MONTENEGRO
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Harmonised Index of Consumer Prices (HICP)
September 2011

Annual inflation rate in September was 3.7%

Monthly inflation measured by Harmonised Index of Consumer Prices in September increased 0.2%. The highest influence of monthly inflation was noticed because of the increase of price for vegetables and garments. Annual inflation in September amounted +3.7% and it is higher compared to August when it was +3.6%.

When observing the main groups, monthly growth of prices was noticed in the following groups: Clothing and footwear (+3.0%); Miscellaneous goods and services (+2.0%); Food and non-alcoholic beverages (+0.3%) and *Transport (+0.1%), while a decrease was noticed in the following groups: Furnishing, household equipment and routine household maintenance (-0.2%); Recreation and culture (-0.2%)* and *Hotels and restaurants (-0.2%). Prices in the groups: Alcoholic beverages and tobacco; Housing, water, electricity, gas and other fuels; Health; Communications* and *Education remain at the same level as in the previous month.*

Positive annual inflation rates in September were observed in the following groups: Alcoholic beverages and tobacco (+15.0%); Health (+11.9%); Transport (+7.2%); Food and non-alcoholic beverages (+4.4%); Communications (+3.0%); Miscellaneous goods and services (+1.6%); Housing, water, electricity, gas and other fuels (+1.5%); Hotels and restaurants (+1.2%); Clothing and footwear (+1.0%) and *Recreation and culture (+0.2%), while negative annual inflation rates were observed in the following groups: Education (-0.5%)* and *Furnishing, household equipment and routine household maintenance (-0.3%).*

Harmonised index of consumer prices (HICP), 2010=100

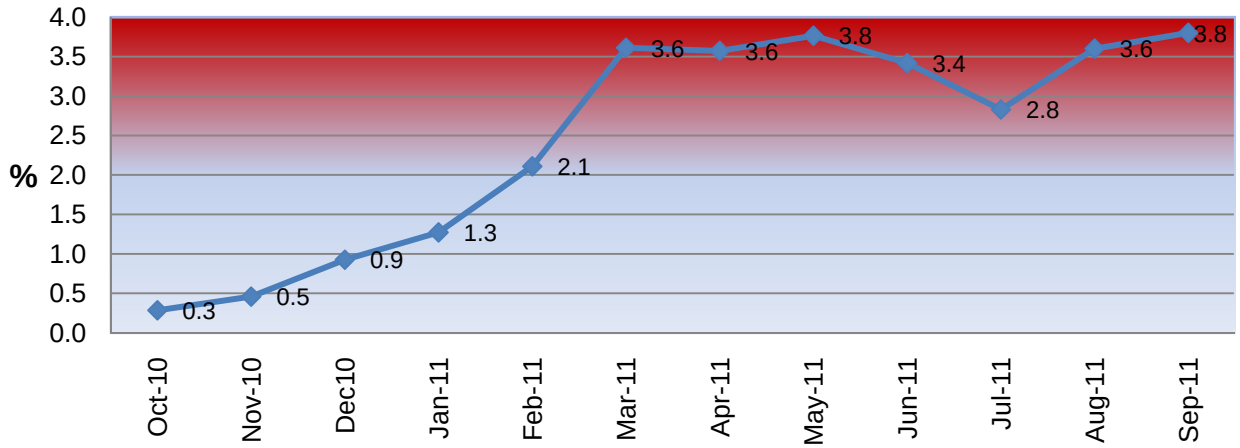
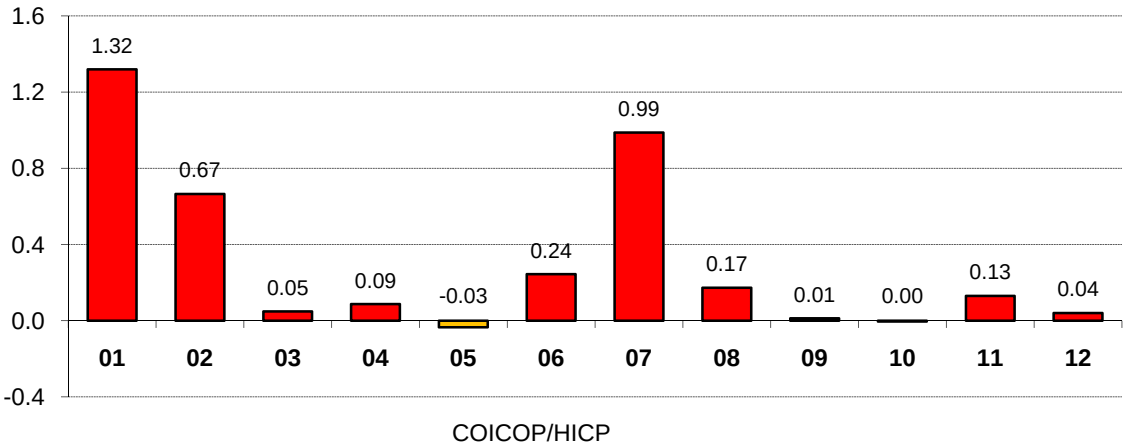


