

INDEX OF RETAIL PRICES – August 2006
(Base: January, 2003 = 100)

The following Memorandum on the Index of Retail Prices is published for general information.

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GENERAL INDEX

The All Items Index of Retail Prices calculated from prices collected for the month of August, 2006 was 124.0 representing an increase of 0.7 point or 0.6 % over the Index for July, 2006.

The annual rate of inflation as measured by the percentage change in the average All Items Index for the period January – August, 2006 over that for the period January - August, 2005 was 7.7%. This compares with an increase of 6.8 % observed in the average All Items Index for January – August 2005 over the average All Items Index for the same period in 2004.

SECTION INDICES

FOOD AND NON-ALCOHOLIC BEVERAGES

The Index for Food and Non-Alcoholic Beverages rose from 187.0 in July, 2006 to 190.8 in August 2006, reflecting an increase of 2.0 %. Contributing to this increase was a general rise in the prices of oranges, mangoes, pawpaw, grapes, tomatoes, melongene, cucumber, ochroes, cabbage, lettuce, carrots, yams, dasheen, irish potatoes, cassava, canned vegetables, sweet peppers, hot peppers and soft drinks. Partly offsetting these increases were general price decreases in whole chickens, fish (carite), sweet potatoes, plantain and celery.

Price changes in this section, for the month of August, 2006 accounted for a net overall increase of 0.7 point in the All Items Index.

OTHER SECTIONS

A further review of the data for August, 2006 compared with July, 2006 indicated an increase in the general price level for Alcoholic Beverages and Tobacco 0.6%. However, general price decreases were noted for Housing, Water, Electricity, Gas and Other Fuels 0.1%; and Health 0.1 %

Price changes in these sections, for the month of August, 2006 had a negligible overall effect on the All Items Index.

Growth in consumer prices in August, 2006, compared with those of August, 2005 reflected in various sections of the Index is shown hereunder:

Sections	Percentage Change August 2006 - August 2005
All Items	9.0
Food and Non-Alcoholic Beverages	24.7
Alcoholic Beverages and Tobacco	15.0
Clothing and Footwear	-0.8
Housing, Water, Electricity, Gas & Other Fuels	3.5
Home Ownership	4.2
Rent	3.5
Water, Electricity, Gas & Other Fuels	1.5
Furnishings, Household Equipment & Routine Maintenance of the House	3.1
Health	10.4
Transport	1.5
Communication	-10.2
Recreation and Culture	9.8
Education	12.0
Hotels, Cafes and Restaurant	5.4
Miscellaneous Goods and Services	2.2