

INDEX OF RETAIL PRICES – December 2008
(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, 2008 was 156.8 representing an increase of 0.1 point or 0.1% over the Index for November, 2008.

The annual rate of inflation as measured by the percentage change in the average All Items Index for the period January – December 2008 over that for the period January - December 2007 was 12.0%. This compares with an increase of 7.9% observed in the average All Items Index for the period January – December 2007 over the average All Items Index for the same period in 2006.

SECTION INDICES

FOOD AND NON-ALCOHOLIC BEVERAGES

The Index for Food and Non-Alcoholic Beverages increased from 309.4 in November, 2008 to 310.2 in December, 2008, reflecting an increase of 0.3%. Contributing significantly to this increase was the general upward movement in the prices of fish – king fish and carite, shrimp, cucumber, sweet pepper, hot peppers, spices, oranges, limes, green pigeon peas, watercress, yams, plantain, instant baby foods and carbonated soft drinks. However, the full impact of these price increases was dampened by the general fall in the prices of white bread, packaged rice, packaged flour, tomatoes, melongene, ochroes, sweet potatoes, irish potatoes, green bananas, celery, paw paw and apples.

Price changes in this section, for the month of December, 2008 accounted for a net overall increase of 0.1 point in the All Items Index.

OTHER SECTIONS

A further review of the data for December, 2008 compared with November, 2008 indicated an increase in the sub-index for Health 0.1%. However, declines were noted in the sub-indices for Alcoholic Beverages and Tobacco 0.3% and Clothing and Footwear 0.1%.

Price changes in these sections, for the month of December 2008, had a negligible net overall effect on the All Items Index.

Growth in consumer prices in December, 2008 compared with those of December, 2007 reflected in various sections of the Index is shown hereunder:

Sections	Percentage Change December 2008 – December 2007
All Items	14.5
Food and Non-Alcoholic Beverages	30.6
Alcoholic Beverages and Tobacco	6.6
Clothing and Footwear	1.5
Housing, Water, Electricity, Gas & Other Fuels	7.9
Home Ownership	5.4
Rent	5.9
Water, Electricity, Gas & Other Fuels	17.6
Furnishings, Household Equipment & Routine Maintenance of the House	4.1
Health	6.0
Transport	3.6
Communication	0.0
Recreation and Culture	12.9
Education	9.2
Hotels, Cafes and Restaurant	21.8
Miscellaneous Goods and Services	5.3