Table 1. Inflation rates measured by Harmonised Index of Consumer Prices, in %

	Divisions	Weights ‰	Sep 11 Ø 2010	Sep 11 Aug 11	Sep 11 Sep 10	Sep 11 Dec 10
00	**HICP - total**	***1000.0***	**3.8**	**0.2**	**3.7**	**2.8**
01	Food and non-alcoholic beverages	*300.6*	4.9	0.3	4.4	3.5
02	Alcoholic beverages and tobacco	*44.3*	15.8	-	15.0	12.8
03	Clothing and footwear	*49.2*	0.9	3.0	1.0	0.8
04	Housing, water, electricity, gas and other fuels	*56.8*	0.7	-	1.5	1.2
05	Furnishing, household equipment and routine household maintenance	*135.5*	-0.2	-0.2	-0.3	-0.2
06	Health	*20.6*	11.6	-	11.9	9.1
07	Transport	*137.7*	7.3	0.1	7.2	4.6
08	Communications	*58.1*	2.9	-	3.0	2.6
09	Recreation and culture	*52.2*	0.1	-0.2	0.2	0.3
10	Education	*9.5*	-0.5	-	-0.5	-0.5
11	Restaurants and hotels	*109.7*	1.2	-0.2	1.2	0.9
12	Miscellaneous goods and services	*25.8*	1.4	2.0	1.6	1.7
Special aggregates						
Products		*773.6*	4.3	0.3	4.2	3.2
Services		*226.4*	2.0	-0.1	2.0	1.6
HICP - excluding food. Alcoholic beverages and tobacco		*684.4*	2.6	0.2	2.6	1.9
Energy		*102.4*	7.0	-	7.4	3.4
Administrative inflation[1]		*106.9*	10.0	-	9.9	6.4

