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## CONSUMER PRICES

### Retail Prices Index - May 2004

In May 2004, the Retail Prices Index went down by 0.18 per cent to 103.13 from 103.32 in the previous month.

The Food items index decreased by 1.28 per cent to 101.50 from 102.82 in April as a result of average price drops in respect of biscuits and rusks, pasta, fresh or chilled fish, unprocessed potatoes, and fresh vegetables. Average price increases were registered in respect of fresh fruit.

The Beverages and Tobacco Index decreased by 0.01 per cent to 112.07 from 112.08 in the previous month. The main price drops were recorded in respect of wine off- sales.

The Clothing and Footwear index went up by 0.95 per cent to 95.20. Average price increases were recorded for men's, boys, women's, girls' and babies outerwear, and men's and women's footwear.

The Housing index went up to 104.82, an increase of 0.10 per cent over the previous month. Higher average prices for construction works and parts of household appliances were registered.

The Household equipment and household maintenance cost index went up by 0.09 per cent to 101.19. Higher average prices were recorded for household textile articles and household appliances.

The Transport and Communications index went down by 0.09 per cent to 103.27 from 103.36. Higher prices in respect of motor cars, fuels and air transport services were recorded.

The Recreation and Culture index increased by 0.71 per cent to 100.65 from 99.94. Higher average prices were recorded in respect of books and newspapers while a drop was recorded in respect of stationery goods.

Other Goods and Services index went down by 0.02 per cent to 111.02 from 111.04. Lower average prices were recorded for jewellery, and services for pets and pet food.

### Inflation Rate

In May, the inflation rate stood at 1.95 per cent.

The monthly calendar of NSO News Releases may be consulted on the Office's website at [www.nso.gov.mt](http://www.nso.gov.mt)

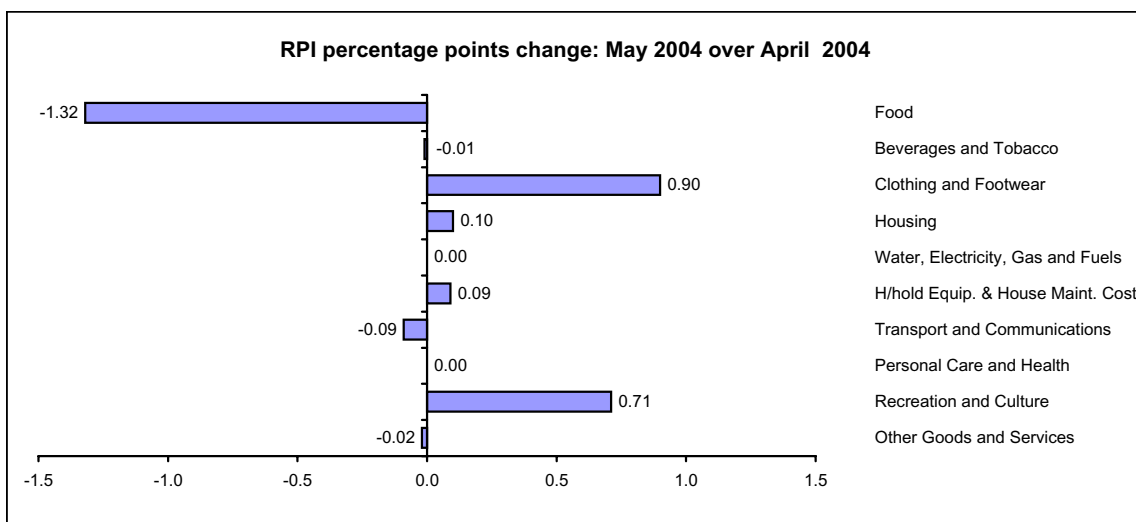
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**Table 1. All Items Retail Prices Index**  
December 2002=100

