

INDEX OF RETAIL PRICES – May 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 May, 2008 was 143.1 representing an increase of 1.8 points or 1.3% over the Index for April, 2008.

The annual rate of inflation as measured by the percentage change in the average All Items Index for the period January – May 2008 over that for the period January - May 2007 was 9.7%. This compares with an increase of 8.3% observed in the average All Items Index for the period January – May 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 246.0 in April, 2008 to 255.8 in May, 2008, reflecting an increase of 4.0%. Contributing significantly to this increase was the general upward movement in the prices of packaged flour, packaged rice, dasheen, sweet potatoes, yams, tomatoes, carrots, cucumber, limes, oranges, hot peppers, biscuits, canned vegetables and crack corn. However, the full impact of these price increases was dampened by the general fall in the prices of whole chicken, fish - king fish, carite and cavalli, whole chicken, paw paw, pumpkin, green bananas, plantain, celery, chive and onions.

Price changes in this section, for the month of May, 2008 accounted for a net overall increase of 1.8 points in the All Items Index.

OTHER SECTIONS

A further review of the data for May, 2008 compared with April, 2008 indicated increases in the sub-indices for Alcoholic Beverages and Tobacco 0.1%; Clothing and Footwear 0.3%. However, the sub-indices for Health, and Water and Electricity declined by 0.2% and 0.1% respectively

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

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

Sections	Percentage Change May 2008 – May 2007
All Items	10.0
Food and Non-Alcoholic Beverages	21.8
Alcoholic Beverages and Tobacco	13.5
Clothing and Footwear	4.2
Housing, Water, Electricity, Gas & Other Fuels	1.9
Home Ownership	1.8
Rent	4.9
Water, Electricity, Gas & Other Fuels	1.0
Furnishings, Household Equipment & Routine Maintenance of the House	14.7
Health	5.4
Transport	2.8
Communication	0.0
Recreation and Culture	5.8
Education	16.4
Hotels, Cafes and Restaurant	19.2
Miscellaneous Goods and Services	3.8