Diagram 1. Impacts of divisions on the annual inflation rate (in %), September 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 ‰	Sep 11 Ø 2010	Sep 11 Aug 11	Sep 11 Sep 10	Sep 11 Dec 10
00	**HICP – total**	***1000.0***	**3.8**	**0.2**	**3.7**	**2.8**
01	**FOOD AND NON-ALCOHOLIC BEVERAGES**	***300.6***	**4.9**	**0.3**	**4.4**	**3.5**
011	**Food**	***271.3***	**4.9**	**0.2**	**4.5**	**3.5**
0111	Bread and cereals	*40.9*	11.0	0.1	10.3	9.1
0112	Meat	*64.0*	-2.4	-0.6	-2.9	-2.2
0113	Fish	*4.6*	-3.3	0.2	-1.7	-0.4
0114	Milk, cheese, and eggs	*50.3*	-0.5	-1.2	-1.6	0.7
0115	Oils and fats	*7.7*	18.4	-1.7	8.4	3.4
0116	Fruit	*29.4*	19.0	-1.0	13.0	25.0
0117	Vegetables	*52.6*	-0.3	3.7	4.8	-5.7
0118	Sugar, jam, honey, chocolate and confectionery	*15.7*	9.9	-	8.2	4.0
0119	Food products n.e.c.	*6.1*	4.2	0.1	4.5	3.7
012	**Non-alcoholic beverages**	***29.3***	**5.1**	**0.8**	**3.1**	**2.9**
0121	Coffee, tea and cocoa	*7.5*	14.6	3.2	8.2	2.6
0122	Mineral waters, soft drinks, fruit and vegetable juices	*21.8*	1.9	-	1.2	2.9
02	**ALCOHOLIC BEVERAGES AND TOBACCO**	***44.3***	**15.8**	**-**	**15.0**	**12.8**
021	**Alcoholic beverages**	***25.6***	**9.1**	**-**	**7.9**	**6.3**
0211	Spirits	*4.5*	1-	1.9	5.2	1.9
0212	Vine	*4.0*	4.2	-	4.2	4.2
0213	Beer	*17.1*	11.8	-	9.6	7.2
022	**Tobacco**	***18.7***	**25.0**	**-**	**25.0**	**21.7**
0220	Tobacco	*18.7*	25.0	-	25.0	21.7
03	**CLOTHING AND FOOTWEAR**	***49.2***	**0.9**	**3.0**	**1.0**	**0.8**
031	**Clothing**	***36.0***	**1.6**	**3.7**	**2.0**	**1.9**
0311	Clothing material	*1.3*	-0.1	-	-	-
0312	Garments	*32.3*	1.1	3.5	1.3	1.4
0313	Other articles of clothing and clothing accessories	*2.3*	10.5	7.8	12.3	10.5
0314	Cleaning, repair and hire of clothing	*0.1*	6.2	-	7.2	7.2
032	**Footwear**	***13.2***	**-1.2**	**1.1**	**-1.7**	**-2.4**
0321/2	Shoes and other footwear, repair and hire of footwear	*13.2*	-1.2	1.1	-1.7	-2.4
04	**Housing, water, electricity, gas and other fuels**	***56.8***	**0.7**	**-**	**1.5**	**1.2**
041	**Actual rentals**	***4.7***	**-8.8**	**-**	**-7.8**	**-**

0411/2	Actual rentals paid by tenants and other actual rentals	*4.7*	-8.8	-	-7.8	-
043	**Maintenance and repair of the dwelling**	***3.7***	**2.8**	**-**	**2.7**	**3.7**
0431	Materials for the maintenance and repair of the dwelling	*1.6*	8.7	0.5	10.4	11.4
0432	Services for the maintenance and repair of the dwelling	*2.1*	-1.8	-0.3	-3.0	-2.0
044	**Water supply and miscellaneous services relating to the dwelling**	***4.9***	**39.2**	**-**	**39.4**	**36.9**
0441	Water supply	*2.6*	52.5	-	52.8	49.0
0442	Refuse collection	*1.3*	-	-	-	-
0443	Refuse collection	*1.0*	58.6	-	59.0	55.1
045	**Electricity, gas, and other fuels**	***43.5***	**-2.6**	**-**	**-1.6**	**-2.7**
0451	Electricity	*30.7*	-3.7	-	-3.7	-3.7
0452	Gas	*1.1*	29.2	-	42.1	-0.3
0454	Solid fuels	*11.7*	-2.5	-0.2	0.3	-0.2
05	**Furnishing, household equipment and routine household maintenance**	***135.5***	**-0.2**	**-0.2**	**-0.3**	**-0.2**
051	**Furniture and furnishings, carpets and other floor coverings**	***38.4***	**-1.0**	**-**	**-1.0**	**-0.7**
0511	Furniture and furnishings	*36.3*	-1.2	-	-1.2	-0.9
0512	Carpets and other floor coverings	*2.1*	2.6	0.1	2.8	2.6
052	**Household textiles**	***4.2***	**3.4**	**0.1**	**3.4**	**3.4**
0520	Household textiles	*4.2*	3.4	0.1	3.4	3.4
053	**Household appliances**	***25.2***	**0.4**	**-**	**0.7**	**0.2**
0531/2	Major household appliances whether electric or not and small electric household appliances	*24.7*	0.1	-	0.3	0.1
0533	Repair of household appliances	*0.5*	17.4	-	19.7	7.1
054	**Glassware, tableware and household utensils**	***16.3***	**2.6**	**0.5**	**4.2**	**4.2**
0540	Glassware, tableware and household utensils	*16.3*	2.6	0.5	4.2	4.2
055	**Tools and equipment for house and garden**	***24.4***	**-1.7**	**-0.7**	**-1.9**	**-1.6**
0551/2	Major tools and equipment and small tools and miscellaneous accessories	*24.4*	-1.7	-0.7	-1.9	-1.6
056	**Goods and services for routine household maintenance**	***27.0***	**-0.9**	**-0.9**	**-2.0**	**-2.0**
0561	Non-durable household goods	*26.8*	-0.9	-0.9	-2.0	-2.0
0562	Domestic services and household services	*0.2*	1.5	-	1.5	1.5
06	**Health**	***20.6***	**11.6**	**-**	**11.9**	**9.1**
061	**Medical products, appliances and equipment**	***13.0***	**16.1**	**-**	**15.9**	**16.3**

