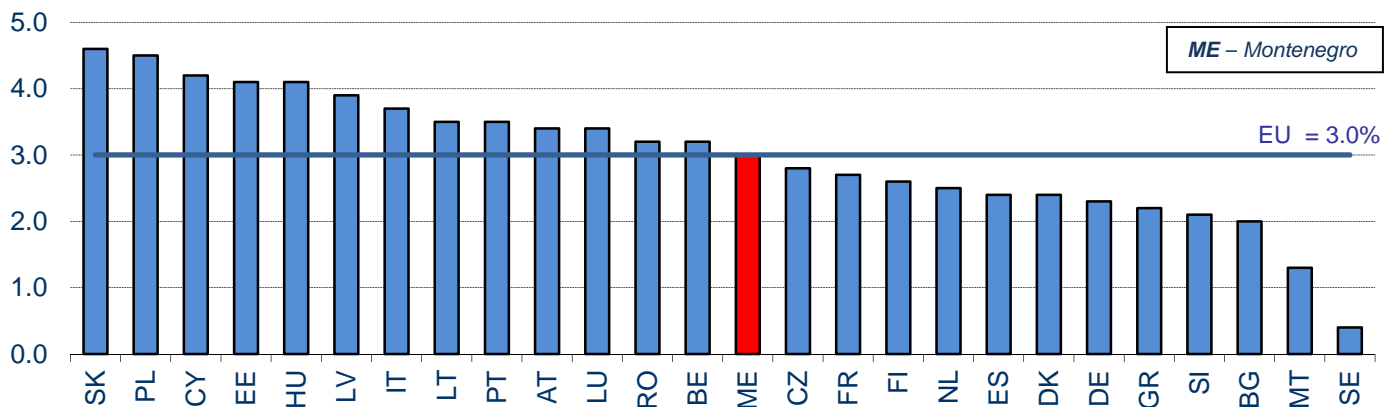
	Dec11 Dec10	Nov11 Nov10	Oct 11 Oct 10	Sep11 Sep 10	Dec10 Dec09	Dec 11-10 Dec 10-09	Dec 11 Nov 11
Belgium (BE)	3.2	3.7	3.4	3.4	3.4	3.5	0.1
Germany (DE)	2.3	2.8	2.9	2.9	1.9	2.5	0.7
Estonia (EE)	4.1	4.4	4.7	5.4	5.4	5.1	0.1
Ireland (IE)	:	1.7	1.5	1.3	-0.2	:	:
Greece(EL)	2.2	2.8	2.9	2.9	5.2	3.1	-0.2
Spain (ES)	2.4	2.9	3.0	3.0	2.9	3.1	0.0
France (FR)	2.7	2.7	2.5	2.4	2.0	2.3	0.4
Italy (IT)	3.7	3.7	3.8	3.6	2.1	2.9	0.3
Cyprus (CY)	4.2	4.0	3.2	2.5	1.9	3.5	-0.1
Luxembourg (LU)	3.4	4.0	3.8	3.8	3.1	3.7	-0.1
Malta (MT)	1.3p	1.5	2.4	2.7	4.0	2.4p	0.3p
Netherlands (NL)	2.5p	2.7	2.8	3.0	1.8	2.5p	-0.5p
Austria (AT)	3.4p	3.9r	3.8	3.9	2.2	3.6p	0.2p
Portugal (PT)	3.5	3.8	4.0	3.5	2.4	3.6	0.1
Slovenia (SI)	2.1	2.8	2.9	2.3	2.2	2.1	-0.5
Slovakia (SK)	4.6	4.8	4.6	4.4	1.3	4.1	0.1
Finland (FI)	2.6	3.2	3.2	3.5	2.8	3.3	0.0
Euro area	2.7p	3.0	3.0	3.0	2.2	2.7p	0.3p
Bulgaria (BG)	2.0	2.6	3.0	2.9	4.4	3.4	0.3
Czech Republic (CZ)	2.8	2.9	2.6	2.1	2.3	2.1	0.4
Denmark (DK)	2.4	2.5	2.7	2.4	2.8	2.7	0.0
Latvia (LV)	3.9	4.0	4.3	4.5	2.4	4.2	0.0
Lithuania (LT)	3.5	4.4	4.2	4.7	3.6	4.1	-0.2
Hungary (HU)	4.1	4.3	3.8	3.7	4.6	3.9	0.2
Poland (PL)	4.5	4.4	3.8	3.5	2.9	3.9	0.5
Romania (RO)	3.2	3.5	3.6	3.5	7.9	5.8	0.2
Sweden (SE)	0.4	1.1	1.1	1.5	2.1	1.4	0.0
United Kingdom (UK)	:	4.8	5.0	5.2	3.7	:	:
European union	3.0p	3.4	3.4	3.3	2.7	3.1p	0.3p

p = current data

r = revised data

:= data not available

Source: EUROSTAT

Diagram 2: Annual inflation rate measured by HICP, December 2011

Montenegro annual inflation was 3.0% in December 2011. EU annual inflation was 3.0% in December 2011, while there was 2.7% in the Euro area.

Harmonised Index of Consumer Prices (HICP) is the basis for comparative measurement of inflation in the European Union, and it estimates a monetary value in the Eurozone. As a difference to Consumer Index Price (CPI), it uses different methodological concept which is used by all EU members.

Jan 12 month of the current year
Ø 2010 average (Ø) month of previous year

This rate indicates a change in average prices in current month when compared with average prices in previous year.

Jan 12 current month
Dec 11 previous month

Monthly inflation rate (current month compared with previous month) measures a change of average prices of current months compared with average prices of previous month. Monthly inflation rate can be under the influence of seasonal effects.

Jan 12 month of the current year
Jan 11 the same month of previous year

Annual inflation rate (month of the current year compared with the same month of previous year) measures a change in average prices in current month compared with average prices in the same month of previous year.

The influence of certain subgroups on inflation rate indicates how much that subgroup has influenced on the total inflation rate. The influence depends on weights and inflation rate of given subgroup. The weights represents a relative share of household consumption of certain groups or subgroup of products in the total consumption. Consequently, weights have an important role in the calculation of inflation rate. They represent "importance" of certain product group in the total household consumption in certain reference period. For example, if during certain month prices of bread increases for 10%, this will influence for approx. 0.5% ($10 \cdot 5\% = 0.5\%$ - since the share of bread in the total expenses is 5%). But, if the prices of medicaments increase 12%, this will increase the inflation for 0.06% ($12 \cdot 0.5\% = 0.06\%$ - since the share of medicaments in the total expenses 0.5%). This simple example indicates how much large influence have weights on the final number presenting the inflation.

Monthly HICP releases published by Eurostat can be found at the following website:

http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/publications/news_releases

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