



REPUBLIC OF CYPRUS
MINISTRY OF FINANCE



STATISTICAL SERVICE
OF CYPRUS
1444 NICOSIA

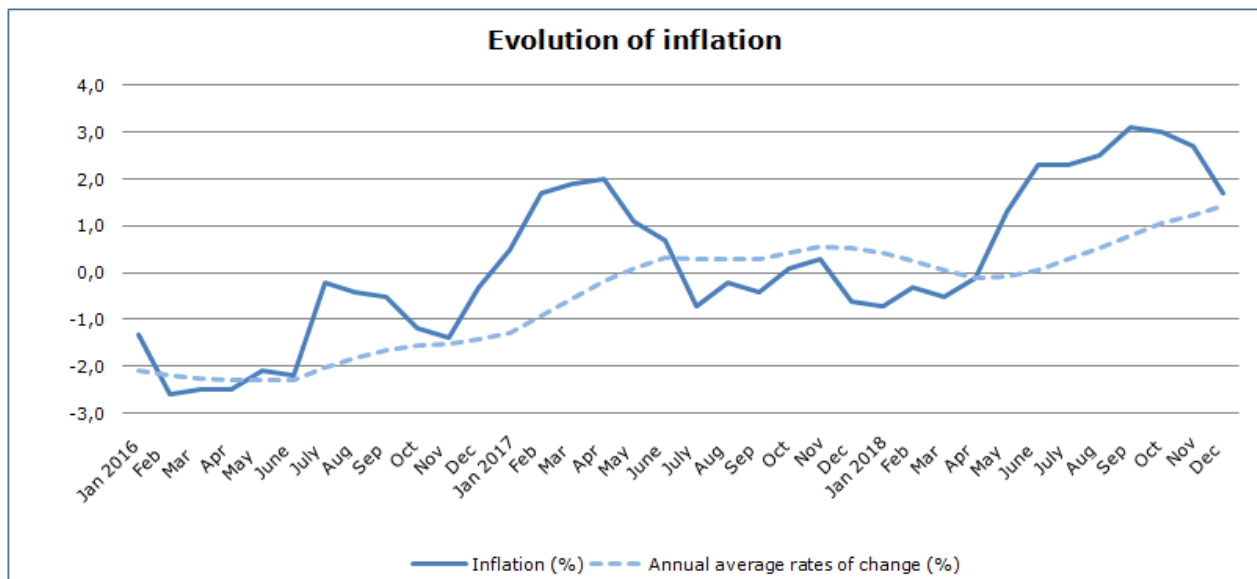
4th January, 2019

PRESS RELEASE

CONSUMER PRICE INDEX (CPI): DECEMBER 2018

Inflation 1,7%

In December 2018, the Consumer Price Index decreased by 1,38 units and reached 100,71 units compared to 102,09 units in November 2018. Compared to December 2017, the CPI increased by 1,7% while for the period January - December 2018, the CPI increased by 1,4% compared to the corresponding period of the previous year. (Table 1)



As regards the economic origin, when compared to the index of December 2017 the largest change was recorded in *Electricity* with an increase of 39,8%, while in comparison to the index of the previous month, the largest change was noted in *Petroleum products* with a change of -8,8%. (Table 2)

Analysis of changes

Compared to December 2017, the category *Housing, Water, Electricity, Gas and Other Fuels* recorded the largest positive change with a percentage of 12%. (Table 1)

In comparison to the CPI of November 2018, the largest negative change was noted in *Transport* (-4,3%). (Table 1)

For the period January-December 2018, compared to the corresponding period of the previous year, the largest positive changes were noted in *Housing, Water, Electricity, Gas and Other Fuels* (5,3%) and in *Transport* (4,4%). (Table 1)

Analysis of effects

The categories with the largest negative effect on the change of the CPI of December 2018 compared to the previous month, was the *Transport* (-0,67) and the *Food and non-alcoholic beverages* (-0,63). (Table 3)