0611	Pharmaceutical products	*10.7*	17.9	-	17.4	17.6
0612/3	Other medical products and therapeutic appliances and equipment	*2.3*	8.2	-	8.7	10.3
062	**Out-patient services**	***7.6***	**3.3**	**-**	**4.4**	**-2.9**
0621/3	Medical services and paramedical services	*6.3*	-1.3	-	-0.2	-6.1
0622	Dental services	*1.3*	27.6	-	29.3	13.9
07	**TRANSPORT**	***137.7***	**7.3**	**0.1**	**7.2**	**4.6**
071	**Purchase of vehicles**	***45.9***	**0.4**	**-**	**0.5**	**0.4**
0711	Motor cars	*43.5*	-	-	-	-
0712/3/4	Motor cycles and bicycles	*2.4*	7.7	-	9.1	8.0
072	**Operation of personal transport equipment**	***78.0***	**11.5**	**0.1**	**11.3**	**6.8**
0721	Spare parts and accessories for personal transport equipment	*15.1*	3.4	1.0	3.5	3.2
0722	Fuels and lubricants for personal transport equipment	*58.9*	14.5	-	14.3	8.1
0723	Maintenance and repair of personal transport equipment	*3.0*	-0.7	-1.2	-1.1	1.7
0724	Other services in respect of personal transport equipment	*1.0*	-4.6	-	-4.7	-4.7
073	**Transport services**	***13.8***	**7.4**	**-0.1**	**6.6**	**6.2**
0731	Passenger transport by railway	*1.3*	-2.9	-	-	-
0732	Passenger transport by road	*11.9*	8.8	-0.1	7.5	7.2
0733	Passenger transport by air	*0.6*	1.8	-	2.2	-
08	**COMMUNICATIONS**	***58.1***	**2.9**	**-**	**3.0**	**2.6**
081	**Postal services**	***4.1***	**13.1**	**-**	**14.4**	**9.5**
0810	Postal services	*4.1*	13.1	-	14.4	9.5
08.x	**Telephone and telefax equipment and telephone and telefax services**	***54.0***	**2.1**	**-**	**2.1**	**2.1**
082/30	Telephone and telefax equipment and telephone and telefax services	*54.0*	2.1	-	2.1	2.1
09	**RECREATION AND CULTURE**	***52.2***	**0.1**	**-0.2**	**0.2**	**0.3**
091	**Audio-visual, photographic and information processing equipment**	***20.6***	**-1.7**	**-**	**-1.0**	**-0.3**
0911	Equipment for the reception, recording and reproduction of sound and pictures	*9.0*	-4.3	-0.1	-2.5	-1.4
0912	Photographic and cinematographic equipment and optical instruments	*1.1*	7.9	-	3.3	3.3
0913	Information processing equipment	*8.2*	2.6	-	3.0	3.5
0914	Recording media	*2.2*	-12.1	-	-11.9	-11.9
0915	Repair of audio-visual, photographic and information processing equipment	*0.1*	10.5	-	5.5	5.5
092	**Other major durables for recreation and culture**	***6.6***	**4.6**	**0.8**	**4.5**	**4.5**