Month	2003		2004		
	Index	% change	Index	% change	
		Monthly		Monthly	Annual
January	99.12	-0.88	102.20	-0.18	3.11
February	99.60	0.48	102.23	0.03	2.64
March	100.36	0.76	102.66	0.42	2.29
April	100.40	0.04	103.32	0.64	2.91
May	100.73	0.33	103.13	-0.18	2.38
June	100.88	0.15			
July	100.54	-0.34			
August	100.47	-0.07			
September	100.82	0.35			
October	101.91	1.08			
November	101.75	-0.16			
December	102.38	0.62			

**Table 2. RPI Group Indices**  
December 2002=100

Group	Weight	2004		% change April/May 04
		April	May	
Food	23.82	102.82	101.50	-1.28
Beverages and Tobacco	6.11	112.08	112.07	-0.01
Clothing and Footwear	8.24	94.30	95.20	0.95
Housing	7.57	104.72	104.82	0.10
Water, Electricity, Gas and Fuels	2.25	100.44	100.44	0.00
H/hold Equip. & House Maint. Cost	7.65	101.10	101.19	0.09
Transport and Communications	23.13	103.36	103.27	-0.09
Personal Care and Health	6.22	107.60	107.60	0.00
Recreation and Culture	8.84	99.94	100.65	0.71
Other Goods and Services	6.17	111.04	111.02	-0.02
All Items Retail Prices Index	100.00	103.32	103.13	-0.18



**Table 3. Retail Prices Index**  
December 2002=100

Group	Weight	2003												2004				
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May				
Food	23.82	102.23	101.07	99.47	101.20	102.17	104.51	103.52	104.18	105.16	104.49	104.35	102.82	101.50				
Beverages and Tobacco	6.11	102.06	102.20	102.24	102.39	102.36	102.25	102.18	107.37	110.49	111.57	111.91	112.08	112.07				
Clothing and Footwear	8.24	95.16	95.55	90.88	81.54	86.73	96.73	100.31	101.36	83.78	83.67	88.77	94.30	95.20				
Housing	7.57	100.45	104.64	104.77	104.77	102.50	102.38	102.47	102.95	104.21	104.02	104.12	104.72	104.82				
Water, Electricity, Gas and Fuels	2.25	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.08	100.40	100.40	100.44	100.44				
H/hold Equip. & House Maint. Cost	7.65	98.56	99.47	99.28	99.02	98.89	98.75	98.88	99.23	100.52	100.67	101.00	101.10	101.19				
Transport and Communication	23.13	101.44	101.43	102.27	103.51	103.00	101.71	100.68	100.22	101.50	101.52	101.51	103.36	103.27				
Personal Care and Health	6.22	103.35	103.42	103.55	103.61	103.78	103.82	103.82	104.13	105.61	107.37	107.40	107.60	107.60				
Recreation and Culture	8.84	99.35	99.07	98.91	98.88	98.60	98.97	98.91	99.49	100.16	100.19	100.03	99.94	100.65				
Other Goods and Services	6.17	101.01	101.33	105.35	105.41	105.45	105.50	105.72	106.39	109.68	109.94	109.96	111.04	111.02				
<b>All Items</b>	<b>100.00</b>	<b>100.73</b>	<b>100.88</b>	<b>100.54</b>	<b>100.47</b>	<b>100.82</b>	<b>101.91</b>	<b>101.75</b>	<b>102.38</b>	<b>102.20</b>	<b>102.23</b>	<b>102.66</b>	<b>103.32</b>	<b>103.13</b>				

