

Inflation in Consumer Price Index First Half 2017 - Emirate of Dubai

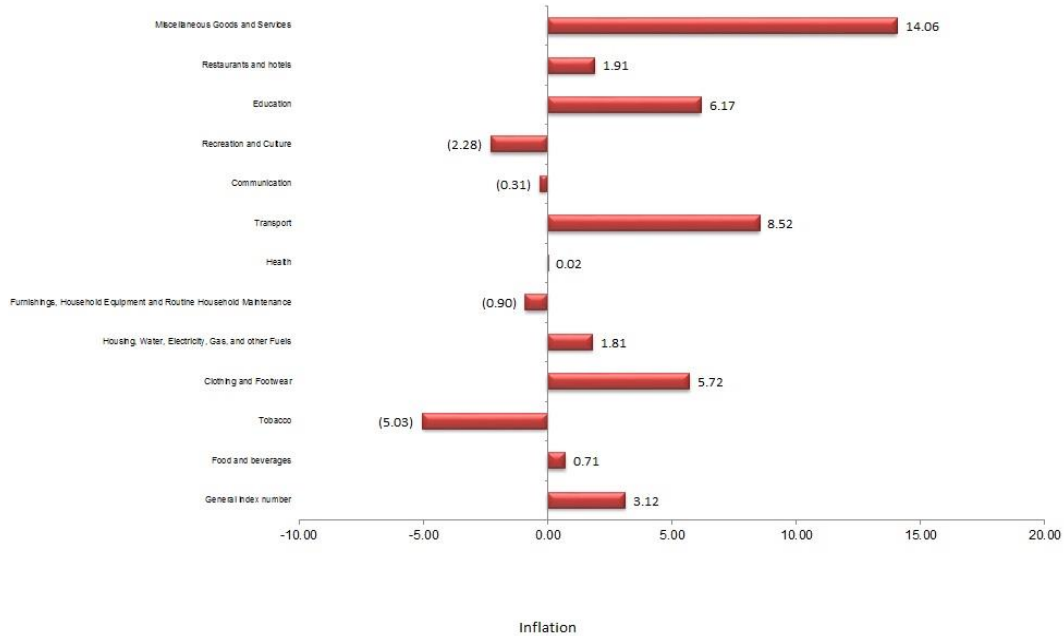
Inflation Rate in the Emirate of Dubai record 3.12% in the First Half of 2017 compared to the First Half of 2016. This is due to an increase in the prices of Miscellaneous Goods and Services group by 14.06%. Transport group increased by 8.52%. Education group by 6.17%. Clothing and Footwear group increased by 5.72%. Restaurants and Hotels group by 1.91%. Housing, Water, Electricity, Gas, and other Fuels group increased by 1.81%. Food and Beverages group by 0.71%. Health group increased by 0.02%. On the other hand, prices of Tobacco group decreased by 5.03%. Recreation and Culture group decreased to 2.28%. Furnishings, Household Equipment and Routine Household Maintenance group decreased by 0.90% and Communication group records a decrease by 0.31%. As shown in table (1) and Figure (1).

Table (1) | Inflation and Consumer Price Index - First Half 2017

Expenditure groups	Weight	CPI		Inflation
		First Half 2016	First Half 2017	Rate (%)
General index number	100.00	105.61	108.90	3.12
Food and beverages	13.09	100.29	101.00	0.71
Tobacco	0.35	104.42	99.16	-5.03
Clothing and footwear	2.05	103.05	108.95	5.72
Housing, water, electricity, gas and other fuels	43.62	110.19	112.18	1.81
Furnishings, household equipment and routine household maintenance	3.76	109.95	108.95	-0.90
Health	0.85	102.16	102.17	0.02
Transport	10.62	96.10	104.29	8.52
Communication	5.22	100.45	100.14	-0.31
Recreation and culture	2.33	101.37	99.06	-2.28
Education	8.48	107.44	114.07	6.17
Restaurants and hotels	4.00	103.41	105.39	1.91
Miscellaneous goods and services	5.63	104.37	119.05	14.06

2014 = 100

Figure (1) | Inflation in Consumer Price Index - First Half 2017



Inflation rate in major expenditure groups:

Food and Beverages

Prices of Food and Beverages Group increased by 0.71%. Because of an increase in the prices of Vegetables by 9.91%, Followed by an increase in the prices of Sugar, jam, honey, chocolate, and confectionery by 1.22% and prices of Mineral waters, soft drinks, fruits and vegetables juices increased by 0.35%.

Tobacco

Inflation rate of Tobacco group decreased by 5.03%, due to a decrease in the prices of Tobacco by 9.36%.

Clothing and Footwear

The prices of Clothing and Footwear group increased by 5.72%, due to an increase in the prices of Clothing Materials by 9.38%, in addition, the prices of Garments increased by 8.38% and the prices of Other Articles of Clothing and Clothing Accessories increased by 0.36%.

Housing, Water, Electricity, Gas, and other Fuels

Inflation rate of Housing, Water, Electricity, Gas, and other Fuel group increased by 1.81%. As a result in the increase of the prices of Gas by 9.10%, prices of Liquid Fuels increased by 4.93% and prices of Rents increased by 1.95%.

Furnishings, Household Equipment and Routine Household Maintenance

Inflation rate of Furnishings, Household Equipment and Routine Household Maintenance group decreased to record 0.90%. Because of a decrease in the prices of Household Textiles by 9.80%. Followed by a decrease in the prices of Furniture and Furnishings by 7.78%. Furthermore, the prices of Glassware, Tableware and Household Utensils decreased by 4.77%.

Health

Inflation rate of Health group reached 0.02%. Because of an increase in the prices of Medical services by 7.28%, followed by an increase in the prices of Dental services by 7.22% and the prices of Other Medical products increased by 2.23%.

Transport

Inflation rate of Transport group increased by 8.52%, with the highest increase in the prices of Fuels and lubricants for personal transport equipment by 18.81% after the announcement of the Ministry of Energy regarding deregulation of fuel prices in the UAE since August 2015. In addition to that, prices of Other services in respect of personal transport equipment increased by 12.50% and prices of Spare parts and accessories for personal transport equipment increased by 1.68%.

Communication

Communication group prices decreased to record 0.31%. Because of the decrease in the prices of Telephone and Telefax Equipment by 8.86%.

Recreation and Culture

Inflation rate of Recreation and Culture group decreased by 2.28%. Due to a decrease in the prices of Recording media by 8.38%, followed by the prices of Information Processing Equipment by 7.29% and a decrease by 7.18% in the prices of Equipment for the Reception, Recording and Reproduction of Sound and Pictures.

Education

Inflation rate of Education group has increased by 6.17%, As a result of an increase in the fees of Post-secondary non-tertiary education by 10.26%, followed by Pre-primary and primary education fees by 6.63% and Secondary education fees by 6.35%.

It is worth to mention that the Consumer price index (CPI) - Education Group inflation measures the changes in tuition fees of schools and Post-secondary non-tertiary level, and it is different from cost of education index (ECI). Where (ECI) measures the operating expenses for schools.

Restaurants and Hotels

Inflation rate of Restaurants and Hotels group reached 1.91%, due to an increase in the prices of Restaurants and Cafés by 2.36%.

Miscellaneous Goods and Services

Inflation rate of Miscellaneous Goods and Services group increased by 14.06%. As the prices of Transport Insurance increased by 70.15% after the issuance of the new unified regulation for vehicle insurance policies since January 2017, followed by an increase in Rehabilitation Centers prices by 5.88%. Additionally, the prices of Jewellery, Clocks and Watches increased by 1.34%.