0921/2	Major durables for outdoor recreation and musical instruments and major durables for indoor recreation	*6.6*	4.6	0.8	4.5	4.5
093	**Other recreational items and equipment, gardens and pets**	***7.6***	**-0.3**	**-1.3**	**-0.6**	**-1.5**
0931	Games, toys and hobbies	*2.8*	2.8	-3.5	3.2	0.6
0932	Equipment for sport, camping and open-air recreation	*3.1*	-0.3	-	-0.4	-0.4
0933	Gardens, plants and flowers	*1.7*	-5.7	-	-7.2	-7.4
094	**Recreational and cultural services**	***6.0***	**6.8**	**-0.8**	**5.3**	**4.2**
0941	Recreational and sporting services	*0.5*	-10.9	-	-10.9	-10.9
0942	Cultural services	*5.5*	8.5	-0.9	6.8	5.6
095	**Newspapers, books and stationery**	***11.4***	**-2.7**	**0.1**	**-2.2**	**-1.8**
0951	Books	*2.2*	-3.0	0.3	-2.2	-2.8
0952	Newspapers and periodicals	*4.7*	-1.1	-	-1.1	-1.1
0953/4	Miscellaneous printed matter and stationery and drawing materials	*4.5*	-4.2	-	-3.3	-2.1
10	**Education**	***9.5***	**-0.5**	**-**	**-0.5**	**-0.5**
10x	**Pre-primary and primary, secondary, tertiary and education not definable by level**	***9.5***	**-0.5**	**-**	**-0.5**	**-0.5**
10x0	Pre-primary and primary, secondary, tertiary and education not definable by level	*9.5*	-0.5	-	-0.5	-0.5
11	**RESTAURANTS AND HOTELS**	***109.7***	**1.2**	**-0.2**	**1.2**	**0.9**
111	**Catering services**	***69.5***	**2.2**	**-0.7**	**2.2**	**1.9**
1111	Restaurants, cafés and the like	*69.5*	2.2	-0.7	2.2	1.9
112	**Accommodation services**	***40.2***	**-0.5**	**0.6**	**-0.6**	**-0.7**
1120	Accommodation services	*40.2*	-0.5	0.6	-0.6	-0.7
12	**MISCELLANEOUS GOODS AND SERVICES**	***25.8***	**1.4**	**2.0**	**1.6**	**1.7**
121	**Personal care**	***16.5***	**2.6**	**2.9**	**3.2**	**3.5**
1211	Hairdressing salons and personal grooming establishments	*5.7*	1.7	-	2.0	-0.2
1212/3	Electric appliances for personal care and other appliances, articles and products for personal care	*10.8*	3.0	4.5	3.7	5.4
123	**Personal effects n.e.c.**	***3.8***	**-1.6**	**0.2**	**-1.8**	**-1.7**
1231	Jewellery, clocks and watches	*1.1*	0.6	0.7	0.6	1.2
1232	Other personal effects	*2.7*	-2.6	-	-2.8	-2.9
124	**Social protection**	***0.5***	**2.9**	**-**	**3.9**	**-**
1240	Social protection	*0.5*	2.9	-	3.9	-

125	**Insurance**	***0.8***	**0.7**	**3.7**	**0.9**	**0.4**
1254	Insurance connected with transport	*0.8*	0.7	3.7	0.9	0.4
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**	**-3.9**

