

INDEX OF RETAIL PRICES – December 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 December, 2006 was 127.3 representing an increase of 0.5 point or 0.4 % over the Index for November, 2006.

The annual rate of inflation as measured by the percentage change in the average All Items Index for the period January – December, 2006 over that for the period January - December, 2005 was 8.3%. This compares with an increase of 6.8 % observed in the average All Items Index for January – December 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 200.8 in November, 2006 to 203.4 in December, 2006, reflecting an increase of 1.3 %. Contributing to this increase was a general rise in the prices of chicken, sweet potatoes, ochroes, chive, celery, fish (king and carite), limes, mangoes, and (carbonated) soft drinks. Partly offsetting these increases were general price decreases in cucumbers, melongene, paw paw, plantain, carrots, Irish potatoes, and yam.

Price changes in this section, for the month of December, 2006 accounted for a net overall increase of 0.5 point in the All Items Index.

OTHER SECTIONS

A further review of the data for December, 2006 compared with November, 2006 indicated increases in the general price level for Alcoholic Beverages and Tobacco 0.2% and Health 0.1%. However, a price decrease was noted for Clothing and Footwear 0.2%.

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

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

Sections	Percentage Change December 2006 – December 2005
All Items	9.1
Food and Non-Alcoholic Beverages	22.0
Alcoholic Beverages and Tobacco	20.2
Clothing and Footwear	-0.9
Housing, Water, Electricity, Gas & Other Fuels	4.1
Home Ownership	5.1
Rent	3.3
Water, Electricity, Gas & Other Fuels	1.6
Furnishings, Household Equipment & Routine Maintenance of the House	3.7
Health	10.0
Transport	2.9
Communication	-10.2
Recreation and Culture	9.4
Education	11.0
Hotels, Cafes and Restaurant	6.2
Miscellaneous Goods and Services	3.4