The *petroleum products* (-0,79) and the *fresh vegetables* (-0,30) had the most notable negative effect on the change of the CPI of December 2018 compared to the previous month while *electricity* (0,11) had the largest positive effect. (Table 4)

Table 1

Categories of Goods and Services	CPI (2015=100)			Change (%)	
	November 2018	December 2018	Dec 18/ Dec 17	Dec 18/ Nov 18	Jan - Dec 18/ Jan - Dec 17
Food and Non-Alcoholic Beverages	101,81	98,50	2,10	-3,25	0,72
Alcoholic Beverages and Tobacco	98,03	97,43	-0,60	-0,61	-1,42
Clothing and Footwear	106,12	106,17	-0,09	0,05	-0,54
Housing, Water, Electricity, Gas and Other Fuels	110,85	110,83	11,98	-0,02	5,28
Furnishings, Household Equipment and Routine Maintenance of the House	96,14	96,04	-0,38	-0,10	-1,33
Health	101,85	101,85	-0,42	0,00	-0,06
Transport	100,90	96,52	-0,30	-4,34	4,37
Communication	92,30	92,27	-5,11	-0,03	-2,04
Recreation and Culture	99,82	99,69	1,31	-0,13	0,75
Education	105,01	105,01	3,04	0,00	2,58
Restaurants and Hotels	103,60	103,54	2,40	-0,06	1,80
Miscellaneous Goods and Services	100,03	99,57	0,65	-0,46	0,05
General Consumer Price Index	102,09	100,71	1,70	-1,35	1,43

Table 2

Economic Origin	Weights	Change (%)	
		Dec 18 / Dec 17	Dec 18/ Nov 18
General Index	10000	1,70	-1,35
Agricultural goods	655	7,51	-5,58
Industrial goods (excl. petroleum products)	4195	-1,08	-0,65
Electricity	319	39,80	2,94
Petroleum products	550	-2,91	-8,84
Water	57	-2,78	0,00
Services	4224	1,87	0,10

Table 3

Categories of Goods and Services	Weights	Effect (units)
		Dec 18/ Nov 18
Food and non-alcoholic beverages	1906	-0,63
Alcoholic beverages, tobacco	347	-0,02
Clothing and footwear	721	0,00
Housing, water, electricity, gas and other fuels	1119	0,00
Furnishings, household equipment and routine maintenance of the house	644	-0,01
Health	637	0,00
Transport	1524	-0,67
Communication	439	0,00
Recreation and culture	575	-0,01
Education	392	0,00
Restaurants and hotels	836	-0,01
Miscellaneous goods and services	860	-0,04
General Consumer Price Index	10000	-1,38

Note: Totals are calculated on the basis of the effects of the categories with infinite decimal figures and rounded up to two decimals when published. Figures may not add to totals due to rounding error.

Table 4

Goods/Services	Effect (units)
	Dec 18/ Nov 18
<i>Positive effect</i>	
Electricity	0,11
<i>Negative effect</i>	
Petroleum products	-0,79
Fresh Vegetables	-0,30
Potatoes	-0,08
Other goods and services	-0,32
TOTAL	-1,38

METHODOLOGICAL NOTES

Definitions

The **Consumer Price Index (CPI)** is compiled to measure the changes of prices over time of consumer goods and services acquired, used or paid by households. Specifically, the national CPI of Cyprus covers the consumption expenses of specific goods and services (shopping basket of goods and services), of the resident households and of the households that intend to live in Cyprus for at least one year. CPI is the official index for the estimation of inflation.

The **Inflation** shows the change of the CPI when compared with the index of the corresponding month of the previous year.

The **Effect** represents the amount of the overall change in the General Index which is accounted for by any given category.

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 805 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).

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 CPI. 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.

Products/Services and weights

From January 2018 and onwards, the products included in the CPI as well as their corresponding weights have been revised. The revision was based on the results of the Household Budget Survey 2015/2016.

Further information:

Statistical Service (CYPSTAT) Website, subtheme [Consumer Price Index](#)

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