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

COICOP/ HICP	Name of subgroup	Weights ‰	monthly inflation %	Influence in percentage points
0117	Vegetables	*52.6*	3.7	0.19
0312	Garments	*32.3*	3.5	0.11
1212/3	Electric appliances for personal care and other appliances, articles and products for personal care	*10.8*	4.5	0.05
0121	Coffee, tea and cocoa	*7.5*	3.2	0.02
1120	Accommodation services	*40.2*	0.6	0.02
0313	Other articles of clothing and clothing accessories	*2.3*	7.8	0.02
0721	Spare parts and accessories for personal transport equipment	*15.1*	1.0	0.02
0321/2	Shoes and other footwear, repair and hire of footwear	*13.2*	1.1	0.01
0931	Games, toys and hobbies	*2.8*	-3.5	-0.01
0115	Oils and fats	*7.7*	-1.7	-0.01
0551/2	Major tools and equipment and small tools and miscellaneous accessories	*24.4*	-0.7	-0.02
0561	Non-durable household goods	*26.8*	-0.9	-0.02
0116	Fruit	*29.4*	-1.0	-0.03
0112	Meat	*64.0*	-0.6	-0.04
1111	Restaurants, cafés and the like	*69.5*	-0.7	-0.05
0114	Milk, cheese and eggs	*50.3*	-1.2	-0.06

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

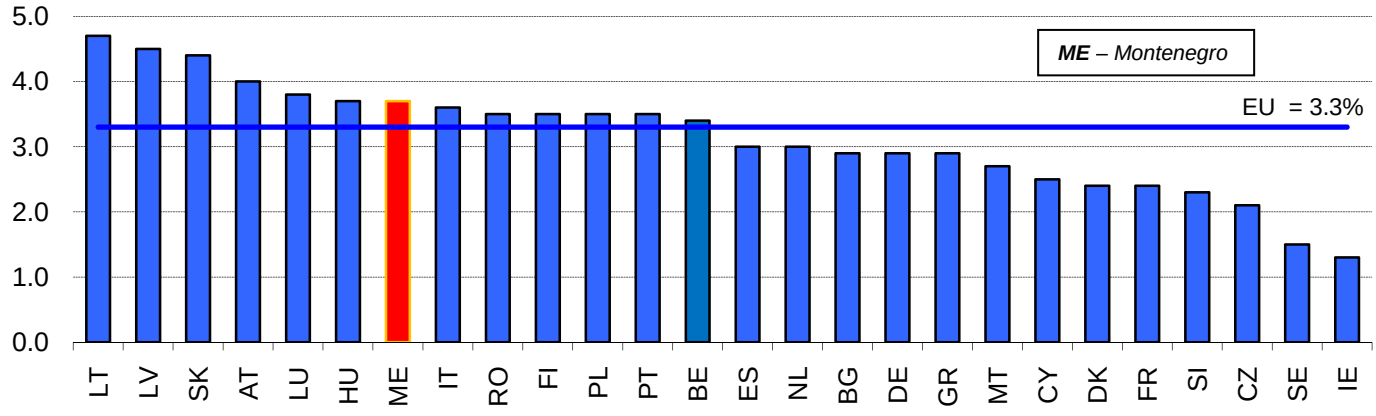
COICOP/ HICP	Name of subgroup	Weights ‰	Annual inflation %	Influence, in percentage points
0722	Fuels and lubricants for personal transport equipment	*58.9*	14.3	0.84
0220	Tobacco	*18.7*	25.0	0.47
0111	Bread and cereals	*40.9*	10.3	0.42
0116	Fruit	*29.4*	13.0	0.38
0117	Vegetables	*52.6*	4.8	0.25
0611	Pharmaceutical products	*10.7*	17.4	0.19
0213	Beer	*17.1*	9.6	0.16
1111	Restaurants, cafés and the like	*69.5*	2.2	0.15
0441	Water supply	*2.6*	52.8	0.14
0118	Sugar, jam, honey, chocolate and confectionery	*15.7*	8.2	0.13
082/30	Telephone and telefax equipment and telephone and telefax services	*54.0*	2.1	0.11
0732	Passenger transport by road	*11.9*	7.5	0.09
0540	Glassware, tableware and household utensils	*16.3*	4.2	0.07
0114	Milk, cheese and eggs	*50.3*	-1.6	-0.08
0451	Electricity	*30.7*	-3.7	-0.12
0112	Meat	*64.0*	-2.9	-0.18

