



REPUBLIC OF CYPRUS
MINISTRY OF FINANCE



STATISTICAL SERVICE
OF CYPRUS
1444 NICOSIA

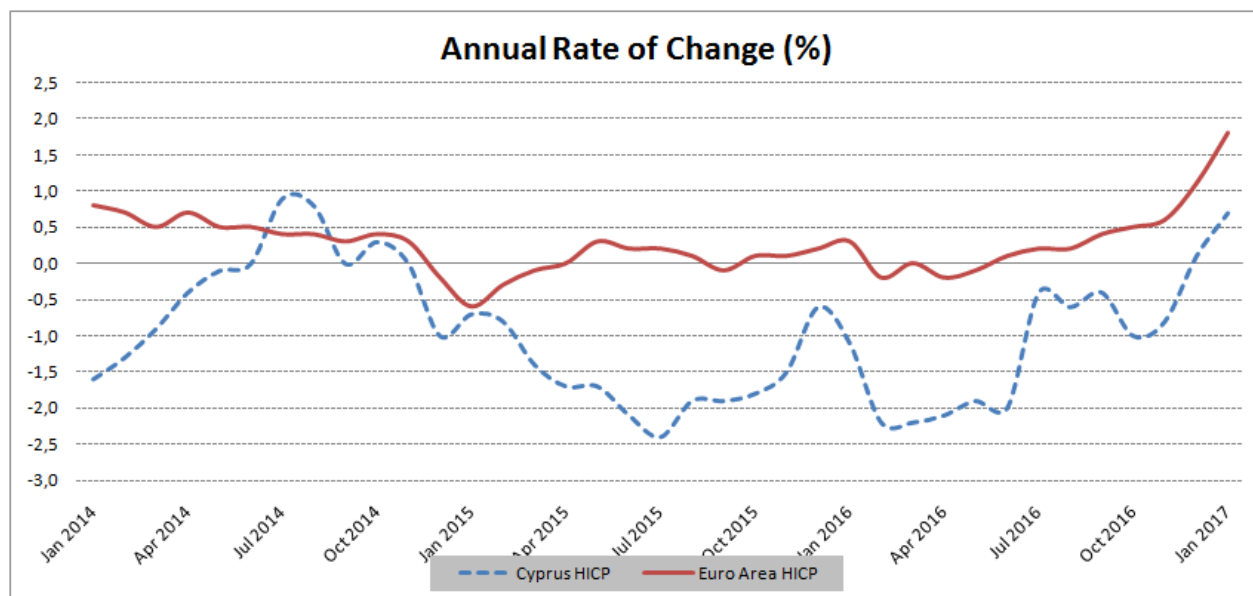
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PRESS RELEASE

HARMONIZED PRICE INDEX (HICP): JANUARY 2017

ANNUAL RATE OF CHANGE 0,7%

The Harmonized Price Index for January 2017 increased by 0,7% when compared to January 2016, while compared to December of 2016 decreased by 0,8%. (Table 1)



Note: The HICP in Euro area for the last month is based on EUROSTAT estimation (flash estimate).

Compared to January 2016, the category with the biggest positive change was the *Housing, Water, Electricity, Gas and Other Fuels* (2,8%) whereas the category with the greatest decrease was the *Furnishings, Household Equipment and Routine Maintenance of the House* (-2,4%). (Table 1)

In comparison to HICP of December 2016, the category with the largest change was the *Clothing and Footwear* (-14,0%). (Table 1)

As regards to the economic origin, the largest change as compared to the index of January 2016 was observed in *Energy* with an increase of 8,1%. In comparison to the index of the previous month, the biggest change was noticed in *Non Energy Industrial Goods* (-4,2%). (Table 2)

Table 1

Categories of Goods and Services	HICP(2015=100)		Change (%)	
	Dec 2016	Jan 2017	Jan 17 / Jan 16	Jan 17 / Dec 16
Food and non-alcoholic beverages	100,64	101,94	0,6	1,3
Alcoholic beverages, tobacco	97,86	99,31	-0,2	1,5
Clothing and footwear	105,49	90,76	0,3	-14,0
Housing, water, electricity, gas and other fuels	97,59	97,84	2,8	0,3
Furnishings, household equipment and routine maintenance of the house	97,77	97,84	-2,4	0,1
Health	101,52	101,53	1,0	0,0
Transport	93,58	92,36	1,7	-1,3
Communication	98,82	98,54	-1,6	-0,3
Recreation and culture	99,96	99,92	0,8	0,0
Education	100,74	100,74	0,5	0,0
Restaurants and hotels	96,84	96,39	1,4	-0,5
Miscellaneous goods and services	100,47	99,39	-0,1	-1,1
General Harmonised Consumer Price Index	98,73	97,92	0,7	-0,8

Table 2

Economic Origin	Weights	Change (%)	
		Jan 17 / Jan 16	Jan 17 / Dec 16
General HICP	1000	0,7	-0,8
Energy	74,60	8,1	2,6
Food-Alcoholic Beverages-Tobacco	250,35	0,4	1,3
Non Energy Industrial Goods	214,78	-0,6	-4,2
Services	460,27	0,3	-1,0

METHODOLOGICAL NOTES

Definitions

The **Harmonized Price Index (HICP)** is an economic indicator constructed to measure the changes of prices over time of consumer goods and services acquired, used or paid by households and tourists within the economic territory of the country. The HICP is calculated according to a harmonized approach and methodology laid down by a series of regulations of EU.

The **Annual change** shows the change of the HICP when compared with the index of the corresponding month of the previous year.

Collection

The price collection is carried out only in urban districts of Nicosia, Larnaca, Limassol and Paphos. For each city, the fluctuations in the product prices each month, are weighted according to their population. Specifically, the weights for the four districts are: Nicosia 42%, Limassol 30%, Larnaca 18% and Paphos 10%.

The prices of 850 goods and services are recorded once every month, except for some seasonal products (e.g. vegetables and fruits), meat and fuels, whose prices are collected every week (every Thursday). The collected prices are those actually paid by consumers for the purchase of specific goods and services, and they include various taxes, such as the Value Added Tax and excise duties. For the calculation of the Index end-of-season sales prices are taken into account as well as special offer prices which are available for the general public and have no restrictions.

Weights

The weight of the HICP goods and services are calculated based on consumption expenditure (of both households and tourists) incurred in the economic territory of the country. Up to 2011, the main source for the consumption expenditures was the Household Budget Survey, while from 2012 and onwards, data from the National Accounts are utilized satisfying relevant Eurostat's Regulation (No 1114/2010).

Base year

The index reference period was 2005=100 for the period between January 2006 and December 2015. From January 2016 and onwards, the base year is 2015=100.

Classification

Until December 2015, COICOP 4 classification was used for the calculation and the dissemination of the HICP. From January 2016 and onwards, CYPSTAT is adopting the ECOICOP classification satisfying relevant Eurostat's Regulation. In other words, the lowest level of detail for the classification used in CPI is COICOP 5-digits.

Further information:

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