**Table 4. Monthly percentage changes in the Retail Prices Index**

Group	Weight	2003												2004				
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May				
Food	23.82	0.40	-1.13	-1.58	1.74	0.96	2.29	-0.95	0.64	0.94	-0.64	-0.13	-1.47	-1.28				
Beverages and Tobacco	6.11	0.03	0.14	0.04	0.15	-0.03	-0.11	-0.07	5.08	2.91	0.98	0.30	0.15	-0.01				
Clothing and Footwear	8.24	0.16	0.41	-4.89	-10.28	6.36	11.53	3.70	1.05	-17.34	-0.13	6.10	6.23	0.95				
Housing	7.57	-0.02	4.17	0.12	0.00	-2.17	-0.12	0.09	0.47	1.22	-0.18	0.10	0.58	0.10				
Water, Electricity, Gas and Fuels	2.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.08	0.32	0.00	0.04	0.00				
H/hold Equip. & House Maint. Cost	7.65	-0.38	0.92	-0.19	-0.26	-0.13	-0.14	0.13	0.35	1.30	0.15	0.33	0.10	0.09				
Transport and Communication	23.13	0.20	-0.01	0.83	1.21	-0.49	-1.25	-1.01	-0.46	1.28	0.02	-0.01	1.82	-0.09				
Personal Care and Health	6.22	3.04	0.07	0.13	0.06	0.16	0.04	0.00	0.30	1.42	1.67	0.03	0.19	0.00				
Recreation and Culture	8.84	-0.07	-0.28	-0.16	-0.03	-0.28	0.38	-0.06	0.59	0.67	0.03	-0.16	-0.09	0.71				
Other Goods and Services	6.17	0.33	0.32	3.97	0.06	0.04	0.05	0.21	0.63	3.09	0.24	0.02	0.98	-0.02				
<b>All Items</b>	<b>100.00</b>	<b>0.33</b>	<b>0.15</b>	<b>-0.34</b>	<b>-0.07</b>	<b>0.35</b>	<b>1.08</b>	<b>-0.16</b>	<b>0.62</b>	<b>-0.18</b>	<b>0.03</b>	<b>0.42</b>	<b>0.64</b>	<b>-0.18</b>				

**Table 5. Inflation Rate**  
*12 month average rate*

<b>Month</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
January	2.29	2.15	3.27	1.79	1.57
February	2.37	2.01	3.48	1.58	1.70
March	2.43	1.92	3.62	1.46	1.75
April	2.52	1.91	3.65	1.36	1.86
May	2.64	1.89	3.64	1.26	1.95
June	2.71	1.95	3.54	1.25	
July	2.76	2.04	3.39	1.20	
August	2.72	2.22	3.14	1.14	
September	2.67	2.42	2.89	1.10	
October	2.66	2.48	2.82	1.05	
November	2.56	2.64	2.55	1.13	
December	2.37	2.93	2.19	1.30	

**Background Notes**

1. A new Retail Prices Index series, with base December 2002, was officially introduced as from January 2003. Price quotations in respect of the goods and services in this new index series started being collected in January 2002. As a result the NSO was in a position to compile the new index series as from January 2002. This new index series may be linked to the old index series by using a linking coefficient of 1.1914.
2. The index is compiled using a large and representative selection of more than 355 separate goods and services for which price movements are regularly measured in 30 localities throughout the country. Around 9,000 separate price quotations are used each month in compiling the index.
3. The Retail Prices Index is the main measure of inflation in Malta. It measures the average change from month to month in the prices of goods and services purchased by most households in Malta. The spending pattern on which the index is based was derived from the Household Budgetary Survey 2000/1.
4. Each monthly News Release on the Retail Prices Index shall include three different measures of inflation as follows:
  - (a) The **monthly rate** compares price levels between the two latest months. Although up-to-date, this can be affected by seasonal and other effects.
  - (b) The **annual rate** measures price changes between the current month and the same month of the previous year. This measure is responsive to recent changes in price levels but can be influenced by one-off effects in either month.
  - (c) The **12-month average rate**, used officially in Malta, overcomes the volatility of the previous two rates by comparing average Retail Prices Indices in the latest 12 months to the average of the previous 12 months. This measure is less sensitive to transient changes in prices.
5. More information on the Retail Prices Index is available from the NSO website at [www.nso.gov.mt](http://www.nso.gov.mt).