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

	Sep 11 / Sep 10	Aug 11 / Aug 10	Jul 11 / Jul 10	Jun 11 / Jun 10	Sep 10 / Sep 09	Sep 11-10 / Sep 10-09	Sep 11 / Aug 11
Belgium (BE)	**3.4**	3.4	4.0	3.4	2.9	3.4	0.1
Germany (DE)	**2.9**	2.5	2.6	2.4	1.3	2.2	0.2
Estonia (EE)	**5.4**	5.6	5.3	4.9	3.8	5.2	0.6
Ireland (IE)	**1.3**	1.0	1.0	1.1	-1.0	0.6	0.1
Greece(EL)	**2.9**	1.4	2.1	3.1	5.7	3.7	3.4
Spain (ES)	**3.0**	2.7	3.0	3.0	2.8	3.0	1.2
France (FR)	**2.4**	2.4	2.1	2.3	1.8	2.1	0.0
Italia (IT)	**3.6**	2.3	2.1	3.0	1.6	2.5	2.0
Cyprus (CY)	**2.5**	2.7	3.5	4.5	3.6	3.1	0.8
Luxembourg (LU)	**3.8**	3.7	3.2	3.8	2.6	3.5	0.1
Malta (MT)	**2.7p**	2.3	2.2	3.1	2.4	2.8p	-0.4p
Netherlands (NL)	**3.0p**	2.8	2.9	2.5	1.4	2.2p	0.9p
Austria (AT)	**4.0p**	3.7	3.8	3.7	1.7	3.1p	0.6p
Portugal (PT)	**3.5**	2.8	3.0	3.3	2.0	3.2	0.6
Slovenia (SI)	**2.3**	1.2	1.1	1.6	2.1	1.9	0.6
Slovakia (SK)	**4.4**	4.1	3.8	4.1	1.1	3.2	0.3
Finland (FI)	**3.5**	3.5	3.7	3.4	1.4	3.2	0.4
Euro area	**3.0p**	**2.5**	**2.5**	**2.7**	**1.9**	**2.5p**	**0.8p**
Bulgaria (BG)	**2.9**	3.1	3.4	3.5	3.6	3.8	0.0
Czech Republic (CZ)	**2.1**	2.1	1.9	1.9	1.8	1.9	-0.2
Denmark (DK)	**2.4**	2.4	3.0	2.9	2.5	2.7	0.4
Latvia (LV)	**4.5**	4.6	4.2	4.7	0.3	3.6	0.3
Lithuania (LT)	**4.7**	4.4	4.6	4.8	1.8	3.8	0.8
Hungary (HU)	**3.7**	3.5	3.1	3.5	3.7	4.0	0.0
Poland (PL)	**3.5**	4.0	3.6	3.7	2.5	3.5	0.0
Romania (RO)	**3.5**	4.3	4.9	8.0	7.7	6.9	-0.2
Sweden (SE)	**1.5**	1.6	1.6	1.5	1.5	1.6	0.7
United Kingdom (UK)	**:**	4.5	4.4	4.2	3.1	:	:
European union	**3.3p**	**2.9**	**2.9**	**3.1**	**2.3**	**2.9p**	**0.6p**

***p** = current data* ***: =** data not available* *Source: EUROSTAT*

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



Montenegro annual inflation was 3.7% in September 2011. EU annual inflation was 3.3% in September 2011, while there was 3.0% 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 Index Price (CPI), it uses different methodological concept which is used by all EU members.

Sep 11 **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.

Sep 11 **current month**
Aug 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 inlfation rate can be under the influence of seasonal effects.

Sep 11 **month of the current year**
Sep 10 **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.

Sep 11 **month of the current year**
Dec 10 **december of previous year**

This rate indicates a change in average prices in current month compared with average prices in December